Together our northern boundaries account for the major part of the coast line of the Arctic Ocean. We share a deep interest in problems of northern development, transportation and communication across a large land mass, the exploitation of basically similar timber, mineral, agricultural and other resources. As a consequence each has much to gain from drawing upon the other's experience.

In recent years interchanges between our two countries, particularly in the scientific, cultural and technical fields, have increased in a limited but encouraging way. The appearance in Toronto and Montreal only a few weeks ago of the famed Bolshoi Ballet is a pleasant manifestation of this development. Exchanges of delegations and information are continuing in a variety of other fields.

The developments which have been taking place in Canadian-Soviet relations are in large part a reflection of the Soviet Union's emergence into more active participation in the affairs of the world community. It has been in only comparatévely recent times that the Soviet Union has begun to take an active part in many of the agencies of the United Nations, at world conferences in various fields of science and technology and in such international co-operative ventures as the International Geophysical Year. Canada has welcomed this evidence of the Soviet Union's desire to take up some of the heavy obligations which fall to a great world power.

Far East

Turning to a more remote corner of the world, I should like to say something about Indochina, where Canadian civilian and military officers continue to serve on two of the three international commissions which were set up by the Geneva agreements in order to maintain those agreements. I shall begin with Laos where, the committee will recall, the international commission adjourned <u>sine die</u> in July 1958, following the conclusion of political and military agreements between the Laotian Government and the dissident Pathet Lao.

Since the beginning of this year, when it was reported that north Vietnamese troops had crossed into Laotian territory as a result of border disputes, the situation in Laos has attracted some degree of public attention. There have been more recent troubles in Laos caused by the refusal of two battalions of the ex-Pathet Lao to accept terms of integration into the Laotian army, which was provided for by the military agreement reached between the Laotian Government and the former Pathet Lao in November 1957. One of the battalions later accepted integration. The other refused to do so and is now dispersed at the border of northern Vietnam. However, the situation has improved recently and the Laotian Government issued a communique stating that this affair can now be regarded as closed.