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MR. MOLLET VISITS CANADA

Prime Minister Guy Mollet of France was honoured in Ottawa, Quebec City, and Montreal during an official visit to Canada March 2-5. In Ottawa he addressed the Members of the Senate and Members of the House of Commons in the House of Commons Chamber.

The text of Mr. Mollet's address was as follows:

"Mr. Prime Minister, the words, which you have addressed with so much sincerity and sympathy, to my country, have touched me profoundly and they will go right to the heart of the French people. You have expressed in these words, on such an elevated plane of thought, the significance of my visit here and the nature of the relations, so intimate and direct, which have never ceased to exist between France and Canada since the beginning of your country's history. For all this I should like to offer my warmest thanks, and also for the remarks, so full of friendship, which you have devoted to me personally. No token of esteem could be more precious to me.

"Mr. Speaker, Members of the Houses of Parliament, it is a very great honour for me to be able to transmit, today, to the Honourable members of the Parliament of Canada the message of warm friendship which my country has asked me to deliver. I should like to do it at this time with all my heart and all my conviction. During these much too brief days which I have spent in your country, I have felt, profoundly, the rare quality of the Franco-Canadian friendship, the strength of

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the bonds between us tightened by the battles we have fought side by side during two world wars. In the invitation which you addressed to me I saw a new manifestation of this friendship and I was proud to accept.

"In recalling some of the great tasks undertaken by France, Mr. St. Laurent himself prompted me to tell you, in a few words, something of the achievements of French policy, something of our worries and concerns which, I know, are often much the same as your own.

"To achieve the unification of Europe is one of our main objectives. I have striven to establish it upon a solid Franco-German entente, and I have felt a similar determination in Chancellor Adenauer and in the German Government. We were thus able to reach an equitable solution of the problems which had long made relations so difficult between our two countries. Today Franco-German rivalry no longer exists; there is instead a confident co-operation which permits the establishment of ever closer ties.

"With the way thus open to a needed European Union, we have been able to make decisive progress in the economic integration of the Continent, in bringing to successful conclusion the treaties which will establish the European Atomic Community--EURATOM--and the Common European Market. Their signing will take place within a few weeks.

"By EURATOM, the six countries of the European Continent will pool their atomic destinies. Their atomic industry, the expan-

(Over)

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sion of which is already very promising, will be founded immediately on a European basis and may look forward to launching programmes on a scale to which none of them, by itself, could have aspired. As for the Common European Market, it is designed to abolish customs barriers, harmonize social legislation and coordinate economic policies in a way that will constitute a vast market of 160 million consumers where the wealth, the merchandise and the people will circulate freely.

EUROPEAN UNION

"You can well imagine that the drawing up of these treaties, which will bind the future of our countries for generations, has been particularly delicate. I am not unaware that your country has expressed certain reservations about some of the clauses of the Treaty of the Common Market. This would not be the place to discuss the details. But the point I should like to stress in particular is that, within a few months, a living and ever developing and expanding reality will have been created, the European Economic Community, the presence of which will profoundly modify present basic conditions. The prospects of commercial exchanges with a united Europe, in full development, will be radically different from those with our isolated countries and, no doubt, will be greatly expanded. So I beg you to have confidence in the dynamism of the new organizations, so that in its very working and operation, the imperfections you criticize may be corrected.

"Europe is the only way for the countries of that continent to recover true independence. It is the only way to guarantee a solid and enduring Atlantic Alliance. The relations between the European and American continents can then develop on the basis of true equality. There is nothing durable in the world, when it is not founded on equality and on free co-operation.

"Beyond the iron curtain, the union of the European peoples will also be a symbol of hope for all men, living under oppression, who have not lost their will to liberty.

"Two weeks ago, six European prime ministers met in Paris, on the invitation of France, to take a major decision, that of associating with Europe the African territories today linked with Belgium and France.

"As soon as it was formed, the European Community decided to play the card of Africa. The industrial power of the whole of Europe will be mobilized to assure the technical equipment and social progress of Africa. I shall not hide that this historic step is largely due to the tenacious insistence of France.

"The decision which I have just recalled is in line with the new policy that my Government is applying in Africa--a policy which is, I fear, too little known outside my own country. Will you permit me to outline it briefly?

"We are making almost revolutionary transformations in our overseas territories. The peoples are receiving the right to manage their own affairs democratically within the framework of union with France, to which they have freely consented. On March 31st next, this very month, single college elections will permit the populations of all French Africa to choose their own representatives--in full liberty--in the territorial assemblies which will appoint, in turn, the ministers in charge of administering the territories.

"Similar reforms recently led to the creation of the autonomous Republic of Togo, and long discussions in the United Nations on this question have revealed their work and their democratic nature.

"France has refused to make a 'closed preserve' of the African territories. That is why she has opened their doors to Europe, which will give them their greatest chance. Over the next five years, the European effort in aid of Africa will exceed five hundred million dollars, addition to a French effort which will, no doubt, exceed two billion dollars.

"These figures speak for themselves. They show our resolve to apply in Africa the only possible remedy to those accomplices, blind nationalism and communism; to build a Eurafrikan group, a vast union of free peoples, efficiently helping one another, to their mutual benefit and their common prosperity.

ATLANTIC ALLIANCE

"I reminded you a little earlier that a European union would guarantee the consolidation of the Atlantic Alliance. This consideration weighed heavily in our decision to construct Europe. The Atlantic Alliance is one of the corner-stones of French policy, as it is of the policy of Canada. I should like here to pay homage to the eminent role that the Secretary of State for External Affairs of Canada, Mr. Lester B. Pearson, has not ceased to play in all the work of the Atlantic organization.

"Besides its important contribution to the defence of the American Continent, your country--and it is not one of the lesser reasons for our gratitude--has accepted to take an active part in the defence of the European Continent. To help balance the enormous mass of Soviet divisions, Canada, like the United States and Great Britain, has stationed a part of her armed forces on the European peninsula. The presence of your soldiers on our soil imposes a sacrifice upon you for which I wish to thank you in the name of France. It is of exceptional importance to us.

"In fact, in 1914, as in 1939, if there had been some thousands of British, American and Canadian soldiers in Europe, neither William II nor Hitler would have gone to war. They would have known that, from the very first moment, an immense coalition would be raised against them. Today, because of the physical

WORLD CENSUS: The Population Commission, a functional commission of the United Nations Economic and Social Council, held its 9th session in New York from February 25 to March 8, 1957.

Canada, which commenced a third term on the Commission on January 1, 1957, was represented by a delegation composed as follows: Delegate: Mr. J.T. Marshall, Assistant Dominion Statistician, and at present Chairman of the Population Commission, Alternate Delegate: Dr. O.A. Lemieux, Director, Census Division, Dominion Bureau of Statistics, Adviser: Mr. A.B. McMorran, Director, Special Surveys Division, Dominion Bureau of Statistics.

Among the main items on the agenda was the 1960-61 world population census programme, in which Canada is actively interested.

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NORTHERN SOILS: Exploratory soil surveys in the Yukon and Northwest Territories have been conducted intermittently by the Canada Department of Agriculture since 1943. The object has been to ascertain what kinds of soil occur in the north, their suitability for agriculture and the delineation of areas which merited further investigation. Some of the more promising areas have been surveyed on a broad reconnaissance basis, reports John Day, Soils and Agricultural Engineering division, Central Experimental Farm, Ottawa.

The kinds of soil occurring in the north belong to many soil groups, and generally soil development is in the earlier stages because the soil parent materials are young and the cool dry summer climate retards the rate of development. The alluvial, brown wooded, brown podzolic, gray wooded, tundra, organic and meadow groups are represented. Permafrost prevails in soils where the mean annual temperature is lower than 23 degrees F. Only a small percentage of northern Canada has been visited by soil surveyors, and of course, a large part (mainly the Canadian Shield and Tundra regions) may never be surveyed. The most promising areas appear to be the larger valleys of the southern Yukon, the Slave and Liard river valleys and the southern portion of the Mackenzie river valley. Agricultural development is limited mostly to gardening. Market garden crops are successfully grown in many locations and are an important item in the local economy. Most of these crops are grown on the alluvial and brown wooded soils.

Transportation is the greatest obstacle to the exploratory soil survey programme. Roads serve some of the more promising areas in the Yukon, but in the Northwest Territories, roads are virtually absent and the rivers and streams are the only routes of surveying. The Soil Survey Section of the Alberta Research Council has embarked on a huge programme of exploratory surveying and use of the helicopter has greatly accelerated the field work at a cost, on the acre basis, less than that incurred by methods of travel usually employed.

ADVANCES REPAID: All advances made by Northern Ontario Pipe Line Crown Corporation to Trans-Canada Pipe Lines Limited to finance the construction of the western section of the all-Canadian natural gas pipe line have been repaid, the Right Hon. C.D. Howe, Minister of Trade and Commerce has announced.

In making this statement, Mr. Howe pointed out that, although under provisions of the Northern Ontario Pipe Line Crown Corporation Act the Corporation had been authorized to make loans to Trans-Canada of 90 per cent of the cost of construction of the western section, or \$80,000,000, whichever is the lesser, the actual advances made pursuant to the Indenture of Mortgage dated June 7, 1956, amount to \$49,750,000. The amount repaid to the Corporation is \$50,716,603.03, made up as follows:

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|---|------------------------|
| Advances | \$49,750,000.00 |
| Interest at 5 per cent on advances | 880,071.40 |
| Costs of the Crown Corporation relating to the advances | 86,531.63 |
| Total | \$50,716,603.03 |

The Northern Ontario Pipe Line Crown Corporation, in addition to administering the loan to Trans-Canada Pipe Lines Limited to finance the western section, is responsible for the construction of the Northern Ontario section of the pipe line, which will extend approximately 675 miles from the Manitoba-Ontario border to the vicinity of Kapuskasing.

* * * *

SEED POTATOES: Canada has been supplying fairly large quantities of certified seed potatoes to Jamaica for the past 20 years. In 1955-56 almost 40,000 bushels were supplied mostly of the Sebago variety. The Jamaican Government supplies certified seed to their growers at a nominal price and in order to prevent such subsidized potatoes from being used as table stock, all seed potatoes must be suitably marked. The marking is done by applying a blue vegetable dye to the tubers when they are being packed. All shipments to Jamaica are packed in crates containing 110 pounds.

As an indication of the high quality of Canadian seed in use in Jamaica, Foreign Trade, a publication of the Department of Trade and Commerce reported in the December 8, 1956 issue that the Sebago seed gave an average yield of at least 9 to 1. Prior to the introduction of Canadian Sebago seed the yield varied around 6 to 1.

Plans are being made to import 13,000 cases of Sebago seed from Canada next year and 3,000 cases of Arran Consul from Scotland. Because the local crop does not meet the Islands total requirements, 1,200 tons of table potatoes will be allowed in from all countries when domestic stocks are used up in November.

(Over)

FOREIGN CAPITAL INFLOW: Canada imported \$763 million of foreign capital through transactions in portfolio securities in the year 1956. This tremendous figure compares with a capital export of \$50 million in 1955 and is considerably more than twice as large as the previous record net inflow established in the exceptional circumstances of 1950. Transactions in portfolio securities were a dominating feature of the international capital account in 1956, as the balance from these transactions exceeded for the first time since 1950 the net inflow for direct investment in foreign controlled enterprises.

According to the Dominion Bureau of Statistics, the inflow was in part in response to the impact on Canadian capital markets of the heavy financing demands arising from the unprecedented volume of capital investment carried out in Canada during 1956. The physical aspect of the demand pressures was felt in the record deficit on account of exchanges of goods and services between Canada and other countries which the sale of securities abroad helped to finance.

A striking development in 1956 was the increased flow of portfolio investment capital from overseas countries to Canada. While the inflows were intensified with the growing international tension in the latter part of the year, the trend was unmistakable before the occurrence of political disturbances. The net inflow in the first half of 1956 was \$76 million, and in the second half it rose to \$169 million. The net movement from overseas countries reached \$245 million for the year as a whole compared with \$33 million in 1955 and with the previous post-war record of \$48 million in 1954. This change was influenced to a very limited extent by the absence in 1956 of major financing in the Canadian market by non-residents. But for the most part it reflected sharp growth in sales of outstanding Canadian securities both to the United Kingdom and to other overseas countries.

Notwithstanding the sharp increase in the portfolio capital movement from overseas, the United States was by far the most important source of external capital of this type. The net movement from that country amounted to \$518 million in 1956, in contrast to an outflow of \$83 million recorded in 1955. The earlier post-war record for the net capital movement from the United States for all security transactions was \$382 million in 1950.

For five successive quarters from the second quarter of 1955 the movement towards increased inflows of capital from portfolio security transactions was evident. In the second quarter of 1955 there had been a net outflow of \$51 million. In the third quarter of 1956 the inflow reached a peak of \$254 million which was only \$50 million below the massive inflow in the third quarter of 1950; it will be recalled, however, that the earlier

movement was related to exchange rate consideration and was not part of a sustained inflow of that order of magnitude. The movement in the final quarter of 1956 fell to \$214 million, mainly due to outflows to the United States from trade in outstanding Canadian securities and to some reduction in the rate of inflow from the United Kingdom.

The proceeds of new issues of Canadian securities sold abroad set a new record of \$681 million in 1956. Over the last half of the year new issues were sold to non-residents at an annual rate of \$800 million. The total for the year compared with \$166 million in 1955 and with the previous record of \$411 million established in 1951 which was also a period of strong demand in the Canadian capital market. Provincial governments, municipalities and corporations were all substantial borrowers abroad during the year. Residents of the United States bought nearly 90 per cent of the new issues sold to non-residents compared with somewhat more than 75 per cent of the smaller total in 1955. But at the same time there was a significant increase in the amount of new issues sold to European investors. Nearly 90 per cent of the new bonds and debentures sold to non-residents were payable solely or optionally in foreign currencies.

Retirements of foreign-held Canadian securities amounted during 1956 to \$140 million. This repatriation was lower than for any other post-war year except 1948 and 1952. A very substantial part of foreign-owned holdings retired during 1956, more than 95 per cent, were held by residents of the United States. Between 80 and 85 per cent of the bonds and debentures retired were payable optionally or solely in foreign currencies.

The value of securities traded internationally in 1956 rose slightly over 1955 to set a new record of nearly \$2,400 million compared with about \$2,300 in the preceding year. The net inflow of \$236 million is in marked contrast to the outflow of \$1 million recorded in 1955. Trade in outstanding issues in 1956 was dominated by the sale to non-residents of Canadian and preference stocks. The net sales balance for the year totalled \$196 million, reflecting an increase of nearly one-third over 1955, and setting a new record for the third successive year. Compared to the significant inflow for equity portfolio investment in Canada, the trade in outstanding Canadian bonds, debentures and other securities led to a net inflow of only \$12 million. Transactions in outstanding foreign securities led to a net capital inflow of \$28 million during 1956 compared with \$16 million in 1955.

In December there were net purchases from non-residents of \$8.6 million outstanding securities, bringing to a close the succession of sales balances or capital imports from trade in outstanding issues which extended for 15 months from September 1955.

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(Continued from P. 2)

presence of your soldiers, and the British and American soldiers, the Soviet Union cannot have the slightest doubt about the consequences to herself of any aggression. The presence of these soldiers is a type of 'deterrent' policy of the Atlantic pact.

"The Atlantic Alliance seems to me even more important today than it was eight years ago at the moment of its creation. Also, it imposes, perhaps more than ever, a perfect entente among the allied nations on the strategic and tactical planes. It is necessary that these decisions be taken in common when it comes to effectives and armaments, and if technical developments raise new problems in this domain, they must be resolved in common. I insist upon solemnly recalling these requirements before you.

ALGERIAN PROBLEM

"I shall say a few words to you now on a purely French problem but which is such a grave one for us that I want to tell you about it personally. It has to do with Algeria. Your Government in the course of the debate in the United Nations has accorded us the loyal and unflinching support which we have asked of it, and I should like to express to it here the thanks of France.

"The Algerian problem, unhappily, is too little known outside of France. In completely good faith, many of our friends think that our policy is nothing more than a manifestation of obsolete colonialism. I shall speak to you quite frankly and quite directly. In my eyes, what is most essential in the Algerian affair is not to maintain the links between Algeria and France. That is far too much in the interests of Algeria to be seriously questioned. The aid which France has given to Algeria since the Second World War, to cite only one figure, represents twice the sum of all the moneys France herself received under the Marshall Plan.

"The fundamental element in the Algerian problem is the presence in the country of two groups, each distinct from the other, both important and each indispensable to the life of the other--1,200,000 Algerians of European origin on one side and eight million Moslems on the other.

"The Algerians of European origin began to settle there in 1830. They have their families in Algeria and they have their dead. Algeria is their country--their patrie--and, for the most part, it is their toil which has developed its resources. They feel like pioneers, and that is what they are. It is not acceptable that they be oppressed or chased out today by the mass of the Moslems, any more than it is acceptable that they profit by temporary economic advantages to oppress the Moslems. The key to the Algerian problem is to obtain,

at one and the same time, full equality of rights for all the inhabitants of Algeria--economic as well as political rights--and the co-existence of the group of European origin and of Moslem origin, without either being able to oppress the other. The first step toward any settlement is that violence cease. Also, France has proposed a 'cease-fire' without any political 'strings'. To settle the general conditions, the French Government is ready to make direct and official contact with those who are fighting.

"Within three months of a return to peace free, single college elections will be organized. Each will be able to vote according to his conscience. We invite the democratic nations to send their representatives to Algeria so they may observe the proper procedure of the vote.

"It is with these elected representatives of Algeria, whatever their political opinions, that we would discuss the future organization of Algeria. It will result in the agreement of all the interested parties, that is to say, the populations of Algeria and the population of France.

"This is the content of the French programme for Algeria. You will agree with me that it conforms to the principles of democracy. The play is now to our adversaries. We offer them a cease-fire. Are they ready to renounce violence? We propose free elections, held under the eyes of representatives of the democratic countries, and immediate discussion with the elected representatives of the Algerian populations. Why have they refused up to now? France is not discouraged. She will multiply, tirelessly, the efforts to convince all the inhabitants of Algeria of her will to peace and justice.

MIDDLE EAST

"You may be surprised that I have not taken advantage of this political survey to say a few words to you about another problem, namely the situation in the Middle East. Whatever may have been our disagreements at one moment, I must underline the positive character and the extreme usefulness of the initiatives taken by the Canadian Government, how its interventions, always animated by the most friendly spirit, have often been decisive.

"An important step has been taken in the Middle East, towards the restoration of an enduring peace, founded on justice and respect for international law, which is the common aim of our countries. France has not been a stranger to the agreements which have been made, and I have the right to say that she has considerably aided in their conclusion.

"The retreat of Israel from Gaza and the straits of Sharm-el-Shaik does not constitute an end. The intervention of the United Nations Emergency Force makes it possible to avoid a return, pure and simple, to the original situation. It is indispensable that we profit by

its presence to conclude a general peace settlement. A partial or provisional settlement in the Middle East will always be a bad solution. Our peoples will not permit us to allow the situation to deteriorate again as it did in the past eight years when, under the cover of an armistice, the disorders were perpetuated and a state of masked warfare was finally established while, at the same time, the resolutions passed by the United Nations were constantly being violated.

"We must attack the basic causes of the tensions in the Middle East. I should like to enumerate for you some of those which seem to me to be the principal ones. Some of them are 'geographic' and others are purely 'political'.

CAUSES OF TENSIONS

"The first of the 'geographic' causes is the frontiers of Israel and, in fact, the existence of the state of Israel itself. The conclusion of a peace treaty between Israel and her Arab neighbours, fixing her frontiers and guaranteeing the integrity of her territory, is an absolute necessity. I am very happy that the representatives of the great countries expressed their determination in the General Assembly of the United Nations that this treaty will be interposed as soon as possible. I am happy that the big nations have declared their insistence that free passage of ships in the international waters of the Gulf of Aqaba shall be respected.

"The Suez Canal is also one of the 'geographic' causes of tension. Its sabotage by Egypt without any military motive to justify it, and the blackmail exercised since then over the pace of clearing and opening the Canal, shows the little confidence merited by the Government of Egypt. As was stipulated before Security Council, the Suez Canal must be 'withdrawn from the political policies of every country' and, in particular, from that of Egypt. The economic equilibrium of Europe and the countries of South-East Asia cannot depend solely on the good will of a commonplace Egyptian dictator.

"Still more vital are the causes which I have called 'political', and it is upon the attitude which will be taken about them, that will depend the definite settlement of other problems. I am speaking of the pan-Arab manoeuvres of Egypt and the Soviet infiltration of the Middle East.

"The pan-Arab dreams of Colonel Nasser are defined with brutal clarity in his book, 'The Philosophy of Revolution'. He himself has declared his determination to organize around a 'hero'--that is the way in which he speaks of himself--a united Arab world 'from the Atlantic to the Persian Gulf', in order to achieve it, to utilize as a means of pressure on the West, the oil of the Middle East and the geographic position of his own country--that is to say, the Suez Canal. We now know that they were not idle threats.

"To denounce pan-Arabism does not signify an attack on the Arab world. Pan-Arabism is not the expression of a people's national feeling. It is, as pan-Germanism and pan-Slavism have been in the past, a myth in whose name a people's independence is attacked.

"It is the duty of the free nations to oppose a united front to the subversive actions of pan-Arabism, to see that provocation does not pay, and that there can be no transactions whatsoever which do not respect international obligations. Such an attitude is even more necessary since pan-Arabism is the best vehicle for communist infiltration. Faithful to Lenin's directives, the Soviet leaders are systematically supporting ultra nationalism. Cairo and Damascus, the sources of pan-Arabism, have thus become the strongest bridge-heads of the U.S.S.R.

"From this point of view the declaration of President Eisenhower assumes great importance. The Soviet Union has been, in the past, attentive to such warnings. I shall add that any split in the united front of the free nations, in the Middle East will be exploited by the Soviet Union. It is therefore our duty to put into effect in this part of the world a concerted, long-range policy.

"That is what I have expressed to the Canadian Government, as to the president of the United States, and I believe--let me say I am sure--that my visits will have favoured the first steps.

"The problems of which I have been speaking to you have been, as you may imagine, the object of thorough discussions with the Prime Minister of Canada. I was pleased to note the large area of agreement between us. I am certain that in these next weeks France and Canada will find themselves side by side in the international meetings, in common defence of the same causes and in seeking solutions in harmony with law and justice.

"Mr. Speaker, Mr. Prime Minister, Members of the Houses of Parliament. In a few hours my friend Mr. Pineau, our assistants and myself will be leaving your magnificent country. The memory of the hours we have spent in it, the memory of the simplicity and fraternal warmth of your welcome, will remain with us. I shall take testimony of it to the French people. I shall tell them that, in dark days and fair, they can rely on the friendship and the support of this great people in full expansion.

"To you, also, I should like to say that you may rely on the French people, and on the youth of France. By their labour they have overcome the destruction of the war, they are confident in the future of their country, they are ready to face the challenging tasks which lie before them--the construction of Europe, the development of the Sahara, the building of Eurafrica. Yes, at your side, in all just and generous undertakings, you will always find 'la France éternelle'."

ISRAELI INTENTION TO WITHDRAW

The following is the text of a statement made by Mr. L.B. Pearson, Secretary of State for External Affairs, in the United Nations General Assembly March 4, 1957:

Our meeting last Friday, and the statement from the delegate of Israel which we have heard this afternoon, mark, I hope, the turning point in the crisis which has been facing this Assembly for many weeks. The dangers and the risks which were inherent in the continued occupation of non-Israeli territory by the armed forces of Israel should now disappear, provided the Israeli withdrawal is followed by appropriate United Nations action. It was in the full recognition of these dangers that Canada joined others in this Assembly in efforts to bring about complete withdrawal of Israel from those areas, but in circumstances that would avoid, and not provide the seeds for, future conflict. We warmly welcome Israel's decision as a right and wise one, and as showing a sense of international responsibility. We feel that certain assumptions and expectations that Israel has mentioned in connection with the completion of her withdrawal are reasonable ones, as we understand them.

As the Assembly is aware, my Delegation, like many others, has made its own assumptions in speaking about arrangements which we believe should follow immediately upon, not before but immediately upon, withdrawal. We did not, and we do not now, regard these arrangements as conditions governing or prior to the withdrawal. We felt, however, that it was important to come to some prior understanding about them so that immediately after withdrawal they might be put into force and thereby help to create conditions in the area concerned which would prevent a return to the deplorable conditions which existed before the armed intervention of October 29, and which themselves were largely responsible for that action. Every member of the Assembly, including Israel, has a right to assume that the UN will take some positive, fair and constructive action to this end. Our own view on the necessity for such action has been given in the statement I made in the Assembly on February 26 and on earlier occasions, so I can be brief this afternoon.

Concerning the Gulf of Aqaba and the straits of Tiran, I suggested that there should be no interference with innocent passage through those waters, nor the assertion of any claim to belligerent rights there. I was not suggesting, and I am not now, that legal rights in those waters should be determined by this Assembly in any particular way, or that this determination which should be made by a legal body should be prejudiced by us. I do not conceive it to be the function of this Assembly to decide legal questions. What I do suggest, however, is that in order

to maintain a situation of peace and quiet, in order to minimize the chance of a new outbreak of fighting, the Assembly should recommend, and the parties should agree, as a political and not a legal act, that there should be no interference with the innocent passage of ships through the waters concerned. And that would be one way to bring about an improved situation in the area. Does any member of this Assembly believe that interference with such innocent passage will not provoke conflict and, thereby threaten the peace of the area? Is it not, then, our duty to do what we can to avoid such a result? If so, we do not, in my view, discharge that duty merely by coming to certain conclusions regarding the international legal aspects of the question which remain to be determined.

So far as the use of the United Nations Emergency Force in the Gulf of Aqaba area is concerned, I believe it is common ground in this Assembly that UNEF should, immediately after the withdrawal of Israeli armed forces, move into the area to secure and supervise the cease-fire and withdrawal. This does not mean that in our view UNEF would occupy Sharm-el-Shaikh indefinitely, nor even until there had been some formal agreement or decision about navigation in the Gulf and in the Straits. But it does mean as we see it that upon the withdrawal of Israeli forces, there would be such arrangements for the deployment of UNEF at that point and for the time being as may be necessary to maintain the cease-fire situation. We also agree that before any withdrawal of UNEF from this position, the question should be referred to the Advisory Committee on UNEF which after all is an agent of the Assembly. What I am talking about is again the maintenance of peaceful conditions, not the solution of controversial questions, legal or political.

And there are similar considerations which govern our own attitude toward the situation in the Gaza strip. We agree that arrangements for the withdrawal of Israel should be made between the Commander of UNEF and the Chief of Staff of the Israeli armed forces. And for that purpose, we welcome the announcement that a meeting between these officers has already been held. We also agree with the Secretary-General, and with other delegations, that in view of the special problems and complexities of the Gaza area and of the long-standing major responsibilities of the UN there for the assistance of Arab refugees, that special and helpful arrangements could be made, involving the UN and some of its subsidiary bodies, to facilitate an effective replacement of the present administration in the Gaza strip.

What we are suggesting now (and we assume that these things can and will be done on Israel's withdrawal without prejudging or pre-

judicing any legal position of Egypt under the Armistice Agreement which we admit that she has there) is first that UNEF should move into the Gaza strip immediately upon the withdrawal of Israel's armed forces; and, secondly, that the UN should take immediate steps to associate itself with the replacement of the civil administration there, although obviously this replacement would have to be done by agreement and would have to be planned to avoid any breakdown in the administrative services which now exist.

Why should there be any suspicion about the UN taking its full share of responsibility for security and stability and development in the Gaza strip? Surely no sincere or unprejudiced person is going to allege that UNEF, with its present composition and authority, is an agent, or could become an agent of colonialism or imperialism. Nor could the United Nations Relief and Works Agency or any other UN Agency in the area. UN action of this kind is a reward for nobody, but it means, I hope, greater assurance for everybody that there will be security and stability there.

We think, Mr. President, that these ideas, which have been covered by previous resolutions of the Assembly or have been suggested in reports of the Secretary-General, should immediately on the withdrawal of Israeli forces, be converted into concrete arrangements, and that the Secretary-General should take steps to that end with our full support and, if later he requires it, with our endorsement. It was the view of my Delegation that the Secretary-General should be requested to do these things by a resolution of this Assembly. It is the view of others that he has the necessary authority under existing resolutions and reports. We accept that view and agree that if there is good will and a desire to make firm and constructive arrangements on all sides, no difficulty will arise. We have, however, as we see it, an obligation not so much to Israel but to ourselves as members of the UN, to see that, immediately after withdrawal, some action is taken along the lines indicated by the delegate of the United States last Friday, and by many other delegations today. If other delegations agree, as many have already agreed, that this should be done then this should give us the necessary assurance that not only has the UN succeeded in bringing about a cease-fire and a withdrawal of forces, but that it will also take constructive and effective action to avoid a resumption of hostilities.

Only in this way, I suggest, can we create the kind of atmosphere with which there can be no progress in the direction of that peace which we so much desire.

Mr. President, we have made progress in the last few days to this objective. Perhaps in a day or two we may have even greater reason for hope if the Secretary-General could report to us on the completion of the withdrawal of Israeli forces and on related matters.

We have then made progress - encouraging progress - in the solution of this problem. But much remains to be done, and goodwill and understanding will have to be shown by all of us before we can be confident that a final result will be achieved and will bring peace and security to this troubled part of the world.

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POSTAGE STAMPS: A special set of postage stamps emphasizing the recreational activities that may be enjoyed in Canada was issued for sale to the Canadian public on March 7.

Four stamps were issued in this set, all blue in colour, and of five cent denomination. One stamp illustrates a skier, another fisherman, another a swimmer and a fourth a hunter. These four major vacation activities are being illustrated on postage stamps to further the knowledge that Canada offers a variety of recreational fare to those who travel for pleasure.

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FLIGHT TRIALS: Four naval aircraft left Canada early this month on the first trans-Atlantic flight ever carried out by the Royal Canadian Navy.

The aircraft, two Banshee jet fighters and two Tracker anti-submarine aircraft, were flown to the United Kingdom for flight trials with the new Canadian aircraft carrier Bonaventure. They made the trans-ocean trip with a Royal Canadian Air Force flight of Sabre Six jet aircraft going overseas for service with NATO forces in Europe.

In addition to the naval aircraft and their pilots and co-pilots, a ground crew of nearly 20 naval personnel made the flight in a RCAF North Star, assisting in refuelling and maintenance en route.

At the beginning of April, the Banshees and Trackers will start flight trials in the Bonaventure, flying out from a naval air station to join the carrier.