

for the liberation of humanity from the fascist peril.

In connection with your appeal to me, I should like to note that we have no ban on the departure from the U.S.S.R. of Soviet citizens who wish to visit their relatives abroad or to go to live with them permanently. Applications by Soviet citizens to leave the U.S.S.R. are considered by the appropriate Soviet organizations, all circumstances being taken into consideration. At the same time, of course, full account is also taken of humanitarian considerations. You probably know that many positive decisions have already been taken with respect to applications by Soviet citizens to leave for Canada. In future too, the Soviet organizations will, in accordance with the laws of the U.S.S.R., give careful and thorough attention to those applications which they receive.

Moscow, Kremlin

September 21, 1964

With respect,  
N. Khrushchov.

(3)  
Ottawa, November 3, 1964

Dear Mr. Chairman:

As you know, our Embassy in Moscow has, over a period of several years, been making representations on behalf of the many persons in the U.S.S.R. who wish to come to Canada to be reunited with their families in this country.

In June 1962, Mr. Arnold Smith, who was then our Ambassador to the U.S.S.R., made representations to Mr. Kuznetsov, First Deputy Foreign Minister and at the time Acting Foreign Minister, on behalf of a large number of these families, and in November 1962 he made similar representations to Mr. Khrushchov, then Chairman of the Council of Ministers of the U.S.S.R. On July 3 of this year, I wrote to Mr. Khrushchov, in his capacity then as Chairman of the Council of Ministers of the U.S.S.R., appealing to him to expedite the reunification of these families, some of whom have been separated for up to two decades.

In a letter of September 21, Mr. Khrushchov outlined the consideration given to cases of this kind by the Soviet authorities and indicated that the Soviet authorities would continue to give careful and thorough consideration to applications of Soviet citizens wishing to leave for Canada. I was grateful for this constructive response to my appeal.

I now trust that we may, with your help and direction, look forward to a final solution of this long-standing problem in the near future.

Yours sincerely,  
L.B. Pearson.

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### GROSS NATIONAL PRODUCT

The Dominion Bureau of Statistics recently announced that Canada's gross national product had risen to a seasonally-adjusted annual rate of \$46.7 billion in the third quarter of 1964, compared with \$46.1 billion in the preceding period. With prices higher by about one-half of 1 per cent, the greater part of this 1.4 percent advance in the value

of national production represents a gain in the volume of output. The latest GNP estimate brings it above the cyclical low in the early part of 1961 by nearly 30 per cent in value and 22 per cent in volume.

There has been considerable comment in both Canada and the United States on the duration of the current expansion, which has lasted longer than any expansion in the post-war period. The broadness of its base has also been noted, with all the components of final demand over the longer run contributing to the rise in the aggregate and stock-building playing a minor role.

### STIMULI TO EXPANSION

The most important expansionary stimulus in the third quarter came from the consumer sector. Following little change in the second quarter, consumer spending rose at a rate roughly comparable with those of the closing quarter of 1963 and the opening quarter of 1964; expenditure on durables was particularly strong. Spending in the personal sector paralleled the rise in income available for spending. An accelerated rate of stock-building contributed to raising the demand for output. Support also came from the external sector; a further expansion in exports and a falling-off in imports brought receipts and payments on international account virtually into balance. On the other hand, the investment sector acted as a restraining influence; outlays for the two construction components were virtually unchanged and, on the basis of available information, machinery and equipment, appeared appreciably lower. Government operations were essentially neutral, in that the combined government account moved from a small deficit in the second quarter to a small surplus in the third, reflecting continued buoyancy in revenue and some easing in expenditure.

The salient developments on the income side in the third quarter are a distinct pick-up in the rate of increase in labour income and a further slight easing in the high level of corporate profits. Unemployment in the final month of the quarter stood at 4.5 per cent of the labour force after allowance for seasonal factors, a decline from just over 5 per cent at the end of the second quarter.

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### NEW DIPLOMATIC MISSIONS

The Secretary of State for External Affairs, Mr. Paul Martin, announced recently the establishment of diplomatic relations between Canada and Malta, the Republic of Korea and the Hashemite Kingdom of Jordan. Mr. Gordon Gale Crean, who is Canadian Ambassador to Italy, will be concurrently accredited as first Canadian High Commissioner to Malta. Mr. Richard Plant Bower, who is Canadian Ambassador to Japan, has been concurrently accredited as first Canadian Ambassador to the Republic of Korea. Mr. John Ryerson Maybee, who is now Canadian Ambassador to Lebanon, will be concurrently accredited as first Canadian Ambassador to the Hashemite Kingdom of Jordan.

Mr. Martin also announced that Mr. John Harrison Cleveland, who is at present Canadian High Commissioner to Nigeria, has been concurrently accredited as High Commissioner to Sierra Leone and as Ambassador to Dahomey, Niger and Senegal.