

*The Address—Mr. Pearson*

myself and, therefore, I should like merely to tell him that, in my opinion, this might well have been a legitimate procedure because reparations from Germany were worked out at an international conference at which an overriding agency was set up on reparations to be levied on Germany. These reparations were to be divided by percentages among the eighteen active belligerents. These belligerents were entitled to take their share, and no doubt this was part of Yugoslavia's share, Yugoslavia having been a devastated country.

The hon. member then referred to the question of steel scrap in the Ruhr valley and the many millions of tons which were lying there idle. He believed that steps should be taken to get it out of Germany. Such steps are being taken. I believe the day before he arrived in Germany, early in October, an agreement had been reached between the United Kingdom and the United States by which 500,000 tons of this scrap was to be sent to each of those countries, and 225,000 tons to the other countries. It is hoped that within the present year more than two million tons of this scrap will have left Germany. Indeed, it is hoped some of it will come to Canada.

The hon. member for Vancouver South (Mr. Green) asked if we could state the views of the government on the situation in the Pacific. He believed the House of Commons was entitled to have those views at a time when we were talking so much about the Atlantic. I would remind the house that last year in the discussion on external affairs there was a very complete statement by the then Secretary of State for External Affairs (Mr. St. Laurent). At that time, he dealt with the Pacific, and I hope there will be an opportunity at this session for me to go into greater detail on this subject than at present. I should like to quote one sentence from a statement made last year by our present Prime Minister when he said:

It is also the view of the Canadian government that the immediate menace of communism in the far east should not be met by the restoration of Japan to a position of such power she could once again become a threat to peace.

That remains the policy of the Canadian government.

The hon. member for Vancouver South, not unnaturally, was somewhat perturbed lest the preoccupation of the government with the Atlantic pact might indicate we were not alive to our responsibilities in the Pacific. I can assure him, however, there is no better way of ensuring the security of the Pacific ocean at this particular moment than by working out, between the great democratic powers, a security arrangement the effects of

which will be felt all over the world, including the Pacific area. Our preoccupation at the moment with the North Atlantic alliance does not suggest that the government need do nothing in regard to the Pacific. We are, in fact, actively participating in the far eastern commission. We maintain a diplomatic mission in Tokyo. We took part in the commonwealth discussions in 1947 in Canberra. In various other ways, we are participating in Pacific affairs.

In his remarks the hon. member for Vancouver South referred to newspaper reports which stated that some Pacific bloc was being formed. He wondered why the government had not made any announcement in regard to that situation. I can tell him and the house that, so far as we are concerned, no proposals of that kind have been made to us by any government. We have no knowledge whatever of proposals for a Pacific alliance, nor have we been asked to give our blessing to any such proposals. The statement which he read, and which I have also seen, was a purely speculative one and, so far as we know, had no foundation at all.

To deal with more general subjects now, Mr. Speaker, I should like for a short time to give the house a review—and it can be only a cursory review at this time—of the international position as I see it. Naturally that position still gives cause for much anxiety. However, the situation should be considered, I suggest, without panic but without illusions. There is no doubt that fear has gripped the world again, fear arising primarily out of the extension of the brutal domination of revolutionary communism, based on the massive and expanding militarism of totalitarian Russia.

As yet, though there is still no ground for undue optimism, there has been, I think it is safe to say, an easing of the tension in recent months. Hon. members, and in fact the people throughout this country, will be asking themselves the question, why is that? I suggest, Mr. Speaker, that it is certainly not due to the so-called peace overtures which have recently been made in Moscow, in Rome and in Paris, by communist leaders. To my mind it would, of course, be folly and even worse to reject or discourage any genuine move toward a peaceful solution of the problems that divide the world today between the democratic west and the totalitarian east. In this connection the house, and I am sure the country, will have read with much interest the answers given recently by the head of the soviet government to certain questions asked him by a United States newspaper correspondent. I suggest that we should be careful, in our reaction to these answers, not to