the three territories, was submitted on June 7. Its supplementary statement, dated August 7, has now been submitted to the Deputies through the Canadian High Commissioner in London, according to a statement released August 9 by the Department of External Affairs. The supplementary statement indicates the manner in which the Canadian Government believes that the principles enunciated in its statement of June 7 should be applied.

In its earlier statement the Canadian Government expressed the view that the former Italian colonies come within the scope of Chapter XI of the United Nations Charter. which deals with dependent territories. Accordingly, in considering the disposal of the former Italian colonies, the interests of the inhabitants must be recognized as paramount. Arrangements for the future administration of the territories should therefore be based on the ascertained condition of each and on the needs and wishes of its inhabitants.

The reports of the Four-Power Commission of Investigation were recently circulated by the Deputies to the signatories of the Peace Treaty with Italy, and it is on a careful study of these reports that the supplementary statement of the Canadian Government has been based.

TERRITORIES' FIRST NEEDS

The Canadian Government has concluded that one of the first needs of the three territories is the continuation of outside assistance. In conformity with its statement of June 7 it therefore supports the application of the international trusteeship system to the former Italian colonies, except where the majority of the inhabitants desire incorporation in a neighbouring state or territory. On the basis of the information now before it, the Canadian Government has arrived at the following provisional views regarding the

disposition to be made of the former Italian colonies

The Canadian Government is disposed to support the designation of Italy as administering authority for the trust territory of Italian Somaliland. It assumes that the terms of the trusteeship agreement for this territory will not preclude the establishment in due course of the closest possible economic, social and cultural relations among territories of East Africa which are inhabited principally by peoples of Somali race.

The Canadian Government is inclined to support the union with Ethiopia of that portion of the highlands of Eritrea in which the majority of the people wish to be included in the Ethiopian Empire. The remainder of the territory would be placed under trusteeship. So far as the control of this area is concerned, Canada is not at present prepared to go beyond expressing support for the designation of the United Kingdom as administering authority. In the trusteeship arrangements for this area the Canadian Government would welcome the inclusion of clauses providing Ethiopia with free ports at Massawa and Assab and exempting Ethiopia from the payment of transit dues on goods moving to and from the free ports across Eritrean territory.

The Canadian Government is not at present prepared to express a firm opinion on whether the former Italian colony of Libya should be established as a single trust territory or whether it should be divided into two separate trust territories of Tripolitania and Cyrenaica. If separatist sentiment in Cyrenaica is considered to be too strong to admit of the inclusion of that territory in a single trust territory of Libya, the Canadian Government would favour the creation of two separate trust territories. In this case Canada would support the choice of the United Kingdom as administering authority for Cyrenaica. Because of the close

ties already existing between Cyrenaica and Tripolitania and because of the desirability of establishing even closer relations between the two territories, the Canadian Government would favour the appointment of the United Kingdom as administering authority in Tripolitania as well as in Cyrenaica.

For the same reasons, if a single trusteeship agreement for the whole of Libya is planned, the Canadian Government is disposed to support the choice of the United Kingdom as the administering authority for the territory. A trusteeship agreement for Libya might contain provisions for the development of autonomous provincial administrations in Tripolitania and Cyrenaica and for the group settlement of Italians in Tripolitania:

Each administering authority chosen by the Four Powers should submit as soon as possible to the General Assembly of the United Nations a draft trusteeship agreement for the approval of that body. Until the Assembly's approval has been given, the Canadian Government assumes that no major change will occur in the administration of any of the territories.

In drafting the terms of the trusteeship agreements, administering authorities should bear in mind the need of various regions for agricultural development by nonindigenous agricultural settlers familiar with modern methods of intensive farming. There exists in Italy a considerable body of displaced agricultural and industrial workers already familiar with living conditions in North Africa and East Africa. The Canadian Government accordingly considers that in areas where foreign agricultural and industrial settlers are needed and where Italian settlers are welcomed by the native inhabitants, facilities should be provided at an early date for the settlement in the areas concerned of former residents of Africa now living in Italy.