

### CANADA-HUNGARY RELATIONS

The establishment of diplomatic relations between Canada and Hungary and the improvement of the consular, financial and trade relations between the two countries were heralded on June 11 by two announcements in the House of Commons. The following statement was made to the House by the Secretary of State for External Affairs, Mr. Paul Martin:

Representatives of the Governments of Canada and the Hungarian People's Republic have held a number of meetings in Ottawa between May 20 and June 9 to discuss problems of common interest in the fields of trade, financial claims, consular matters and diplomatic relations.

In addition to an agreement on trade on which my colleague, the Minister of Trade and Commerce, will be making a statement, we have also agreed to an exchange of diplomatic missions with Hungary as soon as convenient to each party.

#### SETTLEMENT OF CLAIMS

We have reached agreement with the Hungarian Government to negotiate at an early date a settlement of outstanding financial claims between the two countries. I shall shortly be making an announcement of the type of claims which might be eligible for consideration under this agreement. Finally we have reached an understanding with the Hungarian Government on a number of consular matters which will, among other things, clarify the position of Canadian citizens, including those of Hungarian origin, who may wish to travel in Hungary...

The statement by the Minister of Trade and Commerce, Mr. Mitchell Sharp, referred to above was as follows:

The three-year trade agreement signed this morning between Canada and the Hungarian People's Republic is the first such agreement between the two countries in the post-war period.

The agreement is based on an exchange of most-favoured-nation treatment. At the same time, provision is made for a firm commitment on the part of

Hungary to purchase Canadian wheat and other goods to a total value of \$24 million over the period of the agreement. I would draw the attention of the House to the mixed nature of this purchase commitment, which marks a departure from other recent agreements. Since Hungary itself is normally an exporter of wheat, that portion of its commitment involving wheat is to amount to 250,000 metric tons, a somewhat smaller quantity than has been involved in recent purchases by other countries. Hungary has the choice of taking one-half of this amount in the form of feed barley. The remainder of the purchase commitment will be taken up by Hungary in the form of Canadian goods of its choice. These goods are not specified, but it is hoped that, on the basis of past Hungarian interest, new and continuing markets will be opened up for a wide range of Canadian goods.

#### OFFICES TO BE EXCHANGED

In addition, the agreements signed today provide that a Hungarian trade office may be opened in Canada and a Canadian trade office may be opened in Hungary for the purpose of market exploration and trade promotion. Both governments have expressed the wish that through these agreements trade between Canada and Hungary may be expanded on a mutually satisfactory basis.

The establishment of trade relations with Hungary represents yet another step in the development of closer trade links between Canada and the countries of Eastern Europe. In recent years our long-standing trade relations with Poland and Czechoslovakia have been further strengthened through our sales of wheat to these countries. Poland is currently discussing in the GATT the basis of its participation in the "Kennedy round", and Canada has expressed support for this initiative. Our trade agreement with the Soviet Union signed in 1956 has been twice renewed and the first trade agreement between Canada and Bulgaria was concluded last year. I am sure that our new trade agreement with Hungary will make a further valuable contribution to the expansion of Canadian trade.

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### SCIENCE NORTH OF THE TREES

The first copy of a new book about Canada's North, entitled *The Unbelievable Land*, was presented recently to Governor-General Vanier at Government House in Ottawa. The Governor General, who contributed the preface, knows that there are many Norths in the "unbelievable land", for he has been there. Few titles could better convey the spell of the vast spaces that make Canada one of the Arctic powers - a land where the forms of life range from butterflies to bears.

The results of extensive Arctic research have been described in this volume by 29 experts on the North. There are articles on the migration of birds, the building of schools on permafrost, the mapping of the northern wastes, and the charting of Arctic waters, and the mysteries of the *Aurora Borealis*. The Eskimos, too, are discussed, and the archaeology of a region that is still explorers' country.

"These are Canada's top men talking about their work", says Northern Affairs Minister Arthur Laing, "work they think important enough to devote a lifetime to. And it is. For without research - the facts of an arctic environment - development cannot proceed."

The closing chapter is by Gordon Robertson, Commissioner of the Northwest Territories, from 1953 to 1963, who puts in perspective the meaning of such work to Canada. In "The Long Gaze", Mr. Robertson writes: "The Arctic is of importance to Canada above all other nations with the sole exception of the Soviet Union".

It was thought that the book should be prepared by someone who knew something about the north but not so much that he was too close to see it through the outsider's eye. I. Norman Smith, editor of the OTTAWA JOURNAL, was invited to be editor. From 1961-63 Mr. Smith was a member of the Northwest Territories Council.