

potential and destiny. We have a vision of a Canada in which the yet undeveloped territories of the North will pour forth riches and opportunities which will make possible the fulfilment of its destiny as one of the world's greatest nations.

"In the development of the North there can be no compromise by Canada in the assertion and maintenance of sovereignty. Canadians believe that they must assure that in all co-operative arrangements which are designed to ensure survival in the military sense, Canada's political and economic destiny will not be jeopardized.

"It is axiomatic, however, that one of the prime requisites of national sovereignty is the willingness and ability to defend that sovereignty adequately. It is not unreasonable, therefore, that Canada should enter into arrangements with the United States and the other countries of the Western alliance, the object of which is the assurance of the preservation of national identity.

COST OF DEFENCE

"Another major concern for Canadians is the fantastic cost of modern weapons of war and the impact that defence expenditures make on the national budget. The United States can and must afford to equip her forces with a great variety of weapons to meet a greatly diversified threat. Canada with its relatively small population cannot afford the whole panoply of modern war.

"The problem is intensified by the fact that the area of most active co-operation at present is air defence, and this is the most costly in the terms of weapons and equipment. Canada must, therefore, seek to integrate as effectively as possible the defence production resources of our two countries in a manner to parallel the integration of military effort.

"A further area of difficulty for Canada arises out of the fact that the United States has world-wide commitments and responsibilities, many of which are not shared by Canada. Inevitably, any action by the United States which incurs the possibility of involvement in armed conflict affects Canada by reason of common geography and integrated defence.

"Canada must, of necessity, demand full and fair consultation in all decisions which may have an effect on her which arise from her partnership with the United States.

"It is essential, too, that there must be an equitable sharing of costs in the task of defence production as there is in the co-operative defence ventures.

ECONOMIC RELATIONS

"It is important as well as obvious that the commercial and economic relations between Canada and the United States have a close connection with defence and defence production problems. While the economy of North America cannot bear the burden of defence unless the

economies of both countries are strong and expanding, it would be wrong to assume that the only reason for resolving difficulties in commercial relations is the threat to security.

"The basis of economic and commercial relations between Canada and the United States need not be, and should not be, the communist threat alone. It is, and will continue to be, the policy of the Government of Canada to encourage and develop beneficial economic and commercial relations between our two countries....

"The important point is that the vigour of the representations we make to each other in commercial matters is matched by the determination of both sides to find solutions. A recent example was the decision of the Government of the United States to exempt Canadian oil and petroleum products from the import restrictions imposed since July 1957, which followed protests by the Canadian Government that the restrictions could not be justified. This decision met with universal approval and appreciation in Canada -- a further evidence of understanding and mutual forbearance which is so needful to the maintenance of goodwill and co-operation...."

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GOVERNOR-GENERAL HONOURED

His Excellency, the Governor-General, Mr. Vincent Massey, has been honoured by the Royal Society of Arts in London with the award of the Albert Medal for 1959, "for his distinguished encouragement of the arts and sciences."

The medal will be presented by the Duke of Edinburgh, President of the Society, when he accompanies the Queen to Ottawa.

The Albert Medal was instituted by the Royal Society of Arts in 1864 to commemorate the 18 years' Presidency of the Prince Consort and is awarded annually for distinguished merit in promoting Arts, Manufactures or Commerce. Other Canadian recipients have been Professor Alexander Graham Bell in 1902, and Rt. Hon. Lord Strathcona and Mount Royal in 1912.

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INTERNATIONAL TRADE FAIR

Montreal's third annual International Trade Fair was held from June 5-13, sponsored this year by the Department of Trade and Commerce of the Province of Quebec.

Largely an importers' fair, goods and services were displayed by fifteen countries. The largest exhibitors were France, Italy, Czechoslovakia, Mexico and Belgium. Other countries taking part in the fair were: Great Britain, Hong Kong, India, Israel, Morocco, Singapore, Spain, the United States and West Germany.