

- (2) General co-operation and exchange of observers in connection with exercises and with the development and tests of material of common interest.
- (3) Encouragement of common designs and standards in arms, equipment, organization, methods of training and new developments. As certain United Kingdom standards have long been in use in Canada, no radical change is contemplated or practicable and the application of this principle will be gradual.
- (4) Mutual and reciprocal availability of military, naval and air facilities in each country; this principle to be applied as may be agreed in specific instances. Reciprocally each country will continue to provide, with a minimum of formality, for the transit though its territory and its territorial waters of military aircraft and public vessels of the other country.
- (5) As an underlying principle all co-operative arrangements will be without impairment of the control of either country over all activities in its territory.

While in this, as in many other matters of mutual concern, there is an identity of view and interest between the two countries, the decision of each has been taken independently in continuation of the practice developed since the establishment of the Permanent Joint Board on Defence in 1940. No treaty, executive agreement or contractual obligation has been entered into. Each country will determine the extent of its practical collaboration in respect of each and all of the foregoing principles. Either country may at any time discontinue collaboration on any or all of them. Neither country will take any action inconsistent with the Charter of the United Nations. The Charter remains the corner-stone of the foreign policy of each.

An important element in the decision of each Government to authorize continued collaboration was the conviction on the part of each that in this way their obligations under the Charter of the United Nations for the maintenance of international peace and security could be fulfilled more effectively. Both Governments believe that this decision is a contribution to the stability of the world and to the establishment through the United Nations of an effective system of world wide security. With this in mind each Government has sent a copy of this statement to the Secretary-General of the United Nations for circulation to all its members.

In August 1940 when the creation of the Board was jointly announced by the late President Roosevelt and myself as Prime Minister of Canada, it was stated that the Board "shall commence immediate studies relating to sea, land and air problems including personnel and material. It will consider in the broad sense the defence of the north half of the Western Hemisphere." In discharging this continuing responsibility the Board's work led to the building up of a pattern of close defence co-operation. The principles announced today are in continuance of this co-operation. It has been the task of the Governments to assure that the close security relationship between Canada and the United States in North America will in no way impair but on the contrary will strengthen the co-operation of each country within the broader framework of the United Nations."

### **Main Sources of Problems**

The problems which have confronted the Board during the five years since this statement have arisen from two main sources, the union of Newfoundland with Canada in 1949 and the "cold war." The union with the Old Colony made Canada the successor to the United Kingdom with respect to the leasing of bases in Newfoundland arranged under the Leased Bases Agreement of 1941 between the United States and the United Kingdom. Canada never questioned the binding nature of the agreement, but did desire some modifications to its non-military clauses, particularly those respecting postal, taxation and jurisdictional privileges. After a long series of discussions, the PJBD finally made a recommendation which was accepted by both the United States and Canadian Governments and embodied in an exchange of Notes.