

Soviet troops. Hungary will certainly for some time to come be a political and economic liability.

18. Armed intervention in Hungary and its brutality have dealt the international prestige of the USSR a severe blow, though its impact on Asian-Arab opinions has been largely lost because of the diversion of opinion in the East and the Middle East crisis. Its effect on Soviet policies in general will be very great, but it is too early to tell in exactly what direction the Russians will now move.

19. In subsequent papers I shall submit some suggestions as to the policies we might consider in the light of the developments in Hungary. I am also preparing papers on Soviet policy in the satellites in the light of the Hungarian revolt,⁸ and the situation in Poland.

J. L[ÉGER]

13.

PCO

Extrait des conclusions du Cabinet

Extract from Cabinet Conclusions

SECRET

[Ottawa], November 7, 1956

Present

The Prime Minister (Mr. St-Laurent) in the Chair,
 The Minister of National Health and Welfare
 and Acting Secretary of State for External Affairs (Mr. Martin),
 The Minister of Labour (Mr. Gregg), (for afternoon meeting only)
 The Minister of Public Works (Mr. Winters),
 The Minister of Veterans Affairs and Postmaster General (Mr. Lapointe),
 The Minister of Finance (Mr. Harris),
 The Minister of National Defence (Mr. Campney),
 The Leader of the Government in the Senate and Solicitor General (Senator Macdonald),
 The Minister of Citizenship and Immigration (Mr. Pickersgill),
 The Minister of Northern Affairs and National Resources (Mr. Lesage),
 The Minister of Transport (Mr. Marler).
 The Secretary to the Cabinet (Mr. Bryce),
 The Assistant Secretary to the Cabinet (Mr. Martin),
 The Economic Adviser, Privy Council Office (Mr. Lamontagne).

...

RELIEF FOR HUNGARY

22. *Mr. Martin, as Acting Secretary of State for External Affairs*, considered that a substantial effort would be required to relieve, even in a small degree, the distress of the Hungarian population and to make them feel they had not been deserted by their friends in the west. Whether relief supplies would continue to be allowed into the country was uncertain, but large amounts would be needed in any event to sustain the 15,000 or more refugees who had already escaped. A considerable amount of assistance was already reaching Vienna but much more would be needed.

The Canadian Red Cross had so far devoted some \$28,000 for Hungarian relief and it could draw on the \$600,000 remaining in the old European Flood Relief Fund. However, it was not anxious to exhaust this fund since other emergencies would likely arise for which it would be needed. To supplement existing resources, a campaign was being organized by

⁸ Renvoie peut-être au document 25./Possibly refers to Document 25.