

Mr. Howe was appointed Canadian representative on the Combined Production and Resources Board (United Kingdom, United States and Canada) in 1942. He was also a member of the British Supply Council in North America. In May 1946 he was a delegate to the first meeting of the Interim Assembly of the Provisional International Civil Aviation Organization, held in Montreal.

Mr. Howe was appointed a member of the Imperial Privy Council on June 12, 1946.

His funeral was held in Christ Church Cathedral, Montreal, on January 4.

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### IRANIAN ENVOY INSTALLED

On January 4, His Excellency Mahmoud Esfandiary presented to the Governor-General his Letters of Credence as Ambassador Extraordinary and Plenipotentiary of Iran to Canada. The ceremony took place at Government House. The Chief of Protocol, Mr. H.F. Feaver, presented the Ambassador to Governor-General Vanier. Mr. G.P. de T. Glazebrook, Assistant Under-Secretary of State for External Affairs, and Mr. Esmond Butler, Secretary to the Governor-General, were in attendance on the Governor-General on this occasion. The Ambassador was accompanied by the following members of his staff: Mr. Kiouss Bavand, Counsellor; Mr. Shamsedine Gharib, First Secretary; Mr. Djamal Hatam, Second Secretary.

This was the second time Mr. Esfandiary had presented his Letters of Credence to the Governor-General of Canada. In November 1958 he presented to Governor-General Vincent Massey his Letters of Credence as Envoy Extraordinary and Minister Plenipotentiary of Iran to Canada. The recent decision of the Governments of Iran and Canada to raise their respective Legations to Embassies has now necessitated the presentation of Mr. Esfandiary's credentials as Ambassador.

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### INTERNATIONAL ACCOUNTS

There was a sharp contraction in the deficit from international transactions in goods and services between Canada and other countries in the third quarter of 1960. At \$114 million, this was less than a quarter of the size in the previous quarter, only a little more than one-third of the deficit in the same quarter of 1959, and less than in any third quarter since 1955. Contributing to this result was the unusual appearance of a surplus of \$89 million on commodity account, together with some contraction of the deficit from non-merchandise transactions to \$203 million.

In the first three quarters of 1960, the current imbalance was \$894 million compared with \$1,153 million in the same period of 1959. This contraction in deficit was owing to the rise of over \$300 million in merchandise exports overseas. Merchandise imports were

slightly more and there was a further rise in the deficit from non-merchandise transactions to \$764 million that made up over 85 per cent of the total deficit in the three quarters. In comparison with 1958, the deficit on merchandise account this year was about the same, although both exports and imports were substantially higher, but the deficit from non-merchandise transactions was 10 per cent higher.

Contrasting high demands from overseas and reduced demands from the United States were an outstanding feature of the period. At the same time, Canadian demands, as reflected in imports, were again less than in preceding quarters. And there appeared to be no longer the influence of accumulating inventories that had been a factor affecting imports in earlier periods.

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### CANADA SUPPORTS OECD

In a statement in Paris on December 14, 1960, after the signing of the Convention of the Organization for Economic Co-operation and Development, Finance Minister Donald M. Fleming declared that the occasion had "very special significance" for Canadians. "For us the Atlantic has never been a barrier", he continued. "Rather it has been a physical link to Europe, a great highway of commerce and migration for centuries. Today we impart a new significance and strength to the Atlantic bond."

The body of Mr. Fleming's statement follows:

"This ceremony, as the Chancellor of the Exchequer has rightly reminded us, culminates 12 years of fruitful co-operative endeavour in the Organization for European Economic Co-operation. As associate members for the past ten years, Canada and the United States have been privileged to assist in the unique contribution made by the OEEC to the economic recovery of Western Europe.

"Canada has drawn almost all of her people from European sources. They came to our shores in numbers first from France, then from the British Isles, and more recently from other countries on this continent. Our history has been intimately linked with that of the nations gathered here today. The United States is our neighbour with whom we have forged bonds of indissoluble friendship. Among all these 20 nations there are robust political, cultural and historical ties.

"The countries we represent are spread across the two sides of a shrinking planet. Daily we become more inter-dependent. Our economic and commercial relations thus become closer, and our responsibilities in the world community expand. It would be a sad error for any nation to believe that her responsibility to the future could be fully discharged were she to devote herself solely to her own economic development."