ATOMIC ENERGY AGENCY: The following is the text of the Statement by the Secretary of State for External Affairs, Mr. L.B. Pearson, referring to the Labour Day address by President Eisenhower concerning the peaceful uses of atomic energy:

"Since the end of the Second World War, Canada has directed its effort in the field of atomic energy toward the establishment of means to utilize it for peaceful and humanitarian ends. This has involved not only an active programme of research and development and the production of radio-isotopes, but also participation with her wartime atomic partners, the United Kingdom and the United States, and with the other member countries of the United Nations, in seeking to find means of ensuring that this awesome new force would never again be directed toward destructive purposes.

"The Canadian Government welcomed the proposals put forward by President Eisenhower last December for the establishment of an international agency under the aegis of the United Nations which would foster the growth and spread of the new atomic technology for peaceful use, and has observed with regret the refusal of the Soviet Union to consider them except on conditions which are unacceptable to the countries of the free world. However, Canada like the United States, believes that even in the absence of Soviet participation, an International Atomic Energy Agency along the lines proposed by President Eisenhower can usefully be formed by the nations willing to support its activities. Our country is in a position to make a useful contribution to the work of such an agency and will be glad to do

"As Canada and a number of other countries have already agreed in principle with the proposal to go ahead now with the formation of the international agency, it can now be expected that discussions will enter a new and more definitive phase.

"There is, of course, frequent consultation between the Canadian and United States Governments, both on the political and technical aspects of President Eisenhower's proposals, and on other atomic energy matters of mutual concern. On Thursday of this week, for instance, Mr. W. J. Bennett, the President of Atomic Energy of Canada Limited, will meet with Admiral Lewis L. Strauss, the Chairman of the United States Atomic Energy Commission. They will take advantage of the opportunity to discuss the proposed international agency, as well as other more technical atomic matters."

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STEFANSSON CACHE: A joint Canadian - United States naval expedition now investigating Canada's western Arctic waters, recovered recently equipment believed to have been cached 38 years ago near the northeast tip of Banks Island by famed explorer Vilhjalmur Stefansson.

<u>CANADA'S TIES</u>: The Minister of Labour, Mr. Milton F. Gregg, explained Canada's ties with Great Britain, the Crown, and the Commonwealth before the Convention of the Brotherhood of Railroad Trainmen at Miami Beach, Florida, on Labour Day, September 6.

He said, in part:

"In spite of our intimate ties, as well as the good neighbourliness, many people in the United States still seem to think, quite wrongly, that we are governed from London, England; that we pay taxes to Great Britain, and that our foreign policy is determined by Sir Winston Churchill and Mr. Anthony Eden. It is a fact, of course, that Canada has close ties with Great Britain because of our common membership in a world-wide Commonwealth of Nations. As such, we are linked with peoples of many races and with other continents. But our association in that Commonwealth is not by constitutional instruments or legal forms, but by sentiment, by long and free association, and by a common love of freedom and free institutions.

"Canada is a country which has gained its national independence as fully and truly as any nation in the world. We gained it by evolution from colonial status, not by revolution against it. We do retain our loyalty to the Crown as represented by our Queen and by her representative in Canada, who bears the somewhat misleading title of Governor-General, but who is one of ourselves -- a Canadian. But our continuing ties with the Crown are purely of our own choice.

"The important thing is that our national freedom is completely effective, notwithstanding the fact that it developed slowly, without losing our cherished political and sentimental contacts with an older land which once directed and assisted its growth and which gave that growth depth and stability...."

LABOUR INCOME: Canadian labour income in the first 6 months this year aggregated \$5,... 767,000,000, moderately above last year's \$5,674,000,000. June's total climbed to \$1,-000,000,000 from \$975,000,000 in May and \$981,000,000 a year ago.

On average, the estimated number of paid workers with jobs in the first 6 months of 1954 was about 1% lower than in the same 1953 period, while per capita weekly earnings were more than 2.5% higher. Paid workers with jobs in all branches of the economy numbered 3.976,-000 at mid. June as compared with 4,005,000 a year earlier. Average weekly earnings of the major non-agricultural industries surveyed amounted to \$58.94 at the end of June as compared with \$57.57 last year.

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Ontario plants turn out nearly 98% of the motor vehicles made in Canada, and over 96% of all motor vehicle parts.