

of Commons to questions as to what similar action, if any, Canada intended to take. He submitted and read a draft statement he might make in reply to any such question.

2. The Secretary of State for External Affairs thought that any statement should be in very general terms and merely indicate that the question had been under consideration from time to time. It has been ascertained that President Truman would not appoint General Clark in recess, as was within his constitutional powers, but would wait until the Senate could take action in the matter after Congress was reconvened in January of next year.

3. The Minister of Trade and Commerce felt that it would be sufficient to refer to the statement made last year and to add that there had been no change since then.

4. The Cabinet approved, subject to certain modifications suggested during the discussion, the statement which might be made in reply to any question which might be raised in the House of Commons in respect of Canadian diplomatic representation at the Vatican.

War Veterans' Allowances; relationship to old age security legislation

5. The Prime Minister reported that there appeared some doubt as to the decision reached on October 5th on the position of War Veterans' Allowances in relation to the universal pension after January 1st, 1952. He thought that the consensus of opinion at that time was that no special provision should be included, in respect of War Veterans' Allowances benefits, in the old age security legislation, that the War Veterans' Allowances Act should not be amended during the course of this session and that, as a consequence, after January 1st, 1952, the universal pension would simply be considered as income for the purposes of payments under the War Veterans' Allowances Act.

6. The Cabinet, after discussion, agreed that no action be taken at this time in respect of War Veterans' Allowances and that as a consequence, after January 1st, 1952, the universal pension be considered simply as income for purposes of payments under the War Veterans' Allowances Act.

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