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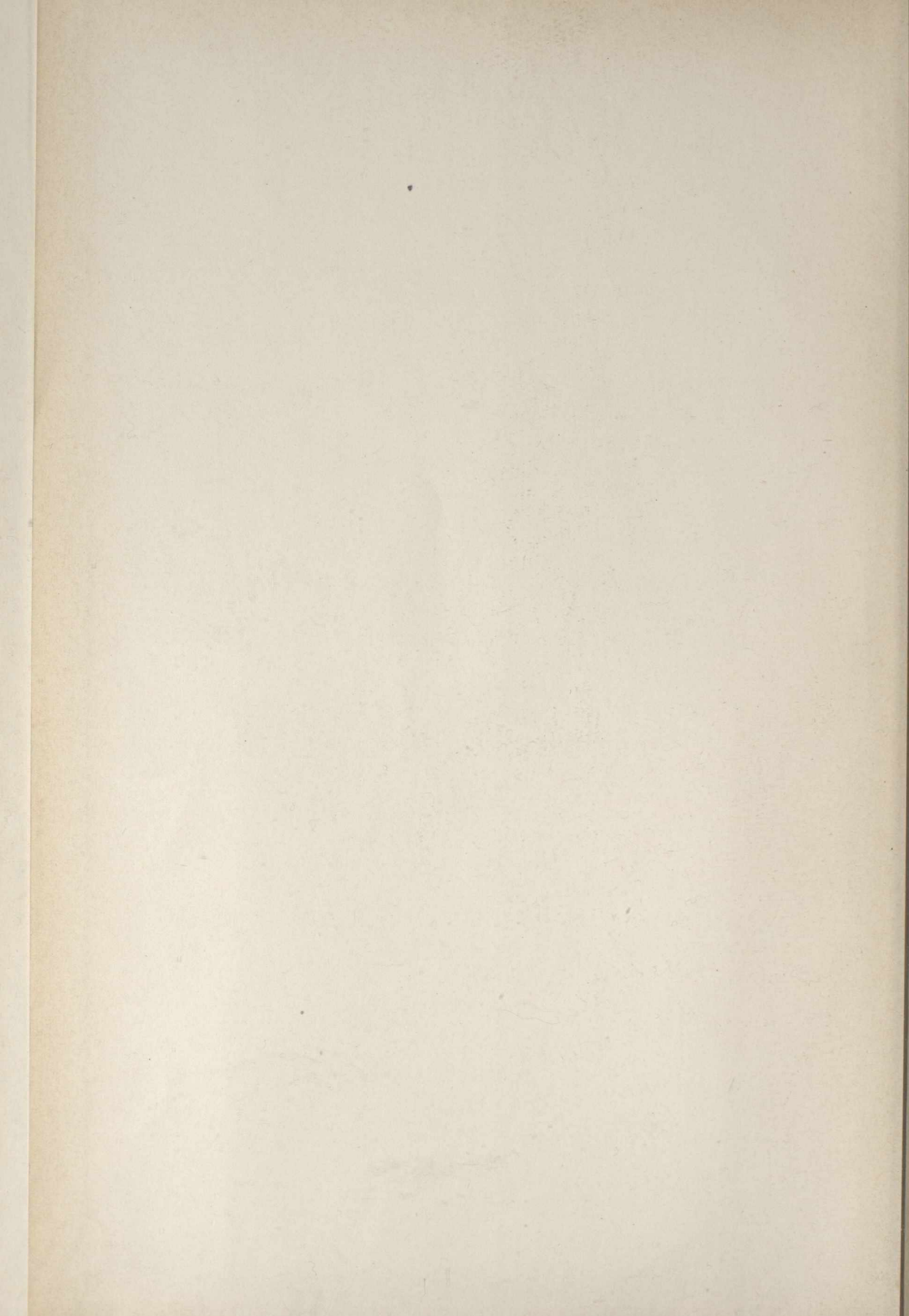
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HOUSE OF COMMONS

First Session—Twenty-fourth Parliament

1958

STANDING COMMITTEE

ON

EXTERNAL AFFAIRS

Chairman: H. O. WHITE, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 1

THURSDAY, JUNE 12, 1958
TUESDAY, JULY 29, 1958
WEDNESDAY, JULY 30, 1958



ESTIMATES OF THE DEPARTMENT OF EXTERNAL
AFFAIRS—1958-59

Statement by The Honourable Sidney E. Smith, Secretary of State for
External Affairs.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1958

STANDING COMMITTEE ON EXTERNAL AFFAIRS

Chairman: H. O. White, Esq.,
and Messrs.

| | | |
|-------------------------------|-------------------------------|----------------------------------|
| Aitken (Miss) | Kucherepa, | Nugent, |
| Argue, | Lafrenière, | Paul, |
| Brassard (<i>Lapointe</i>), | Lennard, | Pearson, |
| Cardin, | MacLellan, | Pratt, |
| Crestohl, | Macnaughton, | *Richard (<i>Ottawa East</i>), |
| Deschatelets, | Macquarrie, | Smith (<i>Calgary South</i>), |
| Dorion, | Mandziuk, | Stinson, |
| †Eudes, | Martin (<i>Essex East</i>), | Valade, |
| Fairfield, | McCleave, | Van Horne, |
| Herridge, | McFarlane, | Vivian, |
| Jones, | McGee, | White—35. |
| Jung, | McGrath, | |

*Replaced on Thursday, June 12, by Mr. Garland.

†Replaced on Tuesday, July 29, by Mr. Richard (*Ottawa East*).

J. E. O'Connor,
Clerk of the Committee.

ORDERS OF REFERENCE

TUESDAY, June 3, 1958

Resolved,—That the following Members do compose the Standing Committee on External Affairs:

Messrs.

| | | |
|----------------------|----------------------|------------------------|
| Aitken (Miss), | Kucherepa, | Nugent, |
| Best, | Lafrenière, | Paul, |
| Brassard (Lapointe), | Lennard, | Pearson, |
| Cardin, | MacLellan, | Pratt, |
| Crestohl, | Macnaughton, | Richard (Ottawa East), |
| Deschatelets, | Macquarrie, | Smith (Calgary South), |
| Dorion, | Mandziuk, | Stinson, |
| Eudes, | Martin (Essex East), | Valade, |
| Fairfield, | McCleave, | Van Horne, |
| Herridge, | McFarlane, | Vivian, |
| Jones, | McGee, | White—35. |
| Jung, | McGrath, | |

(Quorum 10)

Attest

(s.) Leon J. Raymond
Clerk of the House

Ordered,—That the Standing Committee on External Affairs be empowered to examine and inquire into all such matters and things as may be referred to it by the House; and to report from time to time its observations and opinions, thereon, with power to send for persons, papers and records.

MONDAY, June 9, 1958

Ordered,—That the name of Mr. Argue be substituted for that of Mr. Best on the said Committee.

THURSDAY, June 12, 1958

Ordered,—That the name of Mr. Garland be substituted for that of Mr. Richard (*Ottawa East*) on the said Committee.

MONDAY, June 16, 1958

Ordered,—That the said Committee be authorized to sit while the House is sitting.

Ordered,—That the said Committee be empowered to print, from day to day, 750 copies in English and 350 copies in French of its Minutes of Proceedings and Evidence, and that Standing Order 66 be suspended in relation thereto.

FRIDAY, July 25, 1958

Ordered,—That Items numbered 85 to 111, inclusive, Item numbered 502, Items numbered 542 to 549, inclusive, and Item numbered 655, as listed in the Main and Supplementary Estimates 1958-59, relating to the Department of External Affairs be withdrawn from the Committee of Supply and referred to the Standing Committee on External Affairs, saving always the powers of the Committee of Supply in relation to the voting of public moneys.

TUESDAY, July 29, 1958

Ordered,—That the name of Mr. Richard (*Ottawa East*) be substituted for that of Mr. Eudes on the Standing Committee on External Affairs.

Attest

LEON J. RAYMOND,
Clerk of the House.

REPORT TO THE HOUSE

THURSDAY, June 12, 1958

The Standing Committee on External Affairs has the honour to present the following as its

FIRST REPORT

Your Committee recommends:

1. That it be authorized to sit while the House is sitting.
2. That it be empowered to print, from day to day, 750 copies in English and 350 copies in French of its Minutes of Proceedings and Evidence, and that Standing Order No. 66 be suspended in relation thereto.

Respectfully submitted,

H. O. WHITE,
Chairman.

MINUTES OF PROCEEDINGS

THURSDAY, June 12, 1958

The Standing Committee on External Affairs met at 10.30 a.m. this day for organization purposes.

Members present: Miss Aitken, Messrs. Crestohl, Deschatelets, Dorion, Herridge, Jung, Kucherepa, Lafrenière, Lennard, MacLellan, Macnaughton, Macquarrie, Martin (*Essex East*), McCleave, McFarlane, McGee, McGrath, Nugent, Paul, Pratt, Valade, Vivian, and White—23.

On motion of Mr. Kucherepa, seconded by Mr. McCleave, Mr. White was elected chairman.

Mr. White took the Chair and thanked members of the Committee for the honour extended to him. He then made a short statement concerning the future activities of the Committee.

On the motion of Mr. Jung, seconded by Mr. McCleave,

Resolved,—That a recommendation be made to print 750 copies in English and 350 copies in French of its minutes of proceedings and evidence.

On the motion of Mr. Kucherepa, seconded by Mr. Jung,

Resolved,—That a recommendation be made to the House to empower the Committee to sit while the House is sitting.

On the motion of Mr. Lennard, seconded by Mr. Macquarrie,

Resolved,—That a sub-committee on Agenda and Procedure be appointed comprising the Chairman and 6 members to be designated by him.

At 11.00 a.m. the Committee adjourned to the call of the Chair.

TUESDAY, July 29, 1958

The Standing Committee on External Affairs met at 10.05 a.m. this day. The Chairman, Mr. H. O. White, presided.

Members present: Messrs. Argue, Crestohl, Deschatelets, Dorion, Fairfield, Herridge, Jones, Jung, Lafrenière, Lennard, Macnaughton, Macquarrie, McCleave, McFarlane, McGee, McGrath, Paul, Pearson, Smith (*Calgary South*), Vivian, White.

In attendance: The Honourable Sidney Smith, Secretary of State for External Affairs, assisted by Messrs. Jules Leger, Under Secretary of State for External Affairs; W. D. Matthews, Assistant Under Secretary; H. F. Clark, Director, Finance Division; J. H. Cleveland, Director, American Division; H. F. Davis, Director, European Division; H. B. Robinson, Special Assistant to the Minister; H. Best, Executive Assistant to the Minister; W. T. Delworth, Private Secretary to the Minister; H. J. Armstrong, Financial Adviser to the Department.

The Chairman observed the presence of quorum and made a brief statement concerning the importance of the Committee's work.

Following a statement of the composition of the Sub-committee on Agenda and Procedure comprised of Messrs. Deschatelets, Herridge, Kucherepa, Lafrenière, Lennard and Macnaughton, he called *Item 85*—Departmental Administration and introduced the Secretary of State for External Affairs.

The Minister, in the course of his statement, referred to the following topics:

- (a) recent events in the Middle East.
- (b) changes in Canada's representation in the Middle East.
- (c) manufacture and control of nuclear weapons.
- (d) relations with Soviet Block countries.
- (e) creation of a United Nations agency for the maintenance of peace.

Mr. Smith was questioned by Members of the Committee.

Following a discussion concerning the future scheduling of the Committee's meetings the Committee adjourned at 12.15 p.m. to meet again on Wednesday, July 30, 1958.

WEDNESDAY, July 30, 1958

The Standing Committee on External Affairs met at 3.40 p.m. this day. The Chairman, Mr. H. O. White, presided.

Members present: Messrs. Argue, Cardin, Fairfield, Herridge, Jones, Kucherepa, Lennard, Macquarrie, McGee, McGrath, Paul, Pearson, Pratt, Richard (*Ottawa East*), Smith (*Calgary South*), Stinson, Valade, Vivian, and White—19.

In attendance: The Honourable Sidney Smith, Secretary of State for External Affairs, assisted by Messrs. Jules Léger, Under Secretary of State for External Affairs, H. B. Robinson, Special Assistant to the Minister; H. Best, Executive Assistant to the Minister; W. T. Delworth, Private Secretary to the Minister; R. Campbell, Director, Middle Eastern Division; M. Shenstone, Middle Eastern Division; A. G. Campbell, United Nations Division; and H. F. Davis, Director, European Division.

The Chairman observed the presence of quorum and following a brief statement concerning the removal from Canada of certain historic material, he introduced the Minister.

Mr. Smith referred to reports received by the United Nations Security Council from the United Nations Observer Group in Lebanon and by agreement tabled copies for inclusion in the Committee's printed record of proceedings. (See appendices "A" to "E")

The Minister's questioning continuing, the Committee adjourned at 4.15 p.m. to meet on Friday, August 1, 1958.

J. E. O'Connor,
Clerk of the Committee.

EVIDENCE

TUESDAY, July 29, 1958
10 a.m.

The CHAIRMAN: Gentlemen, will you please come to order. Once again I want to thank the committee for the confidence it has placed in me in asking me to be its chairman.

I wish to welcome the new members of parliament who are having their first experience on this committee and to tell them that this committee is a very friendly one.

At the last session—and I hope at this one as well—we got along very well and there was cooperation among all parties which was appreciated not only by myself but I think as well by every member of the committee.

In the light of the swiftly changing world picture, this is an important committee. Every day the situation in the world changes. I was going to say that it becomes more tense from day to day. But there are lulls.

We have, I think, here, to be very guarded in our remarks so that we shall give offence to none, and that we shall guide Canada wisely.

I think we all appreciated the debate last Friday on external affairs. I think it was a fruitful debate. Out of it we arrived, I think, at a unanimous opinion on position as far as Canada is concerned.

I do not think I need to say more regarding the responsibility of this committee. To the world at large we seek every avenue of peaceful solution to our problems and at the same time we seek to guard and save the safety and security of our democratic way of life, and the democratic world.

I think we have a duty to Canadians, to impress upon them the forward look where Canada is concerned.

I think that many Canadians wonder sometimes when they see our contributions to the improvement of conditions in the so-called "have-not" countries, and that they sometimes think there are enterprises in Canada which should not be forgotten or lost sight of at this time.

We must arrive at wise decisions and give our minister, his deputy, and the department, every assistance we possibly can.

This is the place for members of all parties to bring to the attention of the committee their opinions so that out of any differences of opinion we may arrive at a united front as far as we Canadians are concerned. Let us not show any difference of opinion to the enemy!

Now, while I am on my feet, there are two very minor matters that I would like to bring to your attention, and which I think should be given some consideration later on. But I mention right here that they are very minor matters.

One is in connection with the painting of the "two water mills" which was presented to Canada by the Netherlands. As a matter of fact, I was at the presentation. My understanding at that time was that that painting was to hang in the Parliament Buildings.

But at the time of the fire, I believe in the library, the painting was removed to the National Gallery. I hope that it will come back again to the Parliament Buildings.

The other matter is the question of a certain amount of research and digging in various parts of Canada by American scientists and others, and their taking away to the United States of many fossils and other objects which possibly we should retain here in Canada.

They do it, I think, without so much as a by your leave, as far as Canada is concerned. I bring that to the attention of the committee.

Now, I would like to announce the personnel of the sub-committee on Agenda and Procedure which I have set up to guide us today and in the future. The members are: Messrs. Lennard, Lafreniere, Herridge, Macnaughton, Deschatelets, and Kucherepa.

The committee has before it, as you know, the estimates of the Department of External Affairs for the year ending March 31, 1959. They were referred to us at the close of the debate on Friday.

I will now call Item 85—Departmental Administration.

I am glad that, in the troubled days through which we have been passing, and the number of calls on the time of the minister and the department, that the minister is able to be with us this morning.

I have discussed this with him on two or three different occasions trying to arrive at a date which would not conflict with some of his other appointments, and between cabinet meetings and conferences at Washington and New York.

I find that he is, as you all know, a very busy man. I am glad that the minister is here this morning and without any further ado I now call on the hon. Sidney Smith, Secretary of State for External Affairs.

Hon. SIDNEY SMITH (*Secretary of State for External Affairs*): Mr. Chairman, I thank you and this committee for the opportunity to appear here this morning and I assure you and the committee that I shall be eager to return on call unless there is something very urgent which would take me out of Ottawa. The reasons would have to be obvious to you and to the committee.

I have just whispered to the Under Secretary of State for External Affairs asking him if he knew anything about this reference to the Americans taking fossils from Canada. Neither of us know very much about it. But I trust there was no political significance in removing those fossils.

With that I express my gratitude for the scope and fairness of the debate on Friday of last week. I say on behalf of myself, the department, and the government, that it was most helpful to us.

You spoke of the tenseness of the present international situation and I emphasize it. There might be those who would suggest that this is not the time to have public hearings about such matters. But I do not share that view.

The government, myself, and my department look forward to the discussions in this committee—as I said in the house on Friday of last week—with a view to getting the advice and counsel of the committee with respect to major and minor aspects of this present crisis.

I shall endeavour to make full disclosure of anything that I know, subject only to one reservation and that is that I shall not be free in some cases to disclose the content of conversations that I have had in Washington. But I will do my best in that regard. I am not being coy when I say that members of the committee will appreciate it that if I came here before this committee and told what somebody said and what somebody countered, and so forth and so on, I would not be laying the ground for confidence and trust in a discussion of that kind.

I seize this opportunity—as the chairman assures me I shall have—to make some statement about certain facets of the debate in the house last Friday.

As Mr. Pearson said in that debate, the main topic at the moment is the situation in the Middle East. At the outset of my remarks I desire to re-focus our attention on the Middle East.

Some of it may appear to you repetitious, but I am doing this in order to get the picture as clearly as possible before the committee.

Canadian policy towards the Middle East was outlined, as you know, in considerable detail by the Prime Minister and by myself in our statements to the house last Friday.

With regard to Lebanon, our hope is that in the short term—and I would emphasize that word and that concept—in the short term, the United Nations Observation Group in Lebanon (UNOGIL), the extent of which was intimated by the Secretary General after the voting on the Security Council's resolutions—will be effective in establishing stability and in creating conditions which will permit the withdrawal of United States forces from that country.

As I informed the house, the Secretary General has not, as yet, finalized the plan for the expansion of UNOGIL.

There was a telegram which came in just before I left the office this morning which indicated that that work on the part of the Secretary General is nearly finalized. So we expect—or the government expects—that there will be a further invitation from the Secretary General to contribute.

We now have ten or eleven officers, and we anticipate that we will be invited to contribute additional men to that group, UNOGIL.

I stated in the house on Friday that it was not unlikely that the Secretary General would set up an advisory committee with respect to the operations of UNOGIL in its work in Lebanon.

I can now inform the committee that the Secretary General has established that committee and that Canada is a member of it. It is an advisory committee with respect to the operations and objectives of UNOGIL and Canada will be on the committee along with representatives from Brazil, Ceylon, Colombia, India, Norway, and Pakistan.

I would like to make this very clear indeed. This is the same personnel that is to be found on the UNEF advisory committee, but of course they will meet as a UNOGIL advisory committee. I express the hope again that the work of UNOGIL might be a forerunner and a manifestation of long-term United Nations authority on the ground in Lebanon.

This will also assist in reaching the objectives that I announced in my speech in the house on Friday. UNOGIL might contribute to a long term solution for Lebanon—namely, an internationally recognized status of neutrality on the Austrian model, a status which conceivably might have further application in that area.

You will recall that Mr. Martin in his address on the debate on external affairs shared the view that this might be considered as a pilot project which might be used in other countries in the Middle East. I have heard it suggested since I made my statement in the House of Commons on Friday that that might be unacceptable to the Lebanese. There was nothing in the statement—and I checked *Hansard* with respect to this, Mr. Chairman—there was nothing in my statement that carried with it any implication that such a status of neutrality would be imposed on the Lebanese. It must be acceptable to the Lebanese.

I endeavoured in my speech in the house to indicate my—not my expectation but my grounds for hope, having regard to the history of Lebanon—that it might be acceptable to the Lebanese. On Friday I also mentioned that it was important to find some means to ensure economic stability for Lebanon and for the Middle East as a whole, and that the United Nations and other organizations might have a role to play in this connection.

I was gratified to hear Mr. Pearson mention the same idea in his statement in the house when he spoke of a Marshall Plan for the Middle East administered by the United Nations. He mentioned that the Soviet Union would be less able to exploit its aid-giving, if the scheme were under United Nations auspices.

One must ask the question—can we expect that the U.S.S.R. would contribute to such a fund—to such a plan that would be comparable to the Marshall Plan?

I would welcome a Soviet contribution, but at the moment I must share some anxiety with respect to their willingness to do so. There are many difficulties to be faced in connection with economic aid.

I believe that it is basic to the establishment of stability in the Middle East, and I can assure you, sir, and the committee, that much thought is being given—and has been given in recent weeks particularly—I will extend that to months—to this subject in foreign capitals as well as at the United Nations.

Long steps might have been taken in this regard had they not been halted by reason of the situation in the last two weeks in the Middle East.

I must make it clear and not hold out any definite hope or expectancy that anything will come of this. Discussions are still in the preliminary stage at the United Nations and in the various capitals.

On Friday night the Prime Minister announced the increase of Canadian diplomatic representation in the Middle East. That was not a snap decision. We had been considering it for some time because we did feel that Canada was weak in the quantity of its representation in that part of the world.

In the present crisis we have suffered a little from the lack of knowledge and understanding of the areas which could have obtained if we had had representation in other places in the Middle East. That is one side of the coin.

On the other side of the coin there is this; through increased diplomatic representation we could better make known our views through our diplomatic representatives, to countries in that area.

That is the background for the statement made by the Prime Minister about the appointment of a full time ambassador for Tel Aviv. We have not yet, Mr. Under Secretary, established whether it will be an ambassador or a minister. That would come out of the negotiations that we have with those countries. That is right, is it not?

Mr. JULES LEGER (*Under-Secretary of State for External Affairs*): We will equate our representation with the type they themselves wish.

Mr. SMITH (*Hastings-Frontenac*): Our mission in Tel Aviv is an offshoot of the mission in Athens. We have an ambassador in Athens and he is also accredited to Tel Aviv. In Tel Aviv we have a chargé d'affaires. In the case of Lebanon, we have an ambassador to Cairo and he is also accredited to Lebanon. We have a chargé d'affaires located in Beirut. You can well understand that that has opened a rather difficult position recently for the ambassador in Cairo, as he also has responsibilities in Beirut. In respect of Iran, we have never had any representation there and although Iran has sent us a minister—they have had that representation in Canada for the past two to three years—we never reciprocated. Now we propose to establish an accredited diplomatic representative in Tehran.

In respect of the summit meeting, having regard to the last letter from Mr. Khrushchev I must say very frankly that you know as much about it as I do. I have not as yet seen the text but I have noted, as other members possibly have, the comments in yesterday afternoon's newspapers and this morning's newspapers. I have seen quotations from part of the text of that letter, but as yet I have not seen the full text. We welcome the suggestion of a summit meeting. I think that was a proper attitude for Canada to take.

I make these general observations; we had in mind that if we could take a stand in favour of a summit meeting it might assist some of the powers who would be at such a meeting and who would be the main negotiators. We do share the view and share it very deeply that the meeting should be

held under the auspices of the United Nations. In Mr. Khrushchev's first letter on Saturday afternoon there was no suggestion of the locale and the auspices. That would be under date of July 19th. There was nothing there with respect to the auspices and we took from the very beginning the view that although we had to feel our way in that regard, it should be under the auspices of the United Nations through the Security Council. In our view, that is the proper forum for at least the initial meeting. The reasons are obvious. The reasons were well stated by Mr. Pearson when he said that we should keep these negotiations under the organization that was set up and charged with the responsibility of preserving the peace of the world—that is the United Nations—and I share the view expressed by Mr. Pearson that it is not without some gratification that we noted the stand taken by the United States and the United Kingdom that this problem should be kept within the United Nations.

As you know, Mr. Chairman, the Security Council was seized of the Middle East problem, and because of the desirability of using the opportunity to reinforce the United Nations' authority we should stay there—and not only with respect to the present critical situation—but in so advising our friends we might be establishing a precedent for similiar meetings in the future when a critical situation arises.

Now the procedure—it has come out of some discussions and I do not desire to disclose the persons who were in these discussions or their identity as national representatives or representatives of the United Nations—is that we envisage for the meeting a broadly phrased item such as,—and this is in quotation,—“the question of the Middle East” which should be inscribed on the agenda of the Council in regular session. A regular session means a session in which the permanent representatives to the United Nations are present. The purpose of using such an inclusive phrase as the agenda item I have suggested is to promote discussions of some of the more basic Middle East issues and not merely the Lebanese and Jordanian situations. I agree with what Mr. Pearson said on Friday when he said the Jordanian and Lebanese situations are really manifestations of a deeper problem that prevails throughout the whole of the Middle East.

Then, to come back to the procedure we hope might be adopted—and we still hope it might be adopted—this procedure of inscribing the Middle East situation, that is putting it on the agenda, will be done, as we contemplate it, by a regular meeting of the Security Council. We think that the real summit meeting should be initiated by a formal session of the Security Council. The formal session of the Security Council could be attended by as many heads of government as could attend. That would be the second meeting of the Security Council. The purpose of having the heads of government at the full Council meeting is, as we see it, so that the viewpoint of the smaller powers can be brought to bear on, and their moral support made available to those who actually will be doing the detailed negotiating. At this full special session of the Security Council, Canada, if we were requested and if it was generally agreed, would be prepared to move a resolution calling on the permanent members of the Council most directly concerned with the Middle East to meet at the head of government level and that would authorize them to come to the 38th floor of the secretariat building or any other place in the world.

I do not think the location of that summit meeting, matters, provided it is held under the auspices of the Security Council. They would meet and discuss face to face the problems, and would report back later to the Security Council on the results. We had in mind that the Secretary General, who would be present at the meeting of that group, would report back to a meeting of the Security Council.

I emphasize again the view I expressed on Friday, that it is our conviction that Mr. Nehru would have a real contribution to make to such a conference. In my speech in the house on Friday last I endeavoured to give reasons why he should be there, having regard to his personal ability, competence and wisdom and also as a representative of a new voice in Asia. This meeting to which I refer, which would be carried on under the auspices of the Security Council, would of course be a private meeting. I repeat again that it does not matter where it is held. Whether New York, with all its battery of publicity, is the best place for it I do not know. I have experienced to some extent the battery of speculators around the United Nations and I wonder whether it provides the calm and the serenity that is really necessary for a fruitful meeting. I am wondering whether the general publicity would not indeed be harmful. The Prime Minister, in good faith, having in mind this meeting might not be most fruitful if it were held in New York, made the serious suggestion, and reverted to what he said in an earlier letter to Mr. Bulganin, that we in Canada would act as hosts for such a meeting of this group authorized by the Security Council to carry on face to face negotiations. That is a serious proposal. I do not suppose that any country is quite in the same location as that of Canada. Here we are between the United States and the U.S.S.R.

We consider also that it should be left to the Security Council to decide what non-member nations would be permitted to be present at the full Council meeting, the second meeting, and in the third meeting to which the Secretary General would report. But we do consider that it is of the greatest importance to find a means of expressing to the Council and to this group, the opinions of the numerous countries of the area that I mentioned.

Negotiations for the Middle East summit meeting are still proceeding, as I said a moment ago. Having regard to the latest letter of Mr. Khrushchev you have as much information as I have because I have gained my information from the newspapers as you have. The United Kingdom Prime Minister replied to Mr. Khrushchev on July 26 and said that he considered the arrangements for the meeting—including time and composition—should be made by a regular meeting of the Security Council. Having in mind what I said to you this morning, this confirms our own view as to the procedure to be followed. But again I reiterate what I said on several occasions and said last in the House of Commons on Friday. I hope that these procedural matters will not be built up so as to bring about the impossibility of holding such a meeting.

Mr. Khrushchev's reply, made public yesterday July 28, presses for more rapid arrangements for the holding of the meeting and states that the U.S.S.R. would agree to its location in Geneva, Vienna, Paris or elsewhere. He did not object to New York. He criticized President Eisenhower's message for bypassing the question of the participation of India in the conference and he expressed dissatisfaction with the proposal that a regular session of the Security Council should make plans for and initiate the conference. There is some indication from the newspaper reports and partial quotations from his letter that he is not happy with such a scheme as I set out this morning, that is a regular session of the Security Council which would make plans for and initiate the conference. That is where the matter rests for the moment.

I would crave your indulgence, Mr. Chairman and members of the committee in order to comment on three very constructive proposals which are to be forwarded. Mr. Pearson referred in his statement in the house on July 25 to the next session of the General Assembly and he inquired quite properly about the preparations which the government is making for our participation in these meetings. He made this more pointed when he mentioned three matters in which he thought the government might take an initiative in the Assembly. The first one had to do with an initiative to try to halt the

spread and the manufacture of nuclear weapons. Mr. Pearson mentioned the desirability of exploring, and I am quoting from his remarks "the possibility of a resolution which would embody a self-denying principle to be accepted by all other members of the United Nations in regard to the prohibition in their own territory of the manufacture of any atomic weapon of any kind." There is no difference of opinion with respect to the objectives contemplated in that resolution. There were two aspects to Mr. Pearson's proposition. The first relates to the government's attitude toward the spread and the manufacture of nuclear weapons and the second concerns a specific initiative which it is suggested the Canadian delegation might take in the United Nations at the regular meeting that will be convened about the middle of September.

I would comment first about the objectives and then later about the means. Canada has for some time pursued a policy designed to limit the manufacture of nuclear weapons to as few countries as possible. In the proposals of August 29th, 1957 of which mention was made in the house, and which we co-sponsored in the General Assembly in association with the United Kingdom, the United States and France, there was a provision that all future production of fissionable material would be used for peaceful purposes. Furthermore, we have, when granting permits for the export of uranium to countries other than the United States and the United Kingdom, made them conditional on guarantees that uranium provided by Canada will not be used for other than peaceful purposes. We have not undertaken, as members of the committee know, the production of nuclear weapons in Canada. That has been the policy of the previous government and it is the policy of the present government.

These aspects of Canadian policy indicate clearly the governments opposition to the spreading of the capacity to manufacture nuclear weapons.

I share deeply the great concern of the leader of the opposition over the frightening possibilities which would arise if these terrible weapons were to be manufactured by a large number of countries. I agree with him that the time has come to call for a halt to their production.

It takes but little imagination to envisage the dangers of a situation where the know-how with respect to nuclear weapons, and the manufacture of nuclear weapons were disseminated in many countries of the world some of which may be headed now by responsible governments but which might change overnight or in a very short while.

A lack of responsibility, a misuse, a dropping of one of these terrible weapons—and then the spark has been added to a situation of present dangers, and we would find ourselves in a global war. That is the depth of the anxiety which we must all share with respect to the spread of the manufacture of nuclear weapons.

The best solution, and I must confess that it is idealistic at the moment, but we should not lose sight of our ideals—the best solution of this problem would be an agreement on disarmament with the U.S.S.R. which would bring about the cessation of the production, the gradual elimination, and the control of stocks of nuclear weapons already in existence.

I point out again that that was the fundamental principle in connection with the proposals of the United Kingdom, the United States, France, and Canada, and that it was put forward in the Sub-committee on August 29, and set forth in a resolution last autumn at the meeting of the General Assembly. Pending negotiation of such an agreement it is impossible to eliminate these weapons altogether since the security and trust of the North Atlantic alliance depends to a great extent on the deterrent to aggression that these would provide. That is because we have not been able to reach an agreement with the U.S.S.R. in that regard.

But I would point out that within NATO it has not been proven necessary for countries other than the United States and the United Kingdom to produce nuclear weapons, and there is already an adequate capacity for their manufacture, either in the United States or in the United Kingdom.

I mentioned this in the house when I was speaking on Friday, with respect to the view of Canada on the cessation of nuclear tests. That is a manifestation or a further manifestation of government policy in this regard.

Now, I turn to the second aspect of the question, the serious question, the important question, indeed, the constructive question which concerns the role which Canada might play in halting the spread of the manufacture of nuclear weapons. That matter has been considered and we have been probing for several months as to how we could best make our views known, how best we could make our views effective in this particular matter.

I know that it is still under consideration and I am sure that the committee would not expect me to come up today with a definitive plan. I am not being coy when I say—and I am not avoiding the issue when I say—that this matter is giving us—and has been giving us deep concern.

As I intimated a moment ago, there is another facet of this problem related to the spread of the manufacture of nuclear weapons. If a country cannot carry on tests, it is not going to have much of a program in the manufacture of nuclear weapons.

The leader of the opposition on Friday expressed the hope that Canada could take the initiative at the United Nations for the suspension of tests of nuclear weapons of mass destruction for a period of about five years subject only to the supervision on the part of the United Nations.

Well, let us look at the record. I am trying to explain government policy in this regard.

The Prime Minister in the address that he gave in April to the Canadian Press expressed the hope that a political agreement could be reached whereby there would come about cessation of tests.

He did provide however in that regard—he did provide that it would be after agreement had been concluded with respect to effective methods of inspection, and that we must have that before we could ever contemplate a political agreement. And indeed, in what I endeavoured to say in the house on Friday, I expressed again government policy in that regard.

To me it is gratifying on the technical level, the scientific level, to hear of the success that has followed the discussion in Geneva. These men are sitting down together—I can say this—as scientists, and endeavoring to reach conclusions which would provide for perhaps not perfect but for substantially satisfactory means and techniques for the detection of tests.

If those discussions in Geneva provide substantial and satisfactory conclusions, then we should press and we will press for political negotiations for the suspension of tests on the basis of the findings of the scientists who are now meeting in Geneva. I can assure this committee that the most careful and continuing consideration is being given to this question by the government, and that in the United Nations and elsewhere the Canadian government will put forward its views again without disregarding the very substantial political and technical difficulties which remain to be overcome, and that it will work to make it possible to achieve the desirable result or objective—that is, the suspension of tests.

We are hopeful that an agreement on the suspension of tests would improve prospects of disarmament—and I adverted to this on Friday in the House of Commons—and make it possible to anticipate with some greater degree of hope that such an agreement with respect to the suspension of tests would not long stand alone.

We consider that it should be followed without delay by further agreements or—putting it another way—that this political agreement with respect to the cessation of tests would be the first move—the first move to use the words that I have enunciated on other occasions—in establishing not only some security but in establishing a preliminary degree of confidence and an understanding between the U.S.S.R. and the western countries, and then to move on to even more complex questions in the field of disarmament.

I mentioned on Friday the possibility of something in this context: that, after an agreement or the negotiation of an agreement for the suspension of tests, advances might be made in the development of safeguards against surprise attack. If there should be progress towards a political agreement on the suspension of nuclear tests, it would be possible to start discussions on the safeguards against surprise attack in a more favourable atmosphere. That would come about after, I would contemplate, or it might be carried on concurrently with, the negotiation of an agreement with respect to the cessation of tests.

An agreement in the area relating to guarding against surprise attack would constitute really a major step in the establishment of some understanding with the U.S.S.R.

Now, with respect to the third point, and with this I shall conclude my opening statement—a suggestion was made with respect to the creation of an effective United Nations agency for the maintenance of peace, whether it be a police force, or a standing army to run the whole gamut of the possibilities of something in that regard.

The maintenance of international security and the prevention of the outbreak of hostilities and the containment of these hostilities once they have commenced cannot be assured by the division of the world into two ever more powerful armed camps.

The Canadian position has consistently been—with a Liberal administration and now under the present government—in favour of the development of machinery which would help the Security Council to exercise the responsibility in the field of international peace and security assigned to it under the Charter.

There have been several attempts since 1945 to have the United Nations put into a position where it could make an effective contribution to the maintenance of peace by the use of personnel contributed by the member states from their armed forces.

I think it is desirable that I should give you the background in that regard. There was a proposal made by the first Secretary General, Mr. Trygve Lie, for the creation of a "United Nations Guard" which could be used to guard United Nations commissions, assist in conducting plebiscites under the United Nations supervision, administer truce terms, and act as constabulary during the establishment of an international regimes in certain areas.

This met a lot of opposition in the United Nations, and no one knows this better than Mr. Pearson. The opposition was made on legal, financial, political and practical grounds, and we must recognize that in any of the arguments opposed to this proposal were not without substance.

Again, later, another proposal was made for the creation of a "United Nations Legion" which was different in nature and purpose. But it also foundered as a result, not so much of opposition to the principle but rather of fear of political and financial consequences of its implementation among many United Nations members.

We know that the best insurance for the maintenance of peace would be the observation by members of the United Nations of their solemn obligations undertaken in Chapters VI and VII of the United Nations Charter.

We remain convinced, however, that in this less than perfect world, the next best insurance would be the creation of machinery which would provide an army or a United Nations police force to prevent aggression, or to halt it once it had begun.

I would make this observation in passing, that when there is a conflict between the major powers, a police force would not be very effective. We have seen its success in the case of the UNEF which I think is the best example of the effectiveness of such a force.

We must approach this the most vital and serious problem which can ever face mankind with realism and a recognition of the weaknesses and defects of man and of the way in which the instrument he has created operates.

It was suggested recently that there should be established a United Nations corps. But I think that would be impractical. It could perform the functions of the UNEF at the present time but complications might arise in another part of the world.

The United Nations could do something to prevent and bring to a halt local hostilities and prevent their spreading. But it might be that one of the component parts of the standing force of the United Nations would not be acceptable to the countries involved in another conflict. It does not take much imagination to picture that.

However, it has frequently been suggested that members of the United Nations should earmark or otherwise have available, pursuant to the commitments that they have made earlier in that regard, forces to supply to the United Nations group, whatever their role might be; and which would depend on particular circumstances at the time.

Indeed, Canada, without earmarking any forces, has been able to contribute forces to UNEF recently and to UNOGIL and perhaps in some measure you could say that there had been forces rather indirectly earmarked or certainly a contemplation that Canada might be called on at any time to contribute to a United Nations instrumentality.

I have in mind the difficulty that the United Nations faces in operating under section 43 of the charter, or in operating under the "Uniting for Peace" resolution of the General Assembly. We cannot undertake to go the whole distance in one vast stride. It not only seems to me, but I am convinced, that we must press for the establishment of some type of United Nations instrumentality and that perhaps the best we can do in that regard would be to take small steps.

I have some concern about the role or even the name of such a force. One possibility that we are examining is that we should seek the extension of the role of the Peace Observation Commission which was created in 1950 by the General Assembly under the "Uniting for Peace" resolution.

There are opportunities open for the use of this commission which have not been fully explored and we intend to carry on such an exploration which might lead to fruitful results.

In pursuing this possibility I realize that we might be lowering our sights and that is what I had in mind when I talked about our taking small steps.

The Prime Minister in participating in the general debate of the United Nations last year advocated the establishment of a force or a group upon which the Secretary General—subject to the controls and advice that is put upon him and that would be offered—could call.

It may be that in discussing this possibility with other members of the United Nations we might find that there are certain advantages in avoiding words such as "permanent", or "police", or "force".

We must hope for an agency which would be effective in preventing the development of conditions which result in an explosion of armed conflict and the

needless sacrifice of human lives. That is what this instrumentality would endeavour to do under the flag of the United Nations. It is most desirable and indeed necessary.

In feeling our way and trying again as was tried by others in years past, we would have in mind the desirability and the necessity of providing such an instrumentality in the United Nations.

It is of secondary importance to us what this agency would in the end be called. But it is of the greatest importance that in describing it we avoid the use of words which would create suspicion as to the nature of the agency or the purposes to which it may be put; and in feeling our way in this regard we might be able to overcome some of the objections to some of the proposals which have been made earlier in the United Nations.

The CHAIRMAN: Thank you, Mr. Minister.

The minister mentioned at the outset that he would give a full statement on the department. I might again mention that we are dealing with Item 85—Departmental Administration.

I, as chairman, will endeavour to give everyone a fair opportunity to ask questions. I know from our experience of last year how cooperative the members of the committee were in that regard. Anyone who wishes to ask questions of the minister may do so at this time.

Mr. SMITH (*Hastings-Frontenac*): Mr. Chairman, might I just make one addendum. I said there were ten or eleven Canadian officers who were on the ground as members of UNOGIL. Within a day or two there will be three more, making a total of thirteen or fourteen.

Mr. PEARSON: Mr. Chairman, I would like to make a proposal in respect to procedure which perhaps may be of help in our discussion of these important matters. The minister has mentioned a great many important subjects and there are others such as the functions of NATO which he has not mentioned this morning. I am not criticizing him for that. However, I wonder whether we could divide up our questions, or divide up the matters, so that we relate our questions to each particular subject as it arises.

I have in mind, for instance, the Middle East problem with which the minister dealt. He also dealt with the proposed abolition of nuclear weapon manufacture, the cessation of nuclear tests and also the formations of the United Nations force. These are all related but somewhat separate matters. I wonder whether or not he would think it advisable that we should separate our questions in these separate subjects.

Mr. SMITH (*Hastings-Frontenac*): I would welcome that.

Mr. HERRIDGE: It is a good suggestion. It would lead to orderly questioning.

Mr. SMITH (*Hastings-Frontenac*): Indeed. I wondered if I would make this statement as a whole or whether I would stop after the discussion on the Middle East. However, last night I decided that although they are all inter-related, for ordinary discussion, it might be better to deal with each individually.

The CHAIRMAN: Would you prefer to start with the Middle East?

Mr. PEARSON: My first questions to the minister, Mr. Chairman, would be devoted to Canadian policy in regard to the immediate crisis in the Middle East and later, after other members of the committee have asked questions on that, I would like to ask some other questions on the more general aspects of the Middle East affairs.

My first questions are designed to ascertain, if possible, exactly what the government has done in the last two weeks. We heard about this in general terms from the minister in the house and from the Prime Minister. I am interested in what the government has done in the advice it has offered to other

governments, the United States and the United Kingdom, and the reception of that advice. I am not asking the minister to table the diplomatic notes which were sent, because I know he cannot do that.

Mr. SMITH (*Hastings-Frontenac*): It was mostly oral communication.

Mr. PEARSON: I would ask him if he thinks it proper to tell us the nature of the advice which was given to the governments of the United Kingdom and the United States? I think also a note was sent to India. Then I wonder if he could also give us some of the background of the mission to Washington in a general way, and the stand he took in these conversations at Washington, because I assume he was invited by the government of the United States or by the government of the United Kingdom. Those are the questions on which perhaps the minister could elaborate first.

Mr. SMITH (*Hastings-Frontenac*): In respect of the notes, or the messages, which were sent on the early morning of the 21st, Monday of last week, by the Prime Minister to Mr. Macmillan, President Eisenhower, Prime Minister Nehru, those communications had to do with the invitation which had been issued on July 19 by Mr. Khrushchev in respect of the holding of a summit meeting. The gist of these messages was to the effect that these leaders should not turn down flatly the invitation and we urged Mr. Macmillan and Mr. Eisenhower that they should look at this invitation very carefully. That was against the background which I endeavoured to describe in the house on Friday last of the fear of sliding into a global war, and the thought, without becoming hysterical, that if we fail to seize this opportunity, in respect of the Middle East, that the peoples of the world would consider it a great crime and a cardinal sin if we did not avail ourselves of every opportunity for discussion. That was the gist of the message.

In respect of the message to Mr. Nehru, we indicated to him what our stand in this regard would be. Indeed that was the second communication which had been sent to Mr. Nehru by the Prime Minister. Immediately after the landing of the American troops, the Prime Minister sent a telegram to Mr. Nehru expressing the hope that a person of his personal and official prestige, and representative capacity, might contribute to a solution of the problem which had arisen so quickly by reason of the situation in Iraq. A very cordial reply was sent by Mr. Nehru to that first communication.

In respect of the discussions—I would not call it advice—which I had in Washington with Mr. Dulles and Mr. Selwyn Lloyd, I reminded them of the conditions—there was no necessity for me to remind them of them—that were stated by President Eisenhower and by Mr. Macmillan when the landings took place first in Lebanon and then in Jordan, the conditions that they were going in to stabilize the situation in Lebanon, in the case of the United States, and Jordan in the case of the United Kingdom, and the condition which they had enforced upon themselves to report to the United Nations, and also that they would withdraw their forces as soon as the United Nations could provide an instrumentality which would stabilize the situation.

We were concerned about the spread of the intervention into Iraq. Our advice was that if any invasions were made by other powers in Iraq, we would be getting into a very volatile situation, one which might involve, sooner or later, the U.S.S.R. About the time of the discussions, Mr. Macmillan made it very clear in the House of Commons that they had an undertaking from King Hussein that he would not use the Arab legion, which had been relieved of responsibilities in Jordan by reason of the presence of troops of the United Kingdom, to invade Iraq.

Mr. Macmillan also stated that they had no intention of landing troops in Iraq. With respect to United States intervention in Iraq, there was no suggestion that that would happen.

That was the second point in our discussions. Many other factors were mentioned, but those were the main topics of conversation.

Mr. PEARSON: May I follow that up; in these discussions and in the communications which were sent to the two governments was it pointed out, and did the minister agree that it might be emphasized, that Khrushchev's proposal for a summit conference made on that particular Saturday, which inspired these messages and discussions, which provides for a meeting with a composition which could hardly be much more satisfactory from our point of view—the three western powers, a member of the commonwealth, and the secretary-general of the United Nations—that therefore it might be desirable to take immediate advantage of this proposal for a quick meeting with the security council and accepting the offer under the auspices of the United Nations. The minister has said, and I agree with him, that it would have to be brought under the auspices of the United Nations, in this case the Security Council, but, Mr. Khrushchev in his note, I think did leave the door open for that by saying that the conference which he proposed would report back to the Security Council.

Therefore, presumably, he had that in his mind at that time, even though it was a very offensively worded invitation. I wonder if then or subsequently the British, or more importantly in this instance, the United States government gave our government any indication that they realized the importance of seizing on this invitation in the form of its wording with its relation to the Security Council.

Mr. SMITH (*Hastings-Frontenac*): Yes. The letter of Saturday, the 19th, from Mr. Khrushchev was offensive, and I so stated that at the meeting of the Security Council, and other places. But notwithstanding the truculence we hoped that the meeting will be held.

To come back to what I started to say, it was satisfactory because Mr. Khrushchev, in that first letter, did not insist on parity, for example—the U.S.S.R., France, the United Kingdom and the United States, plus Mr. Nehru from India. It was our view that following that lead that was given, to which Mr. Pearson has referred—they were to report back to the Security Council—it was our view we should endeavour to promote the idea that this meeting should be held under the auspices, from the beginning, of the United Nations.

Mr. PEARSON: Would the minister give the committee the benefit of his views as to how this whole matter now seems to have become very badly bogged down to the point where the wrong people seem to be getting the wrong propaganda value out of it?

Mr. SMITH (*Hastings-Frontenac*): I cannot express the views, or the attitudes, of other capitals. I will speak with confidence concerning the Canadian attitude.

Mr. PEARSON: May I ask the minister whether he now feels that the best way to proceed—because by reading the papers this morning it seems to be confused—or perhaps the best way to get out of it, is to press for a very early meeting of the security council, and perhaps on an official level that would be the best way to have that meeting of the security council take quick action along the lines suggested that the smaller group of countries which has been mentioned be set up to meet in private at New York, or elsewhere, to deal with the matter and report back to the security council.

Mr. SMITH (*Hastings-Frontenac*): I am not giving away any secrets when I say we are now discussing that idea with the Secretary-General.

Mr. PEARSON: I have a lot of other questions which I would like to ask, but perhaps somebody else would like to ask a few questions at this time.

Mr. HERRIDGE: I was interested particularly in your reference to the possibilities of development of further economic aid, which I am sure is increasing.

Would you tell the committee what could be done to also provide further economic justice to these people. I ask that question in relation to the export of their natural resources from those countries and what they receive in return, which is a question, I understand, of considerable dissatisfaction. Has there been any discussion along those lines?

Mr. SMITH (*Hastings-Frontenac*): May I inquire exactly what the hon. member means?

Mr. HERRIDGE: What these states receive in return for the oil exported from the Middle East countries?

Mr. SMITH (*Hastings-Frontenac*): I cannot anticipate the details, but when you speak of economic aid it would seem to me that would be involved in an assessment of the present situation in support of further economic measures. May I make it very clear that I am not speaking in relation to detail when I make that general observation.

The CHAIRMAN: I am certain that the members of the committee appreciate very much the sentiment expressed by the honourable leader of the opposition in not wanting to take up all the time of the committee.

Mr. ARGUE: Mr. Chairman, we all appreciate the statement which the minister has given in such full terms. Would he inform the committee as to when Canada was first advised of the United States action in respect of Lebanon or whether Canada learned prior to or subsequent to the event.

Mr. SMITH (*Hastings-Frontenac*): I was not here and I do not have in mind what the Prime Minister said in the house; but I think he indicated on the day after the landing, or the particular day of the landing, that he had been informed the night before.

Mr. ARGUE: Canada was neither advised nor consulted about the sending of the United States troops to Lebanon?

Mr. SMITH (*Hastings-Frontenac*): Canada was not consulted.

Mr. ARGUE: Does the same situation apply in respect of the sending of United Kingdom troops into Jordan; or was Canada consulted?

Mr. SMITH (*Hastings-Frontenac*): We were advised that this step was being taken.

Mr. ARGUE: Advised prior to it?

Mr. SMITH (*Hastings-Frontenac*): After the decision had been made.

Mr. ARGUE: When Canada was advised of the United Kingdom decision to send troops into Jordan, did Canada at that time, in the interests of peace and in the interests of stabilizing the situation in the Middle East, advise against such action?

Mr. SMITH (*Hastings-Frontenac*): Some troops had already left.

Mr. ARGUE: What was Canada's reaction to this advice? Surely, when Canada was informed that this was being done, we must have had some opinion as to whether it was a good thing or a bad thing. Was that opinion given to the United Kingdom?

Mr. SMITH (*Hastings-Frontenac*): I want to make it very clear that we were advised and not consulted before the decision was made. I expressed my views in the house in respect to the situation in the Middle East, and while I appreciate and endorse the views expressed by Mr. Pearson concerning the validity of Arab nationalism, yet as I have stated to the house there were plots to overthrow the governments in several countries. We have that in mind and have in mind also that these troops were not put in as fighting troops but

rather to assist duly constituted governments in maintaining stability; and essentially, as far as the Canadian position is concerned, there is the reference to the United Nations and the statement that they would get out as soon as possible when the United Nations could put in an instrumentality which would take over the task of stabilizing the country.

Mr. ARGUE: In speaking of the plots to overthrow a number of governments in the Middle East do you refer to internal plots?

Mr. SMITH (*Hastings-Frontenac*): External.

Mr. ARGUE: In other words, the U.A.R.?

Mr. SMITH (*Hastings-Frontenac*): I am not restricting it to that.

Mr. ARGUE: Would you inform the committee what the advice of UNOGIL was to the United Nations as to the situation in Lebanon? My understanding, from reading the newspapers, was that this truce observer team had reported that the situation was not at all the kind which required troops being sent by the United States. Would you give the committee the exact terms of the report—the most recent report—that was made by UNOGIL before the United States action?

Mr. SMITH (*Hastings-Frontenac*): I gave that information to the house on Friday afternoon. Up until the overthrow of the government in Iraq it did appear that UNOGIL would be effective in terms of affecting the supply of materiel and the sending of troops across the Lebanon border.

I believe I stated in the house that in the beginning it had access to only 18 kilometers of something like 400 kilometers on the Syrian-Lebanese border. I also stated in the house, and of this I am convinced, that if the Iraqi situation had not arisen they could have performed their functions. However, the Iraqi situation made it impossible for a time at least for UNOGIL to be effective.

Mr. ARGUE: My understanding of what happened in Iraq, from reading the newspaper, was that it had little to do with the plot of Nasser to overthrow that government or to extend his influence; and it seems clear from statements that emanated from the new government from time to time that it is just as pro-western as the former government. I would like Mr. Smith's comments on that. It would seem to me that the new government in Iraq is as pro-western as the old government and that the change in Iraq was not of a nature that should have led to United States troops being sent into Lebanon. It looks to me as though it was an error by the United States in that it was not known what the revolution was really all about. It was neither U.A.R. nor the communists but a revolution within Iraq staged by local citizens and it had little to do with external things.

Mr. SMITH (*Hastings-Frontenac*): I can assure the committee as I assured the house that that was not an isolated incident in Iraq. It was part of a scheme, a plot, affecting not only Iraq but Jordan and other countries. With respect to the attitude of the Iraqi government it is too soon to say anything conclusive. But I must say however that, having professed by their action or lack of action, they have demonstrated they would like to maintain relations with the West. I am not being cynical but I trust that this skepticism will not be fulfilled—but in a situation like this, in order to consolidate their position at home, the new government would desire to appear friendly to the West. I think they will continue in that regard, but it is a little too soon to decide whether that will be their consistent and abiding policy.

Mr. ARGUE: You do not see any evidence so far of its being an anti-western government?

Mr. SMITH (*Hastings-Frontenac*): Thus far it has been encouraging.

Mr. ARGUE: From the time the revolution in Iraq became known did UNOGIL send any messages to the United Nations saying that the situation had changed and that their work was made impossible by this new situation in Iraq?

Mr. SMITH (*Hastings-Frontenac*): I cannot be positive about the total validity of these observations. I was at the United Nations and I have not heard that there was such a communication. I can just put it that way.

Mr. LEGER: I think there was one factual report from UNOGIL between the revolution in Iraq and the decision of the United States to land troops in the Lebanon, but it had nothing to do with the revolution at all; it was merely stating what they had uncovered during a period of 48 hours. We must bear in mind that all these developments happened in rapid sequence. I do recall there was one report.

Mr. ARGUE: Could we be given that report? I take it it is a public document?

Mr. SMITH (*Hastings-Frontenac*): I do not know whether or not it is a public document. No reference was made to it by the Secretary General.

Mr. ARGUE: The information I would like to have, and you may not be able to give us this information, is whether there was any evidence whatsoever from UNOGIL coming to the United States that would warrant the United States having taken this very drastic action that without doubt all will agree has endangered world peace.

Mr. JONES: The actions were taken by other people to endanger world peace.

Mr. ARGUE: I am not saying this is the only action that has endangered world peace, but because of this action we are all agreed that with Dulles' "brinkmanship", if he ever got to be brink of war this was it and if war does not result,—I do not expect it will—, it will be because other cooler heads gave their advice; and I include Canada in that group.

Mr. JONES: Mr. Chairman, when the minister answers that question I wonder if he would include a little wider reference than Mr. Argue has suggested, because it seems to me that there is a tendency to have some people think this so-called game of "brinkmanship" is a game of solitaire. It is not in my view played by one side alone, if indeed that could be the policy that is ascribed to the United States, which I do not admit. But it does seem to me from the communist world there is continuing pressure arising in the form of crises which are designed to test the resolution of the West to maintain the free nations of the world in their present freedom. Up until 1948 and 1949 these tests were not made by a resolution by the West, which subsequently has occurred, and we saw in the earlier period between the dates I have mentioned and the end of the war the wide expansion of the Russian influence. I would like to have, and I am sure the other committee members would like to have, a reply to Mr. Argue's question made in the light of the total picture rather than in an attempt to castigate the United States.

Mr. ARGUE: If I may say so I was merely attempting to find out from Mr. Smith what the effects of the situation are and whether UNOGIL had reported this was a dangerous situation and whether the U.A.R. or the communist world were fomenting in this area. I might ask whether our Minister of External Affairs thinks the U.S.S.R. was fundamentally the party that called the roll in the revolution in Iraq or to what extent communist influence resulted in this revolution.

Mr. SMITH (*Hastings-Frontenac*): I can only repeat what I said earlier, that there was a plot and undoubtedly the U.S.S.R. was not unhappy about

it. There was a plot to overthrow the government. There was a plot in Iraq and also one in Jordan. One was successful. I will name the other countries, or some of them. Sudan and Libya were two.

Mr. PEARSON: Is the minister suggesting that the acts in Iraq which are moving into other countries are all one-sided?

Mr. SMITH (*Hastings-Frontenac*): Yes.

Mr. PEARSON: The information I take it that the government received from those concerned, especially in the case of the intervention in Jordan, was to the effect that this particular plot which came into a more general plot was about to erupt immediately in this country, in Jordan, and that information must have come from intelligence sources. It is difficult to be impressed as one would like to be by the validity of that intelligence service information when the same service has no information about the outbreak in Iraq, which had been planned for some years.

Mr. SMITH (*Hastings-Frontenac*): In my opinion that states correctly the situation. They were totally unaware of it.

Mr. PEARSON: They suddenly became aware of it in the case of Jordan. On the same point—and I am not going to ask the minister whether he prefers to play “brinkmanship” or Russian roulette—would he give us some indication of the legal background for the intervention in these two countries under the United Nations Charter?

Mr. SMITH (*Hastings-Frontenac*): Article 51 was invoked and also another resolution to which there was reference—

Mr. PEARSON: Could you put section 51 on the record. Would you read it so we will know what it is.

Mr. SMITH (*Hastings-Frontenac*): I am trying to think of the name of it. No doubt the hon. member will recall it. There were two resolutions there, the “Uniting for Peace” resolution, and the other one I cannot remember. However, that was the view that was taken.

Mr. PEARSON: Is it not a fact the uniting for peace resolution required a decision of the general assembly before action could be taken? I may be wrong in that.

Mr. SMITH (*Hastings-Frontenac*): When there is a failure of the Security Council, yes.

Mr. PEARSON: Article 51 refers to the right of individual or collective self-defence against armed aggression.

Mr. SMITH (*Hastings-Frontenac*): I now have it here. I will read it.

Nothing in the present charter shall impair the inherent right of individual or collective self-defence if an armed attack occurs against a member of the United Nations.

Mr. PEARSON: Armed attack?

Mr. SMITH (*Hastings-Frontenac*): “Essentials of peace”—I could not think of it. The Essentials of Peace resolution of the General Assembly on December 1, 1949 calls upon the states to refrain from any threats or acts direct or indirect aimed at impairing the freedom, independence, or integrity of any state or at fomenting civil strife and subverting the will of the people in any state. These are the reference that were made.

Mr. PEARSON: I do not think these particular resolutions have any bearing on the legal basis for intervention, because they merely lay down certain principles; but they do not give justification for unilateral intervention if these principles were not observed. But article 51 has something else, and if it could be interpreted as applying to indirect aggression then it applies. I take

it there has been a constructive interpretation given to article 51 which would justify coming to the assistance of a country on the invitation of that country if that country feels it is going to be attacked.

Mr. LEGER: In direct reply, article 51 has not been mentioned in any resolution discussed at the Security Council during this aggression.

Mr. PEARSON: But it has been mentioned.

Mr. LEGER: Yes, but there is no resolution that has been adopted by the Council referring to article 51.

Mr. SMITH (*Hastings-Frontenac*): Then there is in international law, a established principle, that when one country asks aid from another country they can respond. That is clear.

The CHAIRMAN: Might I ask the Leader of the Opposition and the committee if it is the wish to have the complete text of article 51 included in the minutes?

Mr. PEARSON: It has been read now.

The CHAIRMAN: The whole text?

Mr. SMITH (*Hastings-Frontenac*): I did not read all of it.

The CHAIRMAN: Mr. Crestohl has been waiting patiently to ask a question.

Mr. CRESTOHL: In speaking about the Middle East, the information that came out over the week end was to the effect that they will defend the oil interests in the Middle East. I do not recall the exact language, whether it was at all costs or under all circumstances. It could be quite distressing and I am wondering whether the Canadian government could in any way be committed to anything in the event that the United Kingdom makes good this statement that they will defend, if defence should be necessary, the oil interests in the Middle East.

Mr. SMITH (*Hastings-Frontenac*): What statement is Mr. Crestohl referring to?

Mr. CRESTOHL: I have not the statement here but it was in the newspapers, and it came over the television. If you do not know about it you would be unable to answer it. But there was a statement that the United Kingdom has given assurance that it will defend its oil interests in the Middle East. I do not recall the exact wording, whether it was under all circumstances or at any cost.

Mr. SMITH (*Hastings-Frontenac*): I cannot answer that question.

Mr. CRESTOHL: Mr. Deschatelets also saw it in this morning's paper.

Mr. SMITH (*Hastings-Frontenac*): I have no knowledge of that and therefore there is no commitment on the part of the Canadian government.

Mr. CRESTOHL: If the minister has no knowledge there would not be any commitment. It was rather an omnibus statement. It was a press dispatch. I saw it in the newspaper. It is quite a serious statement.

Mr. SMITH (*Hastings-Frontenac*): I say this with great respect: How can I be of any assistance to this committee if you are going to quote something from a newspaper? No one has a clear idea who said it, whether it was some official of a government or someone else. I cannot take that question seriously, but I say there has been no commitment by the Canadian government.

The CHAIRMAN: Are there any further questions?

Mr. PEARSON: The minister in his statement talked about the possibility of the observation group UNOGIL expanding to a point where it could do the job which perhaps some other United Nations agencies could do. Is he satisfied that under the original terms of reference setting up this observation group that kind of expansion is possible to the point where you could have a substantial group in Lebanon adequate to assist in maintaining the security there?

Mr. SMITH (*Hastings-Frontenac*): Having heard Mr. Hammarskjold's statement to which I referred this morning, the one he made after the veto of the Japanese resolution, I do; and I couple with that that their success in that regard would warrant the United States withdrawing its troops.

Mr. PEARSON: May I ask another question or two about the so-called summit meeting? The Prime Minister announced it and the minister referred to it this morning. After this initial Security Council meeting, if it is held at the top level to deal with the inscription of the tem covering the Middle East question—if that meeting takes place, and it would be in public, in New York presumably, then there would be a smaller group set up in some form or other to meet in secret, and as informally as possible, and that that meeting could take place in Canada. That is an invitation that has been made public.

Mr. SMITH (*Hastings-Frontenac*): It was uttered last fall or early winter.

Mr. PEARSON: I know a similar invitation was included in the Prime Minister's reply to Mr. Bulganin in December.

Mr. SMITH (*Hastings-Frontenac*): December.

Mr. PEARSON: But several strings were attached to that invitation later in a speech made by the Prime Minister in January at Winnipeg. I ask the minister whether this invitation which has been made public now is without any conditions or any strings attached.

Mr. SMITH (*Hastings-Frontenac*): If the Security Council so decides.

Mr. PEARSON: It is purely up to the Security Council?

Mr. SMITH (*Hastings-Frontenac*): Yes.

Mr. PEARSON: And there are not other conditions that would be attached by the Canadian government to an invitation for this kind of a meeting in Canada?

Mr. SMITH (*Hastings-Frontenac*): I thought I had expressed my views on that but you are still waiting for an answer.

Mr. PEARSON: You have given an answer that this was an unqualified invitation.

Mr. SMITH (*Hastings-Frontenac*): Subject to this, that the Security Council—the powers to which we refer, desire to come here.

Mr. PEARSON: I suggest that is a change from the statement the Prime Minister made last January.

Mr. SMITH (*Hastings-Frontenac*): I would remind the hon. member, Mr. Chairman, of course in the reply to Mr. Bulganin the Prime Minister was of course speaking about a general global summit meeting. Those things which were said in the house on Friday by the Prime Minister have to do with this emergency situation and getting together these powers to deal with the Middle East situation. We did take the view that in a general summit meeting which would encompass many situations, not only in the Middle East but elsewhere, we would try to work it through consultations in NATO with the ambassadors in Moscow of the United Kingdom, the United States and France—to seek agreement on an agenda for that general type of summit meeting. For the present meeting we are contemplating and promoting, as far as Canada is concerned, a situation that has to do with the Middle East. With respect to the others there was not a condition, but there was an observation that long preparations should be held. But for this one, it is not. Well, preparation may be needed and it was thought that we had better get together; but by reason of the narrowing of the inscription in regard to the Middle East, it was felt we did not require the same preparation; and of course other capitals in the world, members of the United Nations, have been thinking about this for the

last two weeks and a lot of preparation and documentation and so forth has been produced. So there is not the same interest for preparation and settlement of the agenda and all the other matters that had been discussed in Moscow between the ambassadors, individually, I must observe, and Mr. Gromyko, during past months.

Mr. PEARSON: Might I ask this question. It is apparently possible, and I hope it will happen, that we will develop a United Nations information group in Lebanon to a point where it is providing a basis for that withdrawal by the United States which they desire to bring about. What happens in Jordan where there is no United Nations group of that kind?

Mr. SMITH (*Hastings-Frontenac*): Sir Pierson Dixon last Tuesday made this observation at a meeting of the Security Council that the United Kingdom and Mr. Hammarskjold were discussing what type of instrumentality would be most effective.

Mr. PEARSON: Could the minister see any way for the two governments to accomplish their desire to withdraw from these two countries without the United Nations taking some part?

Mr. SMITH (*Hastings-Frontenac*): That is a hypothetical question, I am afraid.

The CHAIRMAN: Are there any further questions?

Mr. ARGUE: The information coming from Iraq seems to be more and more assuring. Whether we can say it is completely assuring now or not, might I suggest that the time should not be too far distant when American and British troops can withdraw from that area?

Mr. SMITH (*Hastings-Frontenac*): Iraq is not the only factor in the whole area.

Mr. ARGUE: To put it this way: do other conditions seem to be developing in such a way that it would be feasible for British and American troops to withdraw from this area immediately or in the near future?

Mr. SMITH (*Hastings-Frontenac*): I cannot say, unless I come back to the point of the desirability and necessity for the United Nations to provide a solution with respect to the problem of withdrawal.

Mr. ARGUE: It would seem to me that the United Nations was in there, and in spite of UNOGIL the United States took unilateral action. Now the United States and others say that we have to have the United Nations. It seems to me that instead of the United Nations being there, the United States has taken this kind of action supported by Canada.

Mr. SMITH (*Hastings-Frontenac*): With respect to Mr. Pearson's question I would like to read from the following communication:

I wish now to indicate very briefly in what way my government propose to follow up their statement of readiness to withdraw British forces from the territory of Jordan if and when effective arrangements can be made by the U.N. for the protection of Jordan against external threats.

My government have concluded, from the course of the present debate in the council on the Lebanese item, that there is no immediate prospect of agreement being reached here on the necessary measures in Jordan.

They therefore propose, as a first step, to explore urgently with the Secretary General the possibility of devising some form of effective action by the U.N.

This will be done in consultation with the government of Jordan and with other governments concerned.

The object of these consultations will be to work out proposals under which assistance can be given by the U.N. to the government of Jordan to ensure the preservation of its territorial integrity and political independence.

He is discussing with the Secretary General the possibilities in that regard.

Mr. PEARSON: Does that mean that the United Kingdom has stated that their representatives in the security Council will be happy to withdraw from Jordan?

Mr. SMITH (*Hastings-Frontenac*): Yes.

Mr. PEARSON: As soon as the United Nations take over. But what form would the United Nations group take?

Mr. SMITH (*Hastings-Frontenac*): I am unable to answer that question. We have no knowledge of the negotiations which have been carried on by the United Kingdom with Mr. Hammarskjold. But of this I am confident: Mr. Hammarskjold is not dismayed by the task.

Mr. CRESTOHL: There was some reference to the remarks made before in this morning's Gazette at page 32. I think it is more forcefully expressed there than it is here, but if the minister has not seen the item I should like to read it. It reads as follows:

Britain 'will not tolerate' interference in Arab oil.

Britain warned Russia and Egypt today she will not tolerate any deliberate attempt by them to deprive the United Kingdom and Western Europe of Middle East oil supplies.

Speaking for the government in a House of Lords debate on foreign affairs, Lord Home, Secretary of Commonwealth Relations, said Britain wishes to maintain her good relations, commercially and otherwise with Iraq.

He added: 'But should a third party, whether Russia or Col. Nasser, seek by calculated deliberate policy to deprive us of our oil supplies, and to deprive Western Europe of their oil supplies, and therefore put a veto upon industrial expansion in the western world—then it is well to make it plain and unmistakable that the situation could not be tolerated by the United Kingdom.'

Lord Home said Britain's immediate objective is to produce effective machinery to preserve the independent status of Jordan and Lebanon.

A permanent United Nations force for the area was one idea; the neutralization of certain countries was another.

Other ideas were a political commission to supervise the area and an economic commission to organize development.

Speaking of the proposed summit conference, Lord Home said: 'We want no delay. Consistent with preparation, we want to get on with the job.'

As a matter of fact, as I said a moment ago, I think that compared to the television news, the radio, and the French paper, that statement was much more forceful.

I was wondering whether Canada would be in any way linked to any commitment which Great Britain might have made with respect to maintaining her supplies of oil and in using what I believe is almost menacing language.

Mr. SMITH (*Hastings-Frontenac*): I would repeat the answer that I gave: that I have no knowledge of that whatever. Therefore there could not be any commitment. That is logic and good politics between nations.

Mr. JONES: In that regard, there seems to be confusion with respect to two phrases: oil interests, and interests in oil. They are not synonymous phrases.

The interest of western Europe in the supply of oil is not concurrent with protecting any particular oil industry that may be in the area.

Mr. CRESTOHL: That is a perfectly logical statement. The United Kingdom is apparently showing her teeth when she speaks about oil in the Middle East.

The CHAIRMAN: Are there any further questions?

Mr. PEARSON: I have questions on other aspects, but I do not know if the committee is going continue sitting beyond twelve o'clock.

Mr. ARGUE: I move we adjourn.

Mr. McCLEAVE: I second the motion.

The CHAIRMAN: We have made plans to meet on Wednesday at 3:30 and again on Friday at 9:30.

There is one other announcement I wish to make. Mr. Rosenthal the Acting Administrator of the Colombo Plan will be available a week from tomorrow, August 6.

General McNaughton, Chairman of the Canadian Section International Joint Commission, will not be in Ottawa until after that date, or rather until August 8. So we are planning to have those gentlemen called at a time that is convenient to them and which would suit the wishes of this committee.

Mr. ARGUE: Is it necessary for us to meet tomorrow afternoon when the house is sitting? Unless it is very urgent I think we should attempt to confine our meetings to when the house is not sitting.

The CHAIRMAN: Well, that is one of the difficulties we have run into in the closing month, shall I say, of the session.

Mr. ARGUE: Yes, and at the first meeting of this committee as well.

The CHAIRMAN: Yes. I admit that we have run up against that question. You will recall that last year when General McNaughton gave his evidence, the new members of the committee found it to be very fruitful and informative.

I examined the possibility in view of the appearance of General McNaughton last session that possibly it could be shortened, or even that we could dispense with it to a limited degree. But the concensus seems to be that it is very advisable that we have a very full hearing of General McNaughton.

Then we are contributing a considerable amount of money to the Colombo Plan consequently, while the work of the house is important, the work of the committee is also important, and it is necessary that it be concluded.

I am trying to steer a middle course, and I feel that if we can only hold one or two meetings a week, I do not see how it is going to be possible for us to conclude the work of this committee.

Mr. ARGUE: As an alternative suggestion, could we not meet when the house is sitting on Monday? We know it is a day for private members' motions or possibly a motion for supply which is a very general debate, and I think the members would agree that with such a debate they could more readily be out of the house than today, for example, when there are a dozen pieces of important legislation to be called.

I do not know what the program is for tomorrow. Mr. Green was unable to tell us. But if we are going to have committee meetings all over the place when the house is sitting, it seems to me that it is unnecessary to hurry to push the work through the committee.

The CHAIRMAN: Our schedule calls for a meeting on Wednesday at 3:30 p.m. and another on Friday morning at 9:30.

Since 1945 when I first came here, the bulk of the estimates were handled in committee in the house, and there were always complaints and suggestions that if the committees were given more to do, it would spread out the work and it would shorten the time required in a session.

I think at the last session and at this session the government has tried to do that and has given a great deal more work to committees.

Consequently this is one of the results. You cannot have it both ways. I am quite prepared to cooperate in every way that I can and I will call the steering committee together. We shall accept the result of that meeting as the final decision for next week. But as far as tomorrow is concerned, we shall meet Wednesday at 3:30 p.m.

Mr. HERRIDGE: In fairness to the chairman, as a member of the steering committee I have given my word to stand behind it. But I am very concerned about having meetings of committees when there is something of great importance in the house which requires our attention. This was discussed early, and it was done because of the amount of work required in dealing with the estimates.

In my case I must admit some guilt in this regard. My great concern is for a full hearing of General McNaughton because I am both naturally and personally interested in the matter, and it is also of interest to the newer members. So I agreed at the steering committee that we should meet on Wednesday.

But the chairman will remember that at that time he said he would do his best after that to have the committee meet along the lines that Mr. Argue suggested just now.

Mr. ARGUE: It would depend to a great extent on what is going on in the house. I hope there will be a general discussion of the estimates instead of a great many bills. But I think we should endeavour not to sit when the house is sitting with the possible exception of Monday.

The CHAIRMAN: One further observation: the fact that several committees have completed their sittings will leave more members free from now on to attend meetings here and in the house.

Mr. SMITH (*Hastings-Frontenac*): Mr. Chairman, of course it is neither my intention nor desire to treat this committee with anything less than the courtesy that is required. Yet I would like to inform the committee that if it is necessary for me to go to the United Nations and it is the view of the government that I should go, I might not be present here next week. If a meeting is to be held, I may not be present here next week by reason of the situation demanding that I should go to the United Nations and engage in discussions there concerning the holding of a meeting. I would like to make that observation, that if the government feels I should go, I will not be here for the meeting; but that is not in contempt of this committee. The members of the committee will appreciate that with these fast moving events such a situation might develop. But as far as I can see I will be here this week anyway; but even with respect to that, I cannot make a commitment.

Mr. LENNARD: In reference to Mr. Argue's statement about the first meeting, it might be well to emphasize the fact that with the events of the last ten days it has been impossible for this committee to meet sooner than today, because of the absence of the minister.

The CHAIRMAN: Shall we adjourn?

Mr. SMITH (*Hastings-Frontenac*): Could I ask a question. It would be helpful to the department if we could get some idea of what might be discussed tomorrow. Mr. Pearson has suggested NATO; could I take that up tomorrow?

Mr. PEARSON: If it would help the minister, I would like to ask questions tomorrow on Middle East affairs more generally. I am thinking of the economic plan the minister mentioned and the neutralization of Lebanon, the question of manufacture and control of nuclear weapons, and how we might make progress at the United Nations in regard to the establishment of the United Nations force. Then, if possible, I would like to discuss recent meetings of the NATO council and to direct questions as to how they are getting along. Those probably will be subjects for my questions tomorrow.

The CHAIRMAN: We will now adjourn.

EVIDENCE

WEDNESDAY, July 30, 1958,
3.30 p.m.

External Affairs

The CHAIRMAN: Gentlemen, I notice that we have a quorum. If you will come to order we will commence with the day's proceedings.

Probably I should say a word or two following up a remark that I rather casually dropped yesterday regarding fossils. There was some misunderstanding about this remark and members of the Senate objected to the inference. I can assure those members that I did not have them in mind.

There is another observation I wish to make regarding this subject. I am told that there is a certain amount of reciprocal arrangement between the United States and Canada, however, I am rather afraid that possibly it is a one-way street. I have in mind the hold home of Thomas A. Edison which was located in my own home area and which was purchased by Americans and moved log by log and board by board out of the country. This home is now in Detroit.

I think we, as Canadians are now paying more attention to our past history. In the same area on the north shore of Lake Erie is located the old home of Colonel Thomas Talbot, plus settlements in western Ontario, particularly the counties of Middlesex, Elgin, Norfolk and some of the other counties in that area which were managed by Colonel Thomas Talbot.

There are several books written about Colonel Talbot. One of them is "Lake Erie Baron", which I would recommend you should study at some future time. That particular home could well become a historical site. There is a cairn erected there but the property has now passed into private hands.

This is only a part of what I was thinking in regard to what we, as Canadians, should keep in mind.

I would remind the members of the committee that we are still considering

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| Item 85. Departmental Administration (including the former Passport Office Administration) | \$5,533,081 |
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The CHAIRMAN: Yesterday there were some questions asked about UNOGIL, and the Minister of External Affairs has advised me that he is quite prepared to table the documents dealing with UNOGIL.

Hon. Sidney E. SMITH (*Secretary of State for External Affairs*): Mr. Chairman, during the discussion yesterday Mr. Argue raised certain points in connection with the official reports of UNOGIL, with particular reference to the extent to which those reports revealed the changing conditions in Lebanon at the time of the Iraqi coup.

In this connection I think that Mr. Argue, and indeed all members of the committee, might find it of value to read all the reports submitted by

the Secretary-General on the activities of UNOGIL since its inception, and, with the consent of the chairman, I will table these documents so that they will be available to all for perusal.

These documents are rather bulky; they are five in number. I am not suggesting that they be inserted in the proceedings of this committee, but as you have suggested, they should be merely tabled.

I have some identification numbers here, or reference numbers. I will give these to the reporter. They are United Nations Security Council documents S/4028 and S/4029 of June 16, 1958; S/4038 of June 28, S/4040 of July 3, S/4051 of July 16, and S/4052 of July 17.

The last two reports, I will point out again, bear the dates of July 16 and 17. These two reports were written as of July 15. The overthrow of the government of Iraq occurred during what was for us the night of July 13, a Sunday, and the morning of July 14.

A perusal of these reports, Mr. Chairman, will show that obviously they were written without any relation to the incidents in Baghdad—the overthrow of the Iraqi government—and do not take any cognizance of the landing of the American troops on July 15.

We have endeavoured to ascertain whether any further reports have come to the hands of the Secretary-General, and to the best of my knowledge these reports, to which I have made reference, are all the reports which have been rendered to date.

The CHAIRMAN: Gentlemen, is it the wish of the committee to have these documents printed as appendices to the report?

Some Hon. MEMBERS: Agreed.

The CHAIRMAN: Are there any further questions with regard to item 85?

Mr. JONES: There was a report in a newspaper that the Baghdad pact countries had considered recognizing Iraq. Has the Minister of External Affairs any comment to make on that subject at this time?

Mr. SMITH (*Hastings-Frontenac*): Mr. Chairman, I have no comment to make in regard to that report, except to repeat what I uttered in the House of Commons yesterday afternoon. That is, that the matter is under consideration as far as the Canadian government is concerned. I did point out in the House of Commons that there was no particular urgency for Canada to recognize the new regime in view of the fact that we have no representative there. Mr. Argue asked a question with respect to our attitude when the question comes up before the Security Council relating to the seating of the newly designated representative by the new Iraq government representing that country on the Security Council.

The Under-Secretary of State has just passed me a press dispatch.

Iran today recognized the new regime in Iraq, Baghdad radio said.

The Iraqi radio said the Iranian chargé d'affaires in Baghdad handed the Iraqi foreign minister a note comprising recognition of the new government.

If confirmed, Iran is the first of the Baghdad pact powers to recognize the regime, which is expected to divorce Iraq from the anti-communist alliance. The other pact members, Britain, Pakistan and Turkey, are expected to extend recognition later.

West Germany today recognized the new government in Iraq, the West German news agency reported.

So without betraying any confidence I draw the attention of the committee to the fact that Iran, one of the Baghdad pact nations, has recognized the new government.

Mr. ARGUE: I wonder if I might ask the minister whether generally in recognizing a country like Iraq, or some other nation, Canada makes a

decision itself on the basis of its own information and the information it obtains entirely or whether there is some kind of general procedure or practice that is followed of waiting until the United States or the United Kingdom has recognized such a country and then follows one or the other?

Mr. SMITH (*Hastings-Frontenac*): I readily respond to that question. We do get information on the stability and the attitude of a new government in a country from whatever sources we think are reliable and we discuss the matter with our allies.

Mr. ARGUE: Would the minister say that Canada makes its own independent decision entirely?

Mr. SMITH (*Hastings-Frontenac*): Against the background that I have suggested.

Mr. ARGUE: And it would not be fair to conclude as far as recognition of China is concerned that Canada was waiting until the United States took such action and then they would immediately follow. I am hoping that is not the case because I feel if Canada is to play a useful role in international affairs, it must be established we are not just a tag-along nation and that we wait until we see what the United States or the United Kingdom do or what one or the other does and then automatically we do the same.

Mr. SMITH (*Hastings-Frontenac*): With respect to the recognition of China, Mr. Argue knows the United Kingdom did that some years ago and while I can only say the matter with respect to the recognition of China is under constant consideration, if and when that decision is made to recognize China, it will be taken as an independent action by the Canadian government for which the Canadian government will be entirely responsible.

Mr. ARGUE: There will be no pressure from the United States in any way, shape or form?

Mr. LENNARD: He said that.

Mr. ARGUE: I am asking whether there has been any pressure from the United States in any way, shape or form in regard to the recognition of China?

Mr. SMITH (*Hastings-Frontenac*): I can say there has not been any pressure.

Mr. PEARSON: Has there been any pressure on the United States from Canada in regard to this matter?

Mr. ARGUE: How could there be when we do not recognize China?

Mr. JONES: I do not see the connection between Mr. Pearson's question and your statement.

Mr. SMITH (*Hastings-Frontenac*): They are two sides of the same coin.

The CHAIRMAN: Are there any further questions?

Mr. PEARSON: I am sorry I was not here earlier. Had the minister said whether they recognize the new government of Iraq?

Mr. SMITH (*Hastings-Frontenac*): No. I just read from a press dispatch. It is not without significance that Iran, one of the members of the Bagdad pact, after the meeting in London, has recognized the new government.

Mr. PEARSON: Is it not true, Mr. Chairman, that this matter will come to a head very soon as far as the Canadian government is concerned, perhaps at the next meeting of the Security Council, when some action will have to be taken with regard to the Iraqi representative?

Mr. SMITH (*Hastings-Frontenac*): That would be a difficult problem to leave unresolved in view of the possibility of a special meeting of the Security Council to which I referred yesterday.

Mr. ARGUE: Would the minister care to comment on the headlines in the early morning papers and also this afternoon's papers, under dateline Washington, that the United States and the United Kingdom are likely to suggest a summit meeting between August 10 and August 15. I would like to know whether Canada is being kept informed as to the United Kingdom and the United States attitude with regard to setting the dates for such a summit meeting and the conditions surrounding such a meeting?

Mr. SMITH (*Hastings-Frontenac*): Only this morning we have been in communication with Mr. Hammarskjold, the Secretary General, and the State Department with respect to the reply that the United States and the United Kingdom might make. It would not be desirable for me at this particular time, or fitting or helpful for me to comment at this time with respect to the contents of those notes. I have nothing to add to what I said yesterday.

Mr. VIVIAN: Referring to the estimates, in view of the Minister's statement of yesterday that increased representation of Canada in the Middle East was about to take place, is this amount of money sufficient for the purpose and if not how would it be added to? In respect of item 85 "departmental administration", you are enlarging your representation for the Middle East. Will the money in the estimates be sufficient and if not how would you add to it?

Mr. LEGER: The whole problem of the administration of the department will come under discussion whenever this committee has seen fit to call it after the minister is finished.

The CHAIRMAN: It will come under items 86 and 87.

Mr. LEGER: And when we deal with that particular item, your question would be very relevant. The short answer to that question is no.

Mr. PEARSON: No money.

Mr. SMITH (*Hastings-Frontenac*): In the meantime, will the members of the committee pray for us when we appear before the treasury board.

The CHAIRMAN: Are there any further questions?

Mr. PEARSON: Mr. Chairman, perhaps I have not so much a question as an interrogatory observation or two to make. In regard to the proposed summit meeting which the minister was good enough to inform us about yesterday—and my observation arises from the fact that this proposed meeting seems to be getting into a state of complication and confusion—it is only my own view but I feel now that if the Security Council could only meet very quickly, even without the heads of government, and take the action through its regular representation, which the minister pointed out yesterday is desirable in regard to the agenda and the forum of heads of state meeting to follow the full Security Council, it might be a way out of some of this confusion. I am wondering whether the minister would not agree that if this smaller group is to be set up to meet in private, and as he said yesterday that seems to be the best way to do it—and as far away as possible from the floodlights of publicity; would it not be desirable for this discussion in this small group to consider not only the immediate crisis but a program for the Middle East and refer back then to the Security Council its views in regard to such a program, or indeed set up a committee of experts to follow through. The minister mentioned these things yesterday.

I had in mind that this program, which could at least be initiated by this smaller group of top men, would include an economic plan, which has been mentioned by the minister, and which would certainly have to include some solution of the refugee problem, a plan for security guarantees, not only for Lebanon although that may be the place to start, but perhaps a wider plan

than that which would cover only one country, and also a plan for control of arms shipments into the area. In respect of that third point, the control of arms shipments, could the minister give us any information as to what Canadian policy is on that particular matter?

Mr. SMITH (*Hastings-Frontenac*): Perhaps it was before Mr. Pearson came in that I expressed the hope that we would not be too specific today in respect of the agenda and how the meeting of the major powers could be set up. I said that not to mislead or to keep information away from this committee, but in order that negotiations which are going on today very intensively can be assessed. I do expect that tomorrow there will be a significant development.

In respect of some of the matters to which Mr. Pearson has referred, I can only use this expression, that I used to play a game called, "Button, button, who's got the button?" After the button was hidden one of the participants in the game got near the hidden button—or it may have been a thimble—and someone would cry out "Getting warmer, warmer, warmer." That is the only observation I can make in that respect at this time.

With reference to the export of military supplies to the Near East, exports by Canada of arms to the sensitive areas, of which the Near East is a very obvious example, are considered by the Secretary of State for External Affairs or the minister acting for him in his absence, or the cabinet, when an export permit so warrants. Since last August no shipments of arms have been permitted to go forward to any country in the Near East. Indeed, the only shipment of military supplies which has been made for which an export permit was required and granted this year was \$680.65 worth of miscellaneous radio equipment sold to Israel.

That is the present policy of the government with regard to shipments to this sensitive area.

Mr. ARGUE: With regard to Mr. Pearson's very interesting three-point program, do you not think there should also be a fourth point dealing with free elections and to provide a greater measure of democracy in this area.

Mr. PEARSON: Do I have to answer questions, Mr. Chairman?

Mr. ARGUE: Maybe this would avoid the Americans going in there?

Mr. JONES: I do think, subject to the desire of the other members to pursue this question of the Middle East, as it is a situation in which events are changing so rapidly, and views are being formed on one side or the other, perhaps it is not too useful at this time to try to pin these various points down further. There are many topics which I am sure all the members of the committee wish to discuss and have the views of the government on in relation to external affairs. Perhaps we might pass on to some other topic.

Mr. SMITH (*Hastings-Frontenac*): With regard to Mr. Argue's observation, I would merely take it up in the one context which we were discussing yesterday and which I considered in the house last Friday, that is the stabilizing of the situation in Lebanon. We talked about the independence and security of Lebanon. To my mind independent security and political stability in Lebanon involves free elections.

I hope that there will be the developments which we anticipate at the moment in respect of the Middle East question. If there are, I will be prepared to make a further statement to the committee in the light of those developments if they come about by Friday. There were other aspects raised yesterday, Mr. Chairman, in respect of the neutrality of Lebanon and in respect of economic assistance in the Middle East and other topics—I am thinking particularly of the possibility of holding the summit meeting—which I suggest we stand over until Friday.

Mr. PEARSON: I am quite agreeable to have anything stand over until Friday. I think our interest in this problem is a natural one. The minister devoted, and quite rightly, most of his statement yesterday to the middle east, and I think it is quite understandable that we should try to follow up what he said by some further questions. All he has to do is to tell us if some particular question is embarrassing at this particular moment and it can be dropped.

Mr. SMITH (*Hastings-Frontenac*): It is only with relation to the plans for holding the meeting and the negotiations which are going on today.

Mr. SMITH (*Calgary South*): May I ask the minister if, in view of his comprehensive statement in the house, in respect of Jordan and the Middle East as a whole, and also his comment yesterday about the importance of improving our own representation in certain areas of the Middle East, does he feel that perhaps we have been late in getting information into this area, and in fact into the entire western hemisphere, and that we have had too little information too late, having regard to the quality of the representation which we had hoped to place in Iran, or in Israel or in Lebanon?

Mr. SMITH (*Hastings-Frontenac*): I must answer, yes; we have not had, on our own, the information which we would have desired during the past ten days.

Mr. PEARSON: The statement turns on that point. Would the minister not also agree there have been times when we have got the least information from the places where we have the strongest diplomatic representation?

Mr. SMITH (*Hastings-Frontenac*): I will not admit that

Mr. SMITH (*Calgary South*): I was not thinking, necessarily, of diplomatic representation. That is very often one of the slowest sources, as I understand it. Let me reword that. I am suggesting, sir, that often the information made available to us which comes through other channels comes through faster than through the ordinary diplomatic channels.

Mr. SMITH (*Hastings-Frontenac*): That comes through the newspapers.

Mr. HERRIDGE: According to the newspapers the Americans were caught flatfooted in respect to the sudden turn of events in Iraq.

Mr. SMITH (*Hastings-Frontenac*): And the United Kingdom.

Mr. HERRIDGE: Was the Canadian government's intelligence and diplomatic corps much superior?

Mr. SMITH (*Hastings-Frontenac*): We have not any representation in Iraq. That is one escape clause which is valid.

Mr. HERRIDGE: We had no information in respect of developments?

Mr. SMITH (*Hastings-Frontenac*): No advance with respect to Iraq.

Mr. LENNARD: You may have had information, but no representation?

Mr. HERRIDGE: The minister said no information. The minister is answering the questions.

Mr. SMITH (*Hastings-Frontenac*): No information. Even our intuition was no better than the intelligence reports.

I am prepared to assist the committee at this time in deciding upon the agenda for this afternoon. I am prepared to speak on the economic assistance for the Middle East and proposals for Lebanon's neutrality. I am also prepared to speak on certain facets of "disengagement".

Mr. HERRIDGE: I think we would be very interested to hear of the economic assistance to the Middle East.

The CHAIRMAN: Is it the wish of the committee that we proceed with the economic proposals?

Mr. PRATT: Before we go on to that I wonder if I can ask a question on the definition of the Middle East. Some of us were asking about it at lunch today. Apparently the French describe it as the Near East. I understand the Canadian Geographic magazine has described the Middle East as being India and Pakistan and if the eastern Mediterranean is the Middle East, then where is the Near East?

Mr. SMITH (*Hastings-Frontenac*): I will leave this to the expert, Mr. Leger. . . .and the division bells ringing. . .

Mr. PRATT: Saved by the bell.

The CHAIRMAN: The meeting will stand adjourned until 9.30 on Friday morning.

"APPENDIX A"

UNITED NATIONS SECURITY COUNCIL
S/4029—16 June 1958

Report by the Secretary-General on the Implementation to date of the Resolution of the Security Council of 11 June 1958, on the Complaint by Lebanon

1. The resolution by the Security Council of 11 June 1958, on the complaint by Lebanon, requests the Observation Group authorized by that resolution "to keep the Security Council currently informed through the Secretary-General". The Observation Group, two of whose members have not yet arrived in Lebanon, will hold its first meeting in Beirut this week, probably on the nineteenth. As no information may be expected from the Group prior to that date, this report is submitted as an interim measure, to inform the Security Council of the steps that have been taken to date by the Secretary-General, under the authority given to him, toward implementing its resolution.

2. The three members of the Observation Group have been appointed. They are: Mr. Galo Plaza of Ecuador, Mr. Rajeshwar Dayal of India and Major-General Odd Bull of Norway. The Observation Group will constitute itself and determine its own procedures. Military officers in the capacity of Observers are assisting the Group. Major-General Bull has been designated as "Executive Member of the Observation Group, in Charge of Military Observers". Major-General Bull arrived in Beirut early on the morning of the fifteenth, Mr. Plaza is scheduled to arrive on the seventeenth, and Mr. Dayal is expected on the same day.

3. On 11 June, I appointed Mr. David Blickenstaff as Secretary of the Observation Group, and Mr. Shiv K. Shastri as Assistant Secretary. Mr. Blickenstaff arrived in Beirut on 12 June and Mr. Shastri on 14 June. In the days immediately following, the operation has been provided with the secretariat staff required. The United Nations Relief and Works Agency for Palestine Refugees in the Near East, from the beginning, on an emergency and temporary basis, has readily afforded all necessary administrative assistance and other co-operation. This has in no way involved an association of UNWRA with the operation. The Headquarters of the Group was established in a Beirut hotel, close to its telecommunications facilities, where all of the staff members, including the Observers, are housed.

4. On 11 June, I requested the Chief of Staff of UNTSO, Major-General von Horn, to afford temporary assistance toward the execution of the Security Council's action by detaching ten United Nations Military Observers from UNTSO duty to the Observation Group operation in Lebanon, five of whom were to arrive on the twelfth and another five not later than the fourteenth, under the command of an officer of sufficient rank. The first five military observers arrived in Beirut on the afternoon of the twelfth and a second group of five arrived there on the afternoon of the thirteenth. They are under the command of Lieutenant Colonel W. M. Brown. On 14 June, the Chief of Staff in Jerusalem agreed to provide another five United Nations Military Observers.

5. The United Nations Observers, in vehicles painted white with United Nations insignia, began active reconnaissance on the morning of 13 June in Beirut and its environs. Officials of the Group in Beirut, from the beginning, requested of the Lebanese authorities that the United Nations Observer teams

be accorded complete freedom of movement throughout Government-held areas. Beirut Headquarters informs us that in a few initial trips "of uncertain and dangerous nature", pilot jeeps manned by Lebanese troops have been used to check roads half an hour in advance of the UN teams and half an hour behind them. The Observer teams have in each subsequent instance proceeded without pilot vehicles. We are also advised that the initial purpose of the patrols and road reconnaissances have been to have United Nations Observers and vehicles appear in as many areas as possible as soon as possible. In consequence, the UN Observer teams have covered most main road areas in Government-held regions, and have reached and entered areas not held by Government forces. The Observer teams are now working according to a schedule, and the plan being followed is to have them probe further each day in the direction of the frontier. Their observation task in connexion with any "illegal infiltration of personnel or supply of arms or other material across the Lebanese borders" is greatly complicated by the fact, as reported by the Observation Group Headquarters in Beirut, that only a small part of the total frontier appears to be controlled by Government forces. The Observer teams are composed of two Observers, each with a radio-equipped vehicle, and one radio officer with a communication jeep. The three members of the team in their vehicles operate in a convoy at safe intervals and keep in constant communication with each other.

6. As of the fifteenth, the Observer teams had proceeded as far as Tripoli, Baalbec, the Syrian border on the main Beirut-Damascus road, Marjayoun and Rashaya, some places having been visited several times and some twice daily. The immediate aim, we are informed, is to establish field stations; one to be at Tripoli, for the northern border areas, in the expectation that freedom of movement will be obtained in the area not under the control of government forces; one in the Baalbec area, and one at Marjayoun. From each of these places the Observers are attempting to proceed into the frontier areas. In the initial and unavoidably hazardous stage, it has been of great value to have the services of the experienced Observers of UNTSO. It is reported that so far the UN Observers have generally met with a good reception, particularly in Beirut.

7. Communication and transportation for the immediate needs are adequate but will have to be considerably expanded. The operation thus far has received from UNTSO fourteen jeeps, thirteen of which are radio-equipped, and a Military Observer-Base radio system, which has been in operation since 13 June. For communications beyond Lebanon, UNTSO radio facilities in Beirut are employed.

8. On the basis of a careful assessment of needs by the members of the operation now in Beirut, and in view of the planned method of operation of the Observers, as described above, the number of military observers is being increased to one hundred, and an urgent request has been made of fourteen Governments to provide officers for the purpose.

9. Immediately upon arrival in Beirut, the UN representatives in the operation, both civilian and military, established contact with the appropriate Lebanese authorities with a view to facilitating its work. The Lebanese Government has designated a Minister to be in charge of relations between the Government and the Observation Group, and has set up a five-man commission to assist in this purpose, as indicated in the letter of 15 June from the Prime Minister of Lebanon to Major-General Bull (Annex I).

10. The status of the UN Observation Group in Lebanon, its privileges and immunities, etc., has been defined in a letter of 13 June from the Secretary-General to the Foreign Minister of Lebanon (Annex II).

11. Members of the operation have indicated from Beirut the need for a small number of light aircraft of reconnaissance type, together with helicopters. Steps have been taken to meet this need.

12. In view of the urgency of the situation in Lebanon, I considered that it would involve an unwarranted loss of time to request the three members of the Observation Group to assemble in New York prior to their arrival in Lebanon. For only one of them was it convenient to visit UN Headquarters en route. The other two were to proceed directly to Beirut. In view of all the circumstances, and the character of the task of the Observation Group, I have decided that I should give assistance to the Group by being present when the three members assemble in Beirut and attending the Group's first meetings there.

ANNEX I

*Letter of 15 June from the Prime Minister of Lebanon
to Major-General Odd Bull*

I have the honour to inform you that the Lebanese Government at a meeting held on June 12, 1958, has taken a decision nominating His Excellency Dr. Albert Moukheiber, Minister of Health, as Minister in charge of relations between the Government of Lebanon and the United Nations Group of Observers.

A commission has also been formed to assist Dr. Moukheiber in the fulfilment of this mission, composed of: Emir Farid Chehab Director General of the Surete Generale, Edward Chorra, Director of International Relations in the Ministry of Foreign Affairs, Captain Francois Ginadrh, Representative of the Lebanese Army Headquarters, Mr. Raja Hamady, Representative of the Ministry of Finance.

The mission of this Commission is to take all necessary measures to facilitate the task of the U.N. Group of Observers and to supply said Group with all information coming to the knowledge of the Lebanese Government about the infiltration of arms and armed men and other material from across the Lebanese border and to assure the contact between the various sections of the Lebanese Administration and your Group.

The Office of this Commission will be in the Ministry of Foreign Affairs. I would be very grateful if you would channel all communications with the various departments of the Lebanese Government through this Commission which stands ready at all times to answer your requests and to facilitate your work.

ANNEX II

*Letter of 13 June from the Secretary-General to the Foreign Minister
of Lebanon concerning the Status of the United Nations
Observation Group in Lebanon*

His Excellency Dr. Charles Malik,
Minister for Foreign Affairs.

Sir,

I have the honour to refer to the resolution of 11 June 1958, by which the United Nations Security Council decided to dispatch urgently an "observation group to proceed to Lebanon so as to ensure that there is no illegal infiltration of personnel or supply of arms or other material across the Lebanese borders", and authorized the Secretary-General to take the necessary steps to that end.

In view of the special importance and difficult nature of the functions which this Observation Group will perform, I would propose that, with the operation as now envisaged, your Government might agree to extend to the Observation Group consisting of three senior members, the United Nations military observers and the United Nations Secretariat—over and above the status which they enjoy under the Convention on the Privileges and Immunities of the United Nations—the privileges and immunities, exemptions and facilities which are enjoyed by diplomatic envoys in accordance with international law. The privileges and immunities necessary for the fulfilment of the functions of the Observation Group also include freedom of entry, without delay or hindrance, of property, equipment and spare parts; freedom of movement of personnel, equipment and transport; the use of United Nations vehicle registration plates; the right to fly the United Nations flag on premises, observation posts and vehicles; and the right of unrestricted communication by radio, both within the area of operations and to connect with the United Nations radio network, as well as by telephone, telegraph or other means.

It is my understanding that the Lebanese Government will provide at its own expense, in agreement with the Representative of the Secretariat, all such premises as may be necessary for the accommodation and fulfilment of the functions of the Observation Group, including office space and areas for observation posts and field centres. All such premises shall be inviolable and subject to the exclusive control and authority of the Observation Group. I likewise understand that your Government will in consultation with the Observation Group provide for necessary means of transportation and communication.

If these proposals meet with your approval, I should like to suggest that this letter and your reply should constitute an agreement between the United Nations and Lebanon, to take effect from the date of the arrival of the first members of the Observation Group in Lebanon.

Accept, Sir, the assurances of my highest consideration.

DAG HAMMARSKJOLD
Secretary-General.

APPENDIX "B"

UNITED NATIONS SECURITY COUNCIL S/4038—28 June 1958

Further Report by the Secretary-General on the Implementation of the Resolution of the Security Council of 11 June 1958 on the Complaint of Lebanon

1. This progress report on implementation of the resolution of the Security Council of 11 June 1958, on the complaint of Lebanon, is further to my first such report of 16 June (S/4029). It is submitted by the Secretary-General, but is based on information received from the Beirut Headquarters of the United Nations Observation Group in Lebanon. The Observation Group itself has in preparation a first report on findings, in discharge of its responsibilities under the Security Council resolution, and this may be expected before long.

2. With the arrival of Mr. Rajeshwar Dayal in Beirut on 18 June, the organization of the Observation Group was completed. On that date, the Group met informally and was briefed by its Secretary on developments since the arrival in Beirut of the first Secretariat members and Military Observers on 12 June. At the same time, attention was also given to administrative arrangements and the activities of the Military Observers.

3. On 19 June, the Group held a further informal meeting, with the Secretary-General presiding. Later the same day, it held its first formal meeting and organized its work. At this meeting, Mr. Galo Plaza was designated Chairman of the Group. The first meetings of the Group were devoted to an exchange of views on the methods and procedures which it would follow in carrying out its mandate with regard to illegal infiltration of personnel or supply of arms or other material across the Lebanese borders, under the resolution of the Security Council, and in keeping the Security Council "currently informed through the Secretary-General". The Secretary-General was in close consultation with the Group throughout his stay in Beirut.

4. As of 26 June, ninety-four officers from eleven countries were serving as Military Observers in Lebanon. They have established a regular patrolling system of areas accessible and, since the implementation report of 16 June have advanced further into areas outside Government control. Areas being regularly patrolled by the Observer teams are the following: around Tripoli and south of that city; the coastal road from Naqura to Demour, and roads branching off toward the interior; the Marjayoun area; the Chtaura area and northeast beyond Baalbec; the area north and east of Beirut and south of the city, except in the vicinity of Beit El Dine.

5. Observer outstations have been established in the following areas: Tripoli (with a sub-station at the Cedars), Chtaurá, Zahle, Marjayoun, Saida, and at Saghbine southeast of Beirut. From these outstations, patrol activities are extended into the surrounding countryside. Outstations in several other places are now being established or are under consideration.

6. In visiting areas outside Government control, the Observers have met local leaders and have discussed with them freedom of movement in the Bekaa area north of Baalbec, the Chouf area south of Beit El Dine, and the area north of Tripoli. It was reported from the headquarters of the Group on 25 June that

for the time being further efforts at moving deeper into such areas were deferred at the following main points: the area north and northeast of Tripoli (where firing is in close vicinity and the roads are mined), the Beit El Dine area, and the north Bekaa area.

7. The basic items of equipment for the Observer teams are transport and communications, and arrangements have worked well for the delivery of jeeps and supporting transport at a rate compatible with the arrival in the area of the Military Observers. Thus, as of 26 June, there were seventy-four vehicles to ninety-four Observers. A fully operating radio communication system has been installed for contact between UNOGIL Headquarters, Observer outstations and jeeps circulating within the area assigned for observation.

8. At the request of the Group, United Nations Headquarters has obtained two small helicopters. The helicopters arrived in Beirut on 23 June and, with Norwegian pilots, are now in operation. Four light observation planes have also been requested and will be on hand soon. These, as the helicopters, will be used solely for aerial observation in pursuance of the Group's task under the Security Council resolution. The Governments of neighbouring countries have been notified by the Secretary-General of these observation flights over Lebanese territory in the proximity of the borders.

9. Arrangements have been made by the Group for receiving from the Ministry in charge of relations between the Government of Lebanon and the Group, written communications on cases which the Lebanese Government desires to bring to the attention of the Group. The Group in turn submits these to independent study through its own means and in the light of supporting evidence provided. The Group has received information concerning prisoners, said to be Syrians, taken by Lebanese authorities. Such prisoners, when made available to the Group, are being interrogated by the Executive Member of the Group, Major-General Bull, with the assistance of qualified Military Observers, concerning matters covered by the Security Council resolution.

10. Since the previous report on implementation, additional personnel have been added to the Secretariat of the Group and the basic staffing requirements for the secretariat and administrative services to meet the needs of an operation involving one hundred Military Observers are about to be completed. The Headquarters of the Group continues to be located in the Biarritz Hotel in Beirut, although consideration is being given to the acquisition of new quarters in that city affording more adequate physical conditions.

APPENDIX "C"

UNITED NATIONS SECURITY COUNCIL S/4040—3 July 1958

First Report of the United Nations Observation Group in Lebanon

Submitted through the Secretary-General in pursuance of the resolution of the Security Council of 11 June 1958 (S/4023)

1. By its resolution adopted at its 825th meeting, held on 11 June 1958, the Security Council decided "to dispatch urgently an Observation Group to proceed to Lebanon so as to ensure that there is no illegal infiltration of personnel or supply of arms or other material across the Lebanese borders". The present document is the first report of the Observation Group submitted pursuant to the Council's request that it "keep the Security Council currently informed through the Secretary-General". However, the Group has been in daily contact with United Nations Headquarters in regard to its task.

2. The Observation Group was fully constituted in Beirut on 19 June 1958 as follows: Mr. Galo Plaza (Chairman), Major-General Odd Bull (Executive Member), Mr. Rajeshwar Dayal (Member).

3. The first meeting of the Group was convened in Beirut on 19 June 1958 by the Secretary-General. After election of its Chairman, upon the proposal of Mr. Dayal, and after confirmation of the designation of Major-General Bull as Executive Member in charge of Military Observers, the Group agreed upon the methods and procedures for the conduct of its business. It then immediately turned its attention to the urgent questions connected with the placing in the field as rapidly as possible of military observers who were arriving in Beirut in increasing numbers, and with the means by which the mandate from the Security Council could most effectively be translated into action.

Problems of Observation

4. The Observation Group, in its examination of these questions, had necessarily to take into account the particular circumstances under which its task was to be carried out and careful study was given to a variety of factors relating to the situation.

5. It was learned that of the total land frontier with Syria, of some 278 kms. in length, only 18, lying on either side of the main Beirut-Damascus road, remained under the control of the Government forces. The Observation Group had been assured by the Lebanese Government that the Group would be accorded free access to the areas under Government control. No formal assurances from any quarter were offered to the Group with regard to access to territory not under Government control, nor were such assurances sought by the Group. Inasmuch as the areas to be observed by the Group in accordance with the mandate from the Security Council would necessarily include the border zones, the question immediately arose as to how the Group could fulfil its functions in these zones where its right to engage in observation activities had not been formally or implicitly recognized.

6. Another major factor which would inevitably influence the means to be employed was the nature of the terrain in the frontier regions. The eastern

frontier runs roughly from north-north-east to south-south-west along the mountainous formations of the Anti-Liban and the Hermon which attain heights of 2,400 to 2,800 metres respectively. Main roads of communication on the Lebanese side of this chain of mountains run parallel to it in the Bekaa valley, the sole exception being the Beirut-Damascus road which crosses the Bekaa from the north-west and passes between the Hermon and the Anti-Liban highlands. Thus physical accessibility to the border by road is considerably restricted in the area lying between the frontier itself and the main roads running the length of the Bekaa valley. This is an area which ranges from approximately 10 to 25 kms. in width.

7. The northern frontier lies in a broad plain. However, access by land from the Lebanese side is by the coastal highway running north-east from Tripoli towards Homs. There are no roads connecting this northern border area with the north Bekaa valley. Thus, the northern border can be reached only through the area north of Tripoli, an area now under the control of the Opposition forces.

8. The remaining frontier of concern to the Observation Group is the sea coast of some 220 kms., along the full length of which runs a main highway from Harida in the north to Nokoura in the south. It will be seen, therefore, that the areas of primary concern to the Observation Group are those where the problems of accessibility are the greatest, both from the standpoint of topography and of obtaining freedom and security of movement.

9. The Observation Group has given its most careful consideration to another condition which has a bearing on its observation activities within Lebanon and particularly in the border areas referred to above. The existence of a state of conflict between opposing armed forces in a territory to which an independent body of observers seeks free access throughout imposes upon that body an attitude of discretion and restraint if the express or tacit acceptance of its presence is to be obtained from those exercising authority or effective control on different sides in the conflict. The Observation Group is fully conscious of the fact that its methods of observation and its use of the information it receives must duly reflect the independent character of its status and its complete objectivity and impartiality in relation to the present conflict.

10. In this connexion it would be relevant briefly to outline the situation in regard to the present state of the conflict, in so far as it concerns the functions of observation with which the Group is charged. In Beirut, Tripoli and Saida, sections of the city lie behind barricades, and are normally inaccessible to observation, except under previously negotiated arrangements. In all these towns, intermittent clashes have been occurring. The area to the north of Tripoli, stretching to the border, has been the scene of some hostilities, and a similar situation prevails in the region to the north of Baalbek. In the south and south-east, armed clashes are taking place, while the Chouf area, to the south-east of Beirut, is under the complete control of opposition elements.

11. An additional factor which the Observation Group feels it should take into account in its activities and in its reporting on observations, concerns the nature and location of the populations which live along the border regions, particularly in the eastern zones, and the traditional freedom of association which has existed for centuries among certain peoples living in areas now lying on both sides of the frontier. Moreover, persons could move freely across the frontier merely on the presentation of identity cards and did not require passports and visas. In some areas a tribal structure of society is prevalent which creates bonds of identity within ethnic groups, the realities

of which are in some cases not diminished by the existence of a political frontier, the demarcation of which is, in some places, the subject of disagreement or uncertainty. The peoples of these areas have traditionally borne arms, and habits of mutual assistance in peaceful as well as in troubled times have been regarded as a normal expression of tribal solidarity. There are some other areas also where the border is not clearly demarcated or recognized. Furthermore, throughout the country the possession of arms is common practice, in spite of governmental efforts in the last few years to curb such habits through licencing, which has not been properly enforced. The methods employed by the Observation Group in carrying out the mandate from the Security Council must be directed toward the explicit purposes of observation and reporting for which the Observation Group was established. The Group is of the opinion that the above facts require it to pursue its activities with particular vigilance and care in order that its mandate may be fulfilled with accuracy and thoroughness.

12. All the factors described above have been carefully considered by the Group in so far as they have a bearing on its functions, and have been kept in mind in making evaluations of the observation reports received.

Methods adopted

13. The work of the mission has developed in three natural stages. In the first stage a force of military observers was rapidly assembled and instructed, and the necessary material was procured. In the second, an analysis of the prevailing situation was made and, on the basis of an assessment of possible needs, additional men and material were assembled. This phase has now been virtually completed and the final stage—when the Group can operate at its planned strength—is about to commence.

14. In the preparatory stages the scope of the mission necessarily developed in relation to the inflow of personnel and material, but the methods which were initially adopted have remained basically unchanged. These methods may be summarized as follows:¹

- (a) Regular and frequent patrols of all accessible roads are carried out from dawn to dusk, primarily in the border districts and in the areas adjacent to the zones held by opposition forces. The patrolling is done by observers travelling in white jeeps, with UN marking, equipped with two-way radio sets.
- (b) A system of permanent observation posts has been set up, where groups of military observers are stationed.² These posts are in continuous radio communication with headquarters in Beirut, with each other, and with the patrolling jeeps. There is now a total of ten such observation posts placed at strategic positions all over the country. Their location has been determined by the need for stations to be as close as possible to the dividing line between the opposing forces, as near the frontier as possible, or at points commanding supposed infiltration routes or distribution centers. The observers manning these stations attempted to check all reported infiltration in their areas, and to keep track of any suspicious development.
- (c) An emergency reserve of experienced military observers has been formed at headquarters and at the main observation posts; they are available at short notice for the purpose of making inquiries or they may be detailed to places where particular instances of smuggling of arms may be reported.

¹ See Annex C—Map showing (1) Headquarters and outstations; (2) opposition controlled areas; (3) possible infiltration routes.

² See Annex A—List of outstations.

- (d) An evaluation team has been set up at headquarters, composed of specialized observer personnel, whose task is to analyse, evaluate and co-ordinate all information received from observers and other sources.
- (e) Recently a new form of observation has been added, namely, aerial reconnaissance. Two helicopters are already in action, four light planes have just arrived and another four are expected soon. These will have aerial photography capability, and will be in radio communication with headquarters and military observers in the field. The aeroplanes will do regular patrol duty, but will also be directed to perform special tasks in co-ordination with the ground personnel, as the need arises.
- (f) A special procedure has been established in order to utilize the information which the Lebanese Government possesses about suspected infiltration. The Government thus sends frequent reports about such alleged infiltration to the Group, which immediately deals with each case as conditions require. The majority of these communications contain statements regarding alleged infiltration incidents, routes and methods. Instructions have, wherever appropriate, been issued to the observers for the maintenance of special vigilance within the areas in question. In other cases the Group has requested, through the Executive Member of the Group, that the military observers inquire into the matter. Either final or preliminary reports have already been received from military observers or are awaited. In some cases the Observation Group has requested further clarification by the Government in order to determine whether useful action by the Observation Group may be taken. Some of the communications refer to events which are said to have taken place before the establishment of the Observation Group and which have no bearing on situations likely to become the object of the Group's proper concern. Others relate to events falling wholly within the framework of the internal conflict between the governmental authorities and opposition groups or supporters, and having no *prima facie* relationship to questions of infiltration. Information of a general character is contained in many of the communications. Though specific action is not possible on them, they constitute for the Group a possible source of background information.

15. In paragraphs 4 to 11 above, some of the problems facing the Group have been outlined, and in particular the difficulties of approaching the eastern and northern frontiers. The group has from the very beginning attempted to overcome this difficulty, with varying degrees of success. Where the frontier is controlled by opposition forces, the obtaining of free passage and safe-conduct throughout the area in question is in practice a prerequisite for effective observation in that area. Such passage can only be granted by the particular opposition leader in that district and has so far not been forthcoming. Steps have been taken to assure regular access to such areas, and it is to be hoped that the opposition leaders will grant the necessary safe-conducts for the observer patrols.

16. In spite of the attitude of opposition leaders, the military observers have repeatedly entered opposition zones without these assurances and in some cases penetrated right up to the eastern border. They have thus been able to reach such points as Abde in the north, El Kah and Arsaal in north Bekaa, Deir el Aachayar in central Bekaa, and Chouaya in south Bekaa. But their successes have been sporadic, and the dangers involved in these expeditions are con-

siderable. Efforts have been made by the opposition leaders to ward them off, and the observers have repeatedly been stopped altogether. However, in the Chouf area, limited free passage has been obtained, and as of 2 July full freedom of access to the area north of Tripoli and to the border has been offered to the military observers by the local opposition leader.

17. The immediate plans of the Observation Group include the following features:

- (a) The network of observation posts will be considerably strengthened by the addition of several new stations. These will be placed as close as possible to the border line between the Government-held area and the opposition zones in the north and the east, and hence as close as possible to the frontier.
- (b) Further efforts will be made to gain assured access to the opposition zones, and wherever such access is granted, the outposts in that area will immediately be pushed towards the frontier.
- (c) Aerial photographic reconnaissance will be employed in an increasing measure, and the border areas will be patrolled by aircraft.
- (d) Steps to increase observation activity at night are under study.

Observations

18. Having given a descriptive account of the nature of our task and the circumstances in which it has to be performed, and the methods that have been adopted to perform it, it will be evident that the task of the Group is one of considerable complexity.

19. The group has received a large number of daily reports from its observer patrols, which it has examined most carefully and has made its evaluations. It would like here to record the result of such examination and evaluation.

20. Its patrols have reported substantial movements of armed men within the country and concentrations at various places. For example, they have penetrated deep into the headquarters of one of the opposition leaders right up to the village of Deir el Aachayer close to the eastern border. They were escorted by armed men and they established contact with the opposition leader and met his followers. In the area of Rachaya, its patrols have frequently come across armed groups. In Baalbek and to its north, groups of armed men have been seen. South of Baalbek land mines have been found in territory not held by the opposition. North of Baalbek observers have established contact with the local opposition leader and seen some 200 of his men. Still further north at Zghortah observers have been on the fringe of opposition-held territory and seen some arms and other material in use. In the Chouf region one observation group has visited the headquarters of the opposition leader and established contact with him. In this region again, large groupings amounting to several hundred armed men were seen.

21. The arms seen³ consisted mostly of a varied assortment of rifles of British, French and Italian makes. Some hand grenades were also seen at various places. Occasionally, opposition elements have been found armed with machine guns. Mines seen near the Baalbek area were of British and French makes. It has not been possible to establish from where these arms were acquired but in this connection the remarks contained in paragraph 11 of the report should also be borne in mind. Nor, was it possible to establish if any of the armed men observed had infiltrated from outside; there is little doubt, however, that the vast majority was in any case composed of Lebanese.

³ See Annex B for a detailed list of opposition weapons seen and armed groups observed.

22. There has been considerable mortar firing in the Marjayoun area. From observations the firing came from the vicinity of Halta, 2.4 kilometres inside the Lebanese border near the border of Syria and was directed at El Khiam and Marjayoun. The mortars used are 120 mm and are of a French type also used by the Lebanese Army. Such firing has been reported as follows:

- (a) On 23 June at 1945 LT 6 rounds 120 mm mortar were fired on El Khiam.
- (b) On 26 June at 1930 LT, 8 rounds 120 mm mortar were fired on Marjayoun; and four 120 mm mortar rounds on El Khiam. This firing was observed by United Nations military observers.
- (c) On 26 June at 23.30 till 23.50 LT, 10 rounds 120 mm mortar were fired by three mortars on El Khiam. This firing was observed by United Nations military observers.
- (d) On 27 June at 0100 LT, 6 rounds 81 mm mortar were fired on El Khiam. In addition, during the night of 24/25 June, heavy mortar fire was directed on Tripoli.

23. Observer teams have on occasion experienced difficulty in penetrating opposition-held territory and there are cases where the local inhabitants have made it obvious that they do not welcome observers in the area. The teams have by perseverance managed to allay fears and gain the confidence of the local population by a strictly independent display of impartiality. However, two leaders, Mr. Jumblatt of the Chouf, and Mr. Haidar of Central Bekaa have so far both politely indicated that they do not want observers acting in their official capacity. Both men stated that this was a matter of principle, since they were involved in an internal conflict, with which the United Nations had no concern.

24. The observer teams have experienced difficulty in the following areas:

- (a) North of Tripoli and south-west of Tripoli adjacent to Zghorta;
- (b) The Bekaa valley north of El Laboue;
- (c) Baalbek and areas to the east;
- (d) The Rachaya and Saghbine areas in south Bekaa.

25. In all these instances, the observer teams appear to have touched upon sensitive spots which are in areas claimed by government sources to be supply and infiltration routes.

26. The obstructive tactics have taken the following forms:

(a) *Firing*

Firing in the vicinity of patrols of military observers has occurred in several instances at Zghorta, Rachaya and Saghbine. There have been several instances of armed persuasive methods being used in a mild way.

(b) *Mining of roads*

The mining of roads is a recent innovation and has occurred primarily in the Bekaa valley where observers could be astride of routes which could lend themselves to infiltration. For example, on 24 June, observers saw mines on the Marjayoun-Rachaya-Foukhar road at the western entrance to the latter town. Mines have also been observed on the Marjayoun-Fraidies road. On 25 June many mines of old British types were found by the Lebanese Army and were seen in situ by observers on the roadside between Rayak and Baalbek. The most serious incident took place on 26 June at 0615 LT when a UN jeep while on patrol struck a mine placed on a track by-passing a blown bridge some 2½ kms. north-west of Rachaya and an observer was injured. Altogether, the United Nations military observers saw 14 British mines of mk. II and mk. IV types, which were recovered from the soft track.

(c) *Destroyed bridges*

There are many destroyed bridges and culverts in the Bekaa area. However, since the commencement of United Nations patrolling on the Chtaura-Saghbine road and south towards Marjayoun, two incidents of significance have occurred. Bridges to the north and south of Saghbine have been blown up thus precluding the possibility of effective patrol. The United Nations Field Station there is now isolated to the north and south with access only from the east. The demolitions have been as follows:

- (i) On 17 June, a bridge was blown up near El Laboue;
- (ii) On 18 June, a bridge was blown up at Aim Zebde near Saghbine;
- (iii) On 22 June another bridge was seen blown up on Rayak-Bar Elias road;
- (iv) On 24 June Rachaya-Foukhar bridge was seen to be blown up;
- (v) On 27 June, a bridge was observed blown up on the road from Marjayoun to Rachaya. Other bridges have been repeatedly damaged by small charges.

By a letter dated 18 June 1958, the Lebanese Government Liaison Committee communicated to the Group "a preliminary report about the arrest of two Syrian subjects belonging to the Syrian armed forces". They were accused of having participated in terrorist activities in Beirut. They were further alleged to have acted on behalf of a supposed terrorist organization and to have thrown bombs near the Rivoli cinema and in El Khouri Street, and to have participated in an attack on El Ramal prison on 15 June.

The Group immediately made a verbal request for the production of the prisoners followed by a confirmation on 21 June. The prisoners were produced on 23 June and the interrogation took place on that day and the following day. The first prisoner, Mahmoud Abboud Ibrahim, an illiterate 21 years of age, described himself as a deserter from the Syrian Army who had come to Lebanon in March 1958 to earn his living as a fisherman. He added that he had been coming to Lebanon since 1952 for the same purpose. He denied having visited Beirut after the troubles started in May 1958, and claimed that while he was returning to Syria on 16 June, he was apprehended by the Gendarmerie near Tripoli and forced under pressure to make a statement admitting his participation in terrorist activities in Beirut.

The second youth, Ibrahim Muhamad Moussa Sulayman Haydar, aged 17, admitted that he was a Syrian and a friend of the first prisoner. He stated that he had accompanied his friend to Lebanon about three months ago and was earning his living as a fisherman about 20 miles from Beirut. When the trouble started, he alleges he was brought under pressure to Beirut and kept under surveillance at the house of a local opposition leader. He said that he was given two bombs which he placed as directed by a Lebanese organizer, but he denied operating the firing mechanism out of fear. He admitted to collaborating with his friend in the attack on the local prison when he had to carry a box of ammunition. He complained of having been beaten by the Gendarmerie after his apprehension on 16 June.

The Group has carefully considered the testimony of the two youths which, it is evident, is contradictory in material particulars. From such conflicting evidence, it is not possible to draw any firm conclusions in regard to the charges made against them. Not only are there numerous inconsistencies in the accounts given of their movements by the two youths, but there is also an absence of any supporting evidence. In the circumstances, the Group

must conclude that the complicity of these two persons in terrorist activities or their participation in acts of rebellion as members of an organized foreign terrorist group has not been established beyond reasonable doubt.

* * *

The Observation Group has described in this report the present status of its activities and observations. These will continue to develop along lines indicated above and further reports will be submitted, as occasion requires, to the Council on the implementation of its mandate. Estimates regarding the need of the Group for observers and supporting equipment are being kept under review and recommendations will be made in this connection as may be required.

ANNEX A
LIST OF OUTSTATIONS

| Headquarters | Stations | Sub-Stations | Date established |
|----------------|--------------|--|------------------|
| Beirut..... | Tripoli..... | | 12 June 1958 |
| | | | 14 June 1958 |
| | Chtaura..... | The Cedars..... | 26 June 1958 |
| | | | 15 June 1958 |
| | | (1) Zahle..... | 27 June 1958 |
| | | (2) University Experimental Farm 7 km. S.W. of Baalbek..... | 29 June 1958 |
| | | (3) Btedai 7 km. N.W. of Baalbek. | 30 June 1958 |
| | | (4) Saghbine 20 km. S.W. of Chtaura | 25 June 1958 |
| | | (5) Rachaya midway between Mas- naa and Marjayoun..... | 30 June 1958 |
| | | | 14 June 1958 |
| Marjayoun..... | | 20 June 1958 | |
| Saida..... | | | |
| Total 1 | 4 | 6 | |

ANNEX B

LIST OF OPPOSITION WEAPONS AND ARMED GROUPS OBSERVED

According to observations made by United Nations Military Observers the opposition forces in Lebanon employ the following weapons:

I. SMALL ARMS

On a visit to Moukhtara United Nations Military Observers observed the following weapons used by opposition forces:

Machine guns:

One Bren Mk I (new)

One Hotchkiss 1926, with Arabic inscription and Turkish army badge

One Brevete SCDC, No. 2920, of which opposition forces at the spot said they had 32.

One Mle 1924 M 29, Italian or French

Sub-machine guns:

One Mosh Autom Beretta Mod 4 Cal 9 1955

One Sten

Rifles:

Several Mauser MOD 98

Several MAS Mle 1936, French

Several CS ST Zbrojovka BRNO; Czech.

Several rifles marked RE.

One Enfield 1915

One Garrand

Pistols:

About ten Browning 9 mm, Belgian, all new; usually worn by leaders

One pistol marked with a crown and 1917; with rather long barrel

One P 38.

One revolver British Army type

Grenades:

Several "Ananas"

Some smaller grenades or bombs.

In other areas the following is observed:

ATK

Bazooka. Blindicide, Belgian. In use by opposition in Tripoli (shells observed on Gov. Territory by United Nations Military Observers)

Energa, Belgian. Directed against Masnaa.

II. MORTARS

81 mm. in use by opposition. Bekaa south

120 mm. in use by opposition in Bekaa south. Probably bases at Cheba and Mazraat Zebdine.

III. ARMED OPPOSITION FORCES

1. Chouf area

(a) Approx. 200 men in arms observed at Moukhtara on 23 June.

(b) On 28 June, United Nations Military Observers on patrol were escorted by armed opposition from Katermaya to 3 kms. south of Chim.

2. *Akkar area*

On 21 June, United Nations Military Observers were in contact with armed opposition (old rifles) at El Minie.

3. *Bekaa centre*

United Nations Military Observers have observed armed opposition in the area of Baalbek.

4. *Bekaa south*

On 25 June, United Nations Military Observers observed approximately one company uniformed Syrian soldiers on both sides of the road leading from Deir el Aachayer into Syria, in an area where the location of the border is under dispute and is not known to the local inhabitants. The opposition leader, however, proffered the information that the area concerned was generally considered Syrian.

In the area of Dei El Aachayer, United Nations Military Observers also observed approximately 1,000 armed opposition forces.

"APPENDIX D"

UNITED NATIONS SECURITY COUNCIL
S/4052—17 July 1958

*Second Interim Report of the United Nations Observation Group in Lebanon
Submitted through the Secretary-General in pursuance of the resolution
of the Security Council of 11 June 1958 (S/4023)*

17 July 1958

Mr. President,

I have the honour to transmit to the Security Council the second interim report of the United Nations Observation Group in Lebanon, which has been received today, by cable. I may refer in this connection to my statement just before the close of the 830th meeting of the Security Council yesterday afternoon, 16 July 1958.

I fully endorse the plan here outlined by the Observation Group as representing adequate interpretation of the Security Council resolution of 11 June 1958, in the light of the needs and possibilities flowing from the progressive development of the operations of the Group. In this regard, I refer to the interpretation of that resolution made by me in the 827th meeting of the Security Council on Tuesday morning, 15 July 1958.

Please accept, Sir, the assurances of my highest consideration.

Dag Hammarskjöld
Secretary-General

The President
Security Council

Second Interim Report of the United Nations Observation Group
in Lebanon to the Security Council

1. The access to all sections of the frontier secured on 15 July 1958 and reported to the Security Council in the interim report submitted by the Observation Group on that date has enabled the Group to review the position with regard to outstations and the need for Observers and other trained personnel. This review has now been completed and the results are contained in this report.

2. As of 15 July the Group had established the following network of outstations, sub-stations and permanently manned Observation Posts, the number of Observers stationed in each of these Posts being indicated:

Headquarters Beirut 14

Tripoli Area

Tripoli 7
Sir Danie 3
Ehden 4
Cedars 4
Halba 4

Bekaa Area

Chtaura 17
Btedai 6
A. U. Farm 6
Zahle 6
Rachaya 6
Saghbine 6

Southeast Lebanon

Marjayoun 10

Saida Area

Saida 13

Jezzine 3

Tyre 4

Total Observers 113.

3. As a result of this improved access to the frontier, the Group proposes to establish stations or permanent Observation Posts on or close to the frontier at the following points (manned by the number of Observers indicated against each), which include all important road and rail frontier crossings:

Tripoli and Akkar Valley

Arida 8

Nziziye 8

Braghite 8

North Bekaa

Baalbek Hq. 8

Koussair 12

El Kah Border Customs Post 8

Arsal 8

Yafoufa 8

Central Bekaa

Masnaa 8

Deir-el-Aachayer 8

Southeast Lebanon

Chebaa 6

Kharouia 6

Total Observers 96.

4. While in some cases the Observers for these posts may be obtained from currently existing sub-stations, a substantial number of the Observers required to man them must be sought from outside the present strength of the Observer force and the Group has already requested the Secretary-General on 12 July to make arrangements for placing at its disposal an additional 25 Observers. A further 65 Observers will now be required, raising the total Observer force to a figure of some 200.

5. It should be borne in mind that while night watches had been kept at all existing posts, the new posts on the frontier will be required to function on a 24-hour basis. Furthermore, the Group should also be in a position to establish such additional posts as the situation may require.

6. The advance of the Observation Group's activities up to or close to the frontier will change to a considerable extent the character of the field operations. It has hitherto been possible to place observation stations in the great majority of cases in hotels or other public facilities and the auxiliary needs of the staff of Observers has been met by local arrangement. Most of the new posts to be established will be placed near or on the frontier, where suitable accommodation is generally not available. It will, therefore, be necessary to establish tented camps for which some material has already been requested on 12 July.

7. This raises the question of the need for providing additional support for the ground Observers, both in respect of the performance of their observation duties, as well as by way of relief from duties not strictly connected with the responsibility of observation. It would greatly help in the extension of the activities of the Observers were they to be assisted by a certain number of unarmed troops to be used for regular ground reconnaissance on foot, based on outposts. Patrols could consist of officers, accompanied by a small number of other ranks, patrolling on foot or by mule, along the frontier areas, thus permitting wider and more profitable use of the force of Observers at the Group's disposal. In addition, Observers stationed at observation posts along the border would have men under their command to undertake the variety of duties required for the operation and maintenance of such posts, which in many cases would be located in isolated positions. Furthermore, the other ranks could be very usefully employed as guards; they could undertake the maintenance of transport, communications, supply and equipment and, in general relieve military Observers of other time-consuming and non-essential duties. The Group will, therefore, suggest to the Secretary-General that a force of unarmed non-commissioned personnel and other ranks should be assigned to it.

8. Experience with air reconnaissance since the Group's first report was submitted on 2 July 1958 has shown that this is a most valuable adjunct to the Group's ground observation. The aircraft and personnel at the disposal of the Group have been used to the maximum of their capabilities. Up to 15 July, 82 missions had been flown, totalling 150 flying hours.

9. The mission considers that on the basis of past experience it is desirable that the Group should be equipped with an adequate number of planes and trained personnel capable of providing continuous air patrols on all sections of the frontier. It also believes that a proportion of these planes should have night photography capabilities. One such plane was requested on 11 July. The Group estimates that 18 reconnaissance planes and 4 helicopters with aircrews supported by sufficient ground personnel and equipment would be required. Additional helicopters would be required to maintain contact and to insure rapid communications within the expanded network of outstations and observation posts referred to above.

10. It should be emphasized as will have been seen from the foregoing description of the outstations, observation posts and patrolling activities, that the Observation Group's whole operations and activities are directed mainly along the border areas. Permanent stations have been moving progressively closer to the frontiers on all sides. The development of the plans outlined in the Report is fully in accordance with the mandate of the Security Council, which charged the Observation Group in its resolution of 11 June 1958 "to ensure that there is no illegal infiltration of personnel or supply of arms or other material across the Lebanese borders". It is evident that for the performance of the task assigned to it, the Observation Group's activities must be directed to the border regions and to areas immediately adjacent to them. For that reason, the barest minimum of staff is maintained in Beirut, and UNOGIL Headquarters have only some 14 officers, whereas the rest of the entire force of officers, including aircrews, is constantly out in the field. It is proposed, in the immediate future, to locate helicopters and reconnaissance planes at the airport at Rayak in the centre of the Bekaa Valley, so that a constant aerial watch on a 24-hour basis can be maintained of the entire eastern and southern frontier. Planes based on Beirut will similarly patrol the seaboard and the northern frontier, till such time as arrangements can be made to locate some of them at the airfield north of Tripoli and close to the northern frontier.

11. Since the Observation Group's activities have been established on a fully operational basis, the 3 members have been considerably relieved of the pressure of organizational work necessitating their presence at Headquarters and they have been able to undertake frequent visits to the outstations and border areas. They hope to make these visits, which have helped them greatly to acquire a fuller understanding of the situation, even more frequently, and in course of time they intend to keep in constant personal touch with all the outstations and observation posts, particularly in the more sensitive areas.

12. The actual strategy of observation activities has been undergoing a fundamental change with the development of the organization and increasing access to the border areas. Instead of probing operations to points on the frontier from the widely scattered outstations and posts, permanent posts can now be established at or near the main road intersections with the frontier. In addition to increased air patrols, more extensive patrolling between these posts, on foot or by mule in areas where jeeps cannot operate, is the next logical step. With the increase in the Observer force and the addition of enlisted personnel, together with supporting equipment, envisaged earlier in the report, direct and constant patrolling of the actual frontier will be possible.

"APPENDIX E"

UNITED NATIONS SECURITY COUNCIL
S/4051—16 July 1958

*Interim Report of the United Nations Observation Group in Lebanon
Submitted through the Secretary-General in pursuance of the resolution
of the Security Council of 11 June 1958 (S/4023)*

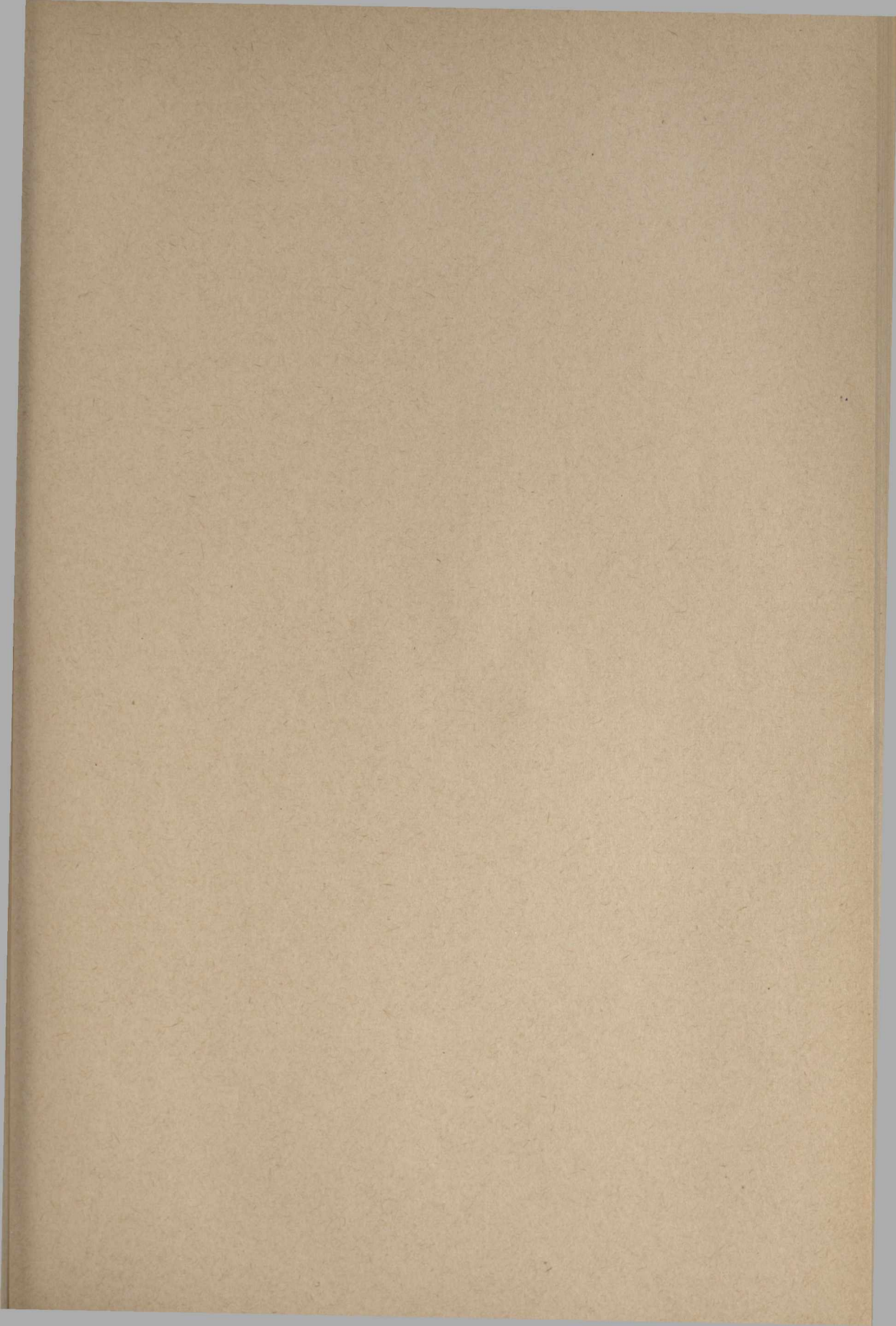
1. The Group wishes to take the earliest opportunity to report to the Security Council that on 15 July 1958 it completed the task of obtaining full freedom of access to all sections of the Lebanese frontier.

2. The first of these frontier areas held by the opposition—the Akkar Plain—extends from Tripoli North and East to the Syrian border. On 2 July the Group was able to report that it had obtained freedom of access to this area. In the succeeding few days, some patrols penetrated into the area. From 9 July patrols began reaching the frontier at several points in the roads leading to it from South to North. On the morning of 15 July, the Group received the fullest assurances of complete freedom to patrol throughout the area North of Tripoli, and to establish permanent observation posts anywhere in the area, and in particular, at the intersections of the North-bound roads with the frontier. At the same time arrangements were made for the inspection by Military Observers of all vehicles and cargoes entering Lebanon across the Northern frontier. Again on the same day an outstation was established at the important road junction of Halba.

3. The second of the border areas held by opposition forces is that part of the Bekat Valley North and East of Baalbek. The northern frontier is crossed by a main road leading to Homs, (Syria) and a minor road running north from Hermel. Until 11 July patrols were not able to penetrate beyond El-Labous. On that day United Nations Military Observers at a meeting with the local opposition leader obtained freedom of movement to patrol up to the border by day, but were not yet enabled to establish permanent stations. On the morning of 15 July 1958, at a further meeting, arrangements were concluded to establish permanent stations at Konssair on the border and at Baalbek with effect from 16 July.

4. The next section of the border East of the centre of the Bekaa Valley consists of hilly country, through which pass two main communication routes—the Beirut-Damascus Railway East of Rayak and the Beirut-Damascus Road East of Masnaa. Further south, near Deir-El-Atchayer, two subsidiary roads provide a more difficult road connexion between Lebanon and Syria. The main centres of this region are under Government control, but almost all of the border is under opposition control. This region is covered by Chtaura outstation and its network of sub-stations. This network has already been established at the time of the last report, but consistent success has been achieved in pushing eastwards from the main roads up to the frontier. Observation posts are manned by day on a regular basis at the following points on or close to the frontier: Yafoufa, near the Beirut-Damascus Railway, Masnaa on the Beirut-Damascus road, and Deir-El-Aachayerce. The remaining section of the border with Syria is covered by an outstation at Marjayoun, from which a good road leads to Kun Itra in Syria. This section of the frontier is held by opposition forces. Observers from Marjayoun outstation finally penetrated into Chebba, the main opposition village in this area, on 12 July.

5. The remainder of the land frontier of Lebanon and the sea frontier continue to be accessible to the Group. Thus the Group is able to report to the Security Council that it has, as of 15 July, access to all parts of the frontier.



HOUSE OF COMMONS

First Session—Twenty-fourth Parliament

1958

STANDING COMMITTEE

ON

EXTERNAL AFFAIRS

Chairman: H. O. WHITE, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 2

FRIDAY, AUGUST 1, 1958



MAIN ESTIMATES OF THE DEPARTMENT OF
EXTERNAL AFFAIRS—1958-59

WITNESSES

The Honourable Sidney E. Smith, Secretary of State for External Affairs;
and Messrs. Jules Leger, Under-Secretary of State for External Affairs;
and W. D. Matthews, Assistant Under-Secretary of State for External
Affairs.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1958

STANDING COMMITTEE ON EXTERNAL AFFAIRS

Chairman: H. O. White, Esq.

and Messrs.

Aitken (Miss),
Argue,
Brassard (Lapointe),
Cardin
Crestohl,
Deschatelets,
Dinsdale,
Dorion,
Fairfield,
Garland,
Herridge,
Jones,

Jung,
Kucherepa,
Lafrenière,
Lennard,
MacLellan,
Macnaughton,
Mandziuk,
Martin (Essex East),
McCleave,
McFarlane,
McGee,
McGrath,

Nugent,
Paul,
Pearson,
Pratt,
Richard (Ottawa East),
Smith (Calgary South),
Stinson,
Valade,
Van Horne,
Vivian—35.

J. E. O'Connor,
Clerk of the Committee.

ORDERS OF REFERENCE

THURSDAY, July 31, 1958.

Ordered,—That the name of Mr. Dinsdale be substituted for that of Mr. Macquarrie on the Standing Committee on External Affairs.

Attest.

LEON J. RAYMOND,
Clerk of the House.

MINUTES OF PROCEEDINGS

FRIDAY, August 1, 1958.

The Standing Committee on External Affairs met at 9:35 a.m. this day. The Chairman, Mr. H. O. White, presided.

Members present: Messrs. Argue, Cardin, Crestohl, Dorion, Fairfield, Garland, Herridge, Lafreniere, MacLellan, McGee, McGrath, Nugent, Paul, Pearson, Pratt, Richard (*Ottawa East*), Smith (*Calgary South*), Stinson, Vivian and White—(20).

In attendance: The Honourable Sidney Smith, Secretary of State for External Affairs; assisted by Messrs. Jules Leger, Under-Secretary of State for External Affairs; W. D. Matthews, Assistant Under-Secretary; H. B. Robinson, Special Assistant to the Minister; H. Best, Executive Assistant to the Minister; W. T. Delworth, Private Secretary to the Minister; H. F. Clark, Director, Finance Division; Ross Campbell, Director, Middle East Division; M. Shenstone, Middle East Division; H. B. Stewart, Finance Division.

The Chairman observed the presence of quorum and called for further consideration of Item 85—Departmental Administration.

Mr. Leger, Under-Secretary of State for External Affairs was asked to define the terms Middle East and Near East.

Mr. Smith and Mr. Leger reviewed recent developments in connection with the proposed summit conference and answered questions concerning the recognition of the Government of Iraq by Canada and the United Kingdom.

Following a brief statement by the Minister relating to Economic Assistance in the Middle East, and his questioning the Committee adjourned at 10.55 to meet again on Monday, August 4, 1958.

J. E. O'Connor,
Clerk of the Committee.

EVIDENCE

FRIDAY, August 1, 1958
9.30 a.m.

The CHAIRMAN: Gentlemen, we have a quorum and we will proceed as our limited time does not permit us to have it wasted.

I am going to ask those members of the steering committee who are present to remain when we adjourn at about ten minutes to eleven. There is the question of further meetings and I want to arrive at a mutual agreement as to the meetings next week.

When the division bells rang and closed the last meeting on Wednesday, a question in regard to a definition of the Middle East—Near East was about to be answered. The Under Secretary will answer that now; and then the minister has some announcements to make regarding developments since our last meeting.

I hope that we will be able to arrange meetings on Monday for 10 a.m. and 3:30 p.m. Now without further delay, we will proceed with item 85 and we will ask the honourable minister to make his statement.

Hon. Sidney SMITH (*Secretary of State for External Affairs*): I suggest the Under-Secretary tell us what the Middle East and Near East mean.

Mr. Jules LEGER (*Under-Secretary of State for External Affairs*): Thank you, Mr. Chairman. By the way, I was most grateful for that bell.

Mr. PEARSON: You will not get one this morning.

Mr. LEGER: I am afraid the clarification is rather difficult to make. There is no consensus among historians, geographers or even governments.

In the old days southeast Asia was divided into a Near East, referring to the territories off the seaboard of the eastern Mediterranean, and a Middle East which included such areas as Mesopotamia (present-day Iraq), Persia (present-day Iran), and Afghanistan. Then there was a Far East.

Therefore, since there was a Near and Far East, there was reason for a Middle East to exist. Nowadays the distinction between the Near and Middle East has almost completely disappeared. Some governments choose the expression Near East and others Middle East.

As far as our department is concerned the phrase "Middle East" is generally used to designate the territories of Egypt, Syria, Saudi Arabia, Lebanon, Israel, Turkey, Jordan, Iraq, Iran, Kuwait, Bahrain, Trucial Sheikdoms, Muscat and Oman, Yemen, and Aden and protectorates. Sudan and possibly Libya might also be added to such a list. These definitions however are quite arbitrary and a simple matter of convenience and I must add that our terminology should not be taken to convey any political implication.

Mr. SMITH (*Hastings-Frontenac*): Pakistan?

Mr. LEGER: No, not in our terminology.

Mr. PRATT: We do not recognize any Near East.

Mr. LEGER: We do not use the expression.

The CHAIRMAN: I am sure we are all obliged to the Under-Secretary for this explanation. It certainly was a revelation to me as well as to some of the members of the committee, I presume. Are there any questions in regard to Mr. Leger's statement; if not, I will ask the minister to proceed.

Mr. SMITH (*Hastings-Frontenac*): Mr. Chairman, at the first meeting of the committee Mr. Crestohl referred to a news item in the *Montreal Gazette* relating to a statement that had been made by Lord Home. I was prepared to table the text on Wednesday when the division bell rang. I have the official text now and with your permission, I would like to table it. The statement was made in the House of Lords on July 28th.

The second British interest in the Middle East is oil and it is better to face frankly that this is so. I do not know whether the people of our own country yet understand our full dependence on this area from which between 70 and 80 per cent of our oil supplies still come. However much coal or atom power we are able to harness in the future we shall still need all the fuel for our industrial expansion both here and in Western Europe that we can lay hands on. Nor can we afford to pay dollars for our oil; nor indeed could we afford to forfeit the sterling which we get from the sales of our oil. So let everybody in this country understand the effect which the loss of this oil in this Middle East area would have upon the economy of the United Kingdom and the lives of everybody in it and not only that but on Western Europe too.

The Noble Lord, Lord Henderson, perfectly rightly reminded us that the Middle East is not our exclusive concern. That is perfectly true but our stake in the oil and our interests in its commercial exploitation is high. It is a proper commercial interest legitimately based on a respectable commercial enterprise. There should be no conflict whatever as I see it with Arab interests; quite the contrary because Arab oil and the good currency of the West should be able to join together in harmonious and mutually beneficial arrangements. Indeed I would claim that the arrangements between the oil companies and the Sheikdoms of the Gulf and the Arab and Moslem rulers can continue to mutual advantage in mutual trust and in mutual respect. That is certainly so in the case of Iraq and it is our wish to maintain our good commercial relations with them.

Nor should there be any conflict in this area between the great powers. Russia has no vital commercial interests in this area at all. It would seem to me that although she naturally has a political interest—we do not deny it—there should not be any conflict between the great powers in this area. But should a third party, whether it is Russia or Nasser, seek by calculated deliberate policy to deprive us of our oil supplies and to deprive Western Europe of its oil supplies and thereby to put a veto on the industrial expansion in the western world then it is well to make it plain and unmistakable that that situation could not be tolerated by the United Kingdom.

I just add that this statement was made without our knowledge. I must say to Mr. Crestohl that the press report was not inaccurate.

Mr. PEARSON: You mean it was accurate?

Mr. SMITH (*Hastings-Frontenac*): I use the expression advisedly—not inaccurate.

On Wednesday I informed the committee that it was not my intention or desire to withhold any information that I could properly give to the committee. I anticipated that by Friday morning there would be developments, and with your consent I am suggesting that the Under-Secretary, Mr. Leger, review the developments since Wednesday. I am asking him to deal with the facts; I am not asking him to deal with policy. Does that meet with your approval?

The CHAIRMAN: Agreeable?

Agreed.

Mr. LEGER: Well, Mr. Chairman, at the last meeting of the committee the minister referred to the difficulties in giving the committee at that time all the information we had. That was a period of rather intense negotiation,

particularly between London, New York and Washington. The preparations for the reply to Mr. Khrushchev's latest letter were under consideration; and as you are aware Mr. Macmillan made his reply yesterday, Mr. Eisenhower today, and the Prime Minister made the Canadian position known in the house yesterday afternoon. The French also have made their position known; so that now there seems to be agreement among the western powers for a meeting at the summit to be held on August 12. Plans and details of the meeting will be worked out by the Security Council, by the permanent representatives of the member states.

There is a slight discrepancy of which the members of the committee are aware, between the United Kingdom and the United States position on the one hand and the French on the other. I think it will not be impossible to have those difficulties ironed out and that the western position can be taken to be fairly close to being unanimous, although some countries are less forthcoming than others in welcoming that type of a summit meeting. I presume it would now be up to Mr. Khrushchev to agree to comment or disagree with this western position. Normally he takes little time to make up his mind and we might expect a reply from him in the very near future.

Mr. SMITH (*Hastings-Frontenac*): Mr. Chairman, I can add to that statement given by the Under-Secretary who has a detailed knowledge of all the facts. In the past few days of this week our representative to the United Nations, Mr. Ritchie, has been in close communication with the Secretary-General. We have instructed Mr. Ritchie to address a letter this morning to the President of the Security Council asking for a meeting, a special meeting of the Security Council, to be arranged for Tuesday, August 12, and to state in those instructions that the Prime Minister of Canada finds that date satisfactory and that it would be his intention to attend that special meeting. The Columbian Representative to the United Nations ceased to hold the presidency as at the end of the month, yesterday, and the French Representative, (M. Georges Picot, has taken over as president). We also suggested in those instructions that our Representative should propose through the President of the Security Council that in the meantime permanent representatives on the Security Council should confer with a view to framing or wording the item to be inscribed, and to discuss with one another means and methods and techniques—modalities is the word—with respect to procedure that would be invoked at that meeting. That is the statement I wish to make.

The CHAIRMAN: Are there any further questions?

Mr. PEARSON: I have two questions in regard to what has just been said and which was of considerable interest. The minister has indicated that the Canadian Representative is now going to ask the Secretary General to call a meeting of the—

Mr. SMITH (*Hastings-Frontenac*): The president of the Council.

Mr. PEARSON: —for August 12 to meet at the highest level.

Mr. SMITH (*Hastings-Frontenac*): I used the words "special meeting".

Mr. PEARSON: He has also said that the regular Council will be asked to meet before that to work out the procedures, the agenda and all that kind of thing. Does that mean that the full meeting of the Security Council proposed for the summit on August 12 will begin at once to discuss questions of substance and that this will be the same proposed summit political conference?

Mr. SMITH (*Hastings-Frontenac*): I did not suggest that, Mr. Chairman. These procedures are to be considered by the permanent representative in the meantime and there is nothing in the letter of instructions to indicate that we have taken any particular position; there should be flexibility in the meantime. The Secretary-General will be in on these discussions.

Mr. PEARSON: I think perhaps we are entitled to assume that if the questions regarding changes and procedures have been settled, as I hope they will have been by the council in the opening session, then when the summit meeting takes place in the full council on August 12, it would normally start right off with a discussion of the Middle East, and that leads me to another question.

Mr. SMITH (*Hastings-Frontenac*): May I just interpolate there; it may be there would not be a preliminary regular meeting. The arrangement might be settled through discussions without holding a formal regular meeting among delegates. We are probing for flexibility.

Mr. PEARSON: I hope you will find it. Have any proposals been made, or are there any provisions under consideration by the powers most concerned—the four of five most concerned—which would enable them to withdraw from the full power meeting and discuss these questions in private?

Mr. SMITH (*Hastings-Frontenac*): Undoubtedly, that is their goal. How that will be done, I do not know as yet. Mr. Macmillan in his last letter said in effect that undoubtedly there will be meetings, formal or informal, among the five; and whether that would come about by an informal meeting of the group or whether they would be formally constituted as a subcommittee or a committee, I am not in a position to say at the present time. It could be contemplated that some of the heads of government would not want to be characterized as members of a subcommittee. I do not care how it is done, whether it is formal or informal. We cannot suggest at this moment how it will be brought about. I would like to think at the moment it is a group rather than any formal body—that is what I mean.

Mr. PEARSON: The Under-Secretary used the expression “western position” in regard to these matters, and I think it would be useful if the minister could clear up some confusion in this regard arising out of what we read in the press in regard to a western position. My own information based on press sources is that one member of the three western powers, namely France, has not accepted the invitation to come to New York at all and Mr. Macmillan, as the minister has pointed out, has indicated that these discussions should be resumed in a small informal private group as soon as possible. There was a report yesterday in the press from Washington to the effect the United States government wish to keep the discussions in the full Security Council, so perhaps it would be helpful if the minister could remove the impression, if that is possible, which must have been created by the separate press accounts from various capitals which do not indicate there is a western position, which is of course desirable.

Mr. SMITH (*Hastings-Frontenac*): In reply to that—and let us be frank about it—the country to which Mr. Pearson refers is France. France’s General De Gaulle has not explicitly refused to come to New York. On the other hand, Mr. Eisenhower and Mr. Macmillan say they will go to New York or any place. There may be some reservation with respect to one capital but that may not evolve. In regard to anyone on the western side taking a position in favour of any particular place, I can say to that extent that there is no divergence, and I would add that there have been consultations among the capitals and there has been consultations in the NATO council with regard to these matters. I do not regard as too serious the French preference that this meeting should not be held in New York. I made some observations about that on Wednesday of this week before this committee. I do expect that the holding of this meeting will not be prevented by different opinions concerning places. Certainly the Canadian position, the position of the United Kingdom and the position of the United States is that it must be held *ab initio* (from the beginning) under the auspices of the United Nations.

Mr. CRESTOHL: Could the minister tell us whether the question of who will be present has as yet been finalized?

Mr. SMITH (*Hastings-Frontenac*): No, and that is one of the matters that will be discussed.

Mr. CRESTOHL: Would the attendance of the united Arab league be one of those items to be discussed?

Mr. SMITH (*Hastings-Frontenac*): Yes.

Mr. CRESTOHL: As well as the other states in the Middle East that are concerned?

Mr. SMITH (*Hastings-Frontenac*): Yes. This government has taken a position with respect to the interested countries. You will recall, Mr. Chairman, the first proposal of Saturday, July 19th, on which date a letter was received from Mr. Khrushchev. The addressees talked about Arab countries, but we have taken a wider view than that.

Mr. CRESTOHL: And will it be for the leaders of the heads of government when they first meet to determine as to what countries will be invited to attend?

Mr. SMITH (*Hastings-Frontenac*): The Security Council.

Mr. CRESTOHL: The Security Council will be the one who will make that decision.

Mr. SMITH (*Hastings-Frontenac*): Yes, and there has not been a decision made yet.

Mr. SMITH (*Calgary South*): I find it reassuring to hear the minister say he does not feel that the attitude of France is a substantial block in the way of an eventual meeting. In regard to the interchange of ideas and the discussion which I would assume would of course involve the United States, Britain and Canada along with France; I wonder if you would confirm if you could whether Canada has been taken in on any discussions with General DeGaulle on the necessity of having this meeting and endeavouring to persuade General DeGaulle of its importance?

Mr. SMITH (*Hastings-Frontenac*): Yes, there have been discussions and the Under-Secretary of State confirms my recollections. Mr. Dana Wilgress is our representative on the NATO Council; the Council has had common discussions, and of course a representative from France has been present.

Mr. Leger also informs me that there have been discussions between our representative to the United Nations and delegates from France.

Mr. CRESTOHL: Would it be possible for the minister to say whether our government has yet made any formal representations to the Security Council as to what countries it would like to see invited?

Mr. SMITH (*Hastings-Frontenac*): There was a statement of the Prime Minister as well as my own statement in the house.

Mr. MCGEE: I heard the tail-end of a news broadcast this morning when I was coming down here: it was to the effect that the United Kingdom had recognized Iraq.

Mr. SMITH (*Hastings-Frontenac*): Yes, the United Kingdom recognized Iraq this morning at 7.30 our time. I shall be making an announcement in the house to the effect that we too are recognizing Iraq. But we have no information from the United States with respect to this matter.

Mr. MCGEE: Will that involve any representatives at Baghdad?

Mr. SMITH (*Hastings-Frontenac*): No. I said one day this week in answer to a question in the house asked by Mr. Pearson that there was no particular urgency in so far as Canada was concerned because we have no mutual exchange of diplomatic representation in Iraq. We have received from various capitals of the world where we are represented, communications announcing recognition of the new government, but up to now there has been no cognizance on our part of that fact.

In reply to the question addressed to me in the house by Mr. Argue (on July 29th), this now makes clear our position.

With respect to seating the new delegate from Iraq, this involves our supporting any proposals that the Representative of the new Iraq government should be seated in the United Nations.

Mr. CRESTOHL: Did I understand you to say that there was no consultation with the United States?

Mr. SMITH (*Hastings-Frontenac*): I did not say that. I do not know what the position of the United States will be in this regard.

Mr. CRESTOHL: It was not the seating of the delegate I was referring to. I thought you said a moment ago that when Canada had decided to recognize Iraq, there was no consultation with the United States on the matter.

Mr. SMITH (*Hastings-Frontenac*): That is not what I just said. I regret that my words will be twisted.

Mr. CRESTOHL: That is the farthest thought from my mind.

Mr. SMITH (*Hastings-Frontenac*): I said that I did not know about the United States, if they decide to recognize them, or when they will do so.

Mr. CRESTOHL: I want to correct any misunderstanding there may be. It was farthest from my thought or mind to twist your words. I am very anxious to understand what is being said. Perhaps I did not quite catch one of your terms, and that provoked my question.

Mr. ARGUE: It has been suggested that the United States—and I take it also the west—might be in a better position to negotiate at the summit if, in the meantime, it were possible to have American troops withdrawn from Lebanon.

I wonder if the minister could say what Canada's position is with regard to the withdrawal of American troops from Lebanon? Are we encouraging the withdrawal of those troops before the summit meeting? Have we discussed it with the United States? Have we a position on that question?

Mr. SMITH (*Hastings-Frontenac*): Yes, we have a position, subject to the stabilization of the situation in Lebanon.

Mr. ARGUE: Then what is our position?

Mr. SMITH (*Hastings-Frontenac*): That is it!

Mr. ARGUE: Does the minister feel that the situation is now sufficiently stable that American troops should be withdrawn?

Mr. SMITH (*Hastings-Frontenac*): Not on the evidence we have at the moment. I share the view that Mr. Argue expressed in the house yesterday, that the election of General Chehab is undoubtedly a contributing factor, but as yet he is not in power.

Mr. ARGUE: I would express the hope that Canada would not hesitate at all in encouraging the United States to withdraw her troops from Lebanon, and that our position should be based on what the facts are. I hope that is what will be done—and not on a decision of the United States, when they say that the situation is such that they can withdraw their troops and that we would automatically say, oh, of course, that is perhaps it.

Mr. SMITH (*Hastings-Frontenac*): That will be a matter for the Security Council of the United Nations.

Mr. ARGUE: Does that mean that this question will wait until the summit meetings?

Mr. SMITH (*Hastings-Frontenac*): No, not necessarily.

Mr. CRESTOHL: A lot of interpretation has been given to the headline that troops will be withdrawn only at the request of the government of Lebanon.

Mr. SMITH (*Hastings-Frontenac*): I saw that headline too. I saw the press report. It was not explicit whether that press report was accurate or not. This statement was attributed to Mr. Dulles.

Mr. CRESTOHL: That is right.

Mr. SMITH (*Hastings-Frontenac*): As I read the press report it did not say, "only, if, and when the government of Lebanon requested it", because the position was taken by the United States that there was another alternative.

At the meetings of the Security Council last week we debated the work of UNOGIL. That is another possibility.

Mr. CRESTOHL: I imagine it would be a bit awkward to have another position, because if the United States said: we entered Lebanon at the request of the government, it would be awkward for them to run out from Lebanon without the government of Lebanon agreeing or consenting to it. That could justify the statement by Mr. Dulles.

Mr. ARGUE: It would be more awkward if they are still there.

Mr. SMITH (*Hastings-Frontenac*): That is not, as I see it, the only possibility or the only way to trip the hammer, slip the cog, or whatever the appropriate move is.

Mr. PEARSON: The minister said, I think—and I do not want to misrepresent his words or put others in his mouth—but I think he said that the Security Council could make a decision in regard to the position with respect to Lebanon which would warrant the withdrawal of the United States forces.

Mr. SMITH (*Hastings-Frontenac*): Yes, I could contemplate that the Security Council might express the view that stability has been established. I could contemplate that as a speculation on what could be decided or could be the decision at an informal meeting or at a formal meeting of the five who, according to the original proposal from Mr. Khrushchev, would report back to the Security Council.

Mr. LEGER: Another point is that the Security Council could at a given stage be satisfied that the machinery set up by the Secretary-General, which would be UNOGIL, might be expanded. That is, once the Secretary-General has reported to the Security Council that, in his view, the machinery now is satisfactory, having regard to the resolution of June 11, then the United States forces could be withdrawn. There is a direct relationship between the two.

Mr. PEARSON: Is it not a fact that intervention was brought about by a decision of the United States government and not by a decision of any United Nations agency. Therefore a decision to withdraw would presumably be a decision of the United States government?

Mr. SMITH (*Hastings-Frontenac*): I return to the point made by Mr. Leger which really was the basis for my statement: that I could contemplate that the Secretary-General could report that he received a statement from the field where UNOGIL is operating the situation is stable.

Mr. CRESTOHL: If that could be given effect to, and if the Security Council could, by a resolution, invite the United States to withdraw from Lebanon, could the Security Council adopt such a resolution?

Mr. SMITH (*Hastings-Frontenac*): It could adopt it undoubtedly, but whether it could make it effective with the United States—certainly there would be moral world opinion about it.

I am trying to make the most of my time with the committee and I say this again—I am only a witness, but we were about to take up a specific topic at the last meeting, and I think that topic had to do with economics.

The CHAIRMAN: Yes. Mr. Herridge suggested that we go on with the subject of economic development of the Middle East.

Mr. SMITH (*Hastings-Frontenac*): Mr. Chairman, in the debate in the house last Friday I expressed the hope that it would be possible to give some assurance of economic stability not only to Lebanon but to that whole area.

I had in mind, and I recall that I expressed the view, that economic stability there is clearly related—and indeed it should be—to the question of political stability, and I expressed the hope last Friday, or the view, that the United Nations, or other organizations, could play a useful role in this connection.

I endorse here this morning again the objectives of economic assistance being given to the Middle East.

Here again, in so far as we are participating in any discussion, we are feeling our way, and I am going to be very careful in my statement not to say anything which would indicate that Canada has a fixed position while this matter is in flux.

The whole situation was and is in flux. A fixed position with respect to holding the proposed heads of government meeting and to the objectives indeed is clear. And I expressed the hope and the expectation that at such a high level conference—whether it be formal or informal, in New York or elsewhere—that this matter would be thoroughly considered.

I think it might be well for me, anyway, and perhaps for members of the committee,—I make that observation respectfully—to discuss general principles which might help in approaching a solution to economic problems of the area through the United Nations and its agencies or through any other organization.

First of all there arises the question of economic aid to the Middle East in so far as it can be related to the activities of the United Nations.

That, I observe, should be put in the context of a broad range of economic activity in which the United Nations plays a part.

Members of the committee, Mr. Chairman, will recall that one week ago, on July 25, in the house I mentioned some of the activities which would now be considered in the United Nations, such as a new special fund which would take the place of the proposal known as SUNFED.

I spoke also of the United Nations technical assistance programme.

One can be confident—yes, I would use a stronger word—one can expect that the Middle East would take its place along with other areas having a claim on these capital resources, bearing in mind of course the special attention which has already been given to the Middle East in relation to such urgent problems as—to give one example—the relief and rehabilitation of Palestinian refugees.

But I do not think that will be sufficient, to work through these agencies which I have mentioned. There are special conditions which are peculiar to the Middle East and which call for a more comprehensive solution than would be the case in other under-developed areas in the world.

So it was in relation to these problems particularly that I made my suggestion last Friday that the United Nations or other agencies could play a valuable role in respect of economic stability in the Middle East.

We must recognize—and I endeavoured to point this out in the house on Friday of last week—that in the recent past, the Middle East has been the focus of intensive cold war pressure, and that this has manifested itself particularly not only in the political field but particularly in the provision of economic assistance as well. We must have in mind and we must recognize the activities of the U.S.S.R. in that area.

On the more important point, we must bear in mind that, in conformity with the principles of the United Nations, economic assistance policy, should be formulated, with due respect—for want of a better term—to the principle of equal rights and the self-determination of the people in that area.

Referring to what I endeavoured to say in the house last week in the debate on external affairs, it was this essential guiding principle that I had in mind, to make economic aid without strings—political or any other kind of strings—and that it must be relevant to the situation in the Middle East.

Another observation I would make is that we must have consideration for the special situation in the Middle East, and that it is essential that all economic aid be so handled—and I shall read this and be very exact in my expression—“that all economic aid be handled in the most productive and in the most economical manner possible by those and for those who are to benefit from it.”

To elaborate on that thought, to the extent that the area has regional problems, or problems involving, let us say, two nations, cooperation between two or more states in the region must be borne in mind.

I believe that the governments of the area might find it advisable to work collectively through an agency established from some impetus by the United Nations.

I am sure that if this were found to be appropriate on the basis of sound technical considerations, such a regional agency would derive benefit from connection with the United Nations.

Again I say this: that I do not wish to pre-judge a particular role of the United Nations at this stage. I have suggested for the consideration of the committee, Mr. Chairman, one or two of the general problems connected with it, and in which the United Nations proper or its specialized agencies or programmes might play a valuable role.

I express again the hope and the expectation that such a matter of economic stability, and economic support that would make for political stability, would be discussed at various high levels in the next two weeks.

That is why we are studying the matter very carefully at the present time, and I can assure the committee that this matter has been discussed by governments in other capitals of the west.

In the department we did give thought to the establishment of a United Nations regional economic commission in the Middle East where these matters could be discussed frankly, and we hope, constructively.

The United Nations has regional economic commissions for Latin America, Europe, and the Far East. Those have been set up. And I have learned that a proposal for the establishment of a similar commission for the Middle East was considered by the United Nations Economic and Social Council in 1951. It was considered long and seriously but it was decided, having regard to the situation prevailing in the region at that time, to postpone the question to a subsequent session.

Some of you may recall the situation as it was in 1951. There has been no subsequent discussion of the question of establishing a United Nations regional economic commission for that area.

It is perhaps entirely impossible. The issue could be revived again at some time in the future, but the 1951 decision represented the considered views of a majority of the countries of the region. But in the department we think it is doubtful whether at this time there has been any improvement in the regional situation which would render it likely that positive action in this regard could be taken.

So it is for this reason in probing and searching that we are now seeking unexplored paths for a means of enabling the United Nations to perform a sort of useful function in the Middle East that has been carried on by regional economic commissions elsewhere.

The Prime Minister on Friday evening, July 25th, mentioned the International Monetary Fund and the International Bank, which are agencies related to, and initiated to some degree, by the United Nations, and that they might be supported to a greater extent to the end that they might be able to play a role which would promote economic stability in this area and therefore stabilize the area politically as well.

The CHAIRMAN: Are there any questions arising out of the statement?

Mr. SMITH (*Hastings-Frontenac*): I would be grateful for any suggestions in our ardent and serious search.

Mr. PEARSON: I assume what the minister meant when he said there were consideration in 1951 which made impossible the establishment of the Middle East economic commission, which could be of such great value in the kind of work he was talking about—what he meant was that the Arab states in the Middle East would not work with Israel.

Mr. SMITH (*Hastings-Frontenac*): Yes.

Mr. PEARSON: And that still persists. Does the minister agree that as long as that political situation persists there cannot be a United Nations commission for economic assistance to the whole of the Middle East, including all the Middle East countries as one would have to be excluded.

Mr. SMITH (*Hastings-Frontenac*): We do not like that.

Mr. PEARSON: Could the possibility of an assistance plan under the United Nations for the area be linked to the necessity for doing something to bring about the inclusion of Israel in these measures?

Mr. SMITH (*Hastings-Frontenac*): That is what I was endeavouring to say when I indicated we are probing and seeking.

Mr. PEARSON: I suggest that this perhaps is one string which might be attached to aid namely that they must settle their affairs somehow with Israel. Then I have another question. It is another string which might be attached. These are the only strings I am thinking of and not those involuntary political considerations. Does the minister not agree that a vital factor in aid for the Middle East would be the inclusion in that aid for the benefit of the people of the Middle East of the enormous revenues that are now coming from oil and are not being used in certain cases for the benefit of the people but for that of a few overlords.

Mr. SMITH (*Hastings-Frontenac*): Is that a string?

Mr. PEARSON: I suggest it is.

Mr. SMITH (*Hastings-Frontenac*): I suggest that is a factor.

Mr. PEARSON: I should think it would be hard to ask the Canadian people to contribute to economic assistance for a country which is getting an enormous oil revenue which is going to one or two people in that country.

Mr. SMITH (*Hastings-Frontenac*): I assure the hon. member, Mr. Chairman, that the government is not unaware of that situation.

Mr. CRESTOHL: Certainly everybody will welcome the approach which the minister is taking in attempting to deal effectively with the economic situation in the Middle East and he is seeking suggestions which might be helpful. I am wondering whether this intransigence on the part of the Arabs might be stirred a little or modified a little on the approach which the Prime Minister of Israel has taken in the last few days in addressing an address to Mr. Khrushchev to invite Mr. Nasser and Mr. Ben Gurion to a direct conversation in regard to developing a peaceful life in the Middle East, and with that

of course could go this economic aid in regard to which the minister speaks. Perhaps one of these strings which Mr. Pearson talks about might be used in the conversation. Has the minister been aware at all of this approach which I learned from the newspapers has been made by Mr. Ben Gurion to Mr. Khrushchev?

Mr. SMITH (*Hastings-Frontenac*): I get mixed up between telegrams and the New York Times. I cannot recall, but it is not new to me.

Mr. CRESTOHL: I am wondering whether it would not be of some help to reach this objective, which is a world peace objective, if the Canadian government could in some form let it be known to Mr. Khrushchev, Mr. Nasser and Mr. Ben Gurion that it is interested in seeing that round table conferences take place with a view to resolving the difficulties and give the world an opportunity to develop its economic aid to the Middle East.

Mr. SMITH (*Hastings-Frontenac*): Well, when I saw that press dispatch I must say that speaking for myself I welcomed the possibility of Prime Minister Ben Gurion and Colonel Nasser getting together. Of course, to follow the Arab-Israeli situation further there is this overhanging question with respect to the Palestinian refugees. That in large measure is the core of the problem and I think there could be some resolution of that. I wonder whether some headway could be made in respect of this problem through economic cooperation or the regional grouping as I envisaged a few moments ago. I do not suppose the Palestinian refugee question would be discussed by the so-called formal or informal meetings of the great powers, but I think in so far as Canada is concerned we should still continue to make every possible effort to prevent the aggravation of that question by a policy of future and generous contribution on the part of Canada for the work of the United Nations Relief and Works Agency for Palestinian refugees. In this context I would say that should be provided. It is true the Liberal government and it is true to a greater extent by reason of increased contributions by the present government, that Canada is the third largest contributor in recent years to the UNRWA budget. Members of the committee will recall that at the last session—I forget the exact date—this government announced an additional contribution of \$1,500,000 worth of flour. The letter which we received from the Director General UNRWA in that respect was most gratifying. It helped them out at the time when their finances for the year were running low and it did use this gift of flour to release funds for a greater measure of rehabilitation of these refugees.

Mr. CRESTOHL: My suggestion, Mr. Minister, is this: I am not making a formal suggestion, but you could contemplate it. I am asking whether the Canadian government could let it be known since it is aware that such a conference is proposed between Colonel Nasser and Mr. Ben Gurion that it encourages and favours it. A request could be directed for the sake of world peace to the effect it is anxious that the situation be resolved between the Arab states and Israel. This could be done by some message or some communication to wherever they think the communication should go.

Mr. PRATT: Could the minister say if he considers the question of the withdrawal of the Palestinian nation to its original boundaries is of equal importance to the disposition of the Palestinian refugees?

Mr. SMITH (*Hastings-Frontenac*): That matter has not come before me. I spoke of the pride of Canada. It was only last night that I ascertained the figures from 1948 to the end of the calendar year, 1957, amounted to over

\$5 million. This amount is being paid by the Canadian taxpayer when it comes to the relief and rehabilitation of the refugees.

Mr. PEARSON: Could the minister tell us how many refugees there are now compared with a year ago? You must have that figure available.

Mr. LEGER: Somewhere over 900,000; there is a slight increase in the total number.

Mr. PEARSON: And when the refugee problem began about ten years ago, what was the figure then?

Mr. SMITH (*Hastings-Frontenac*): In 1948.

Mr. PEARSON: About the same?

Mr. LEGER: I think over the years it has varied from 800,000 to 900,000 and the last figure we have is 933,000 which according to my memory is the highest.

Mr. PEARSON: Instead of disappearing they are increasing in numbers. Perhaps that is one reason why they need more flour.

Mr. SMITH (*Hastings-Frontenac*): Is there any accretion to the numbers from outside?

Mr. LEGER: No.

Mr. FAIRFIELD: Could the minister tell us whether Egypt has made any positive attempt to try and resettle or solve the problem of the Palestinian refugees?

Mr. SMITH (*Hastings-Frontenac*): Not to my knowledge; Nasser has been busy in other fields.

Mr. CRESTOHL: This last question would also apply to the other neighbouring states. I think the question was asked whether Egypt has done anything to help resettle or solve the problem of the refugees and the answer was no; and I said does that apply to the other neighbouring Arab states.

Mr. PRATT: Is it not a fact that Syria has done something to rehabilitate many of these refugees?

Mr. LEGER: Yes, there was a time when the Syrian government did show some cooperation.

Mr. SMITH (*Hastings-Frontenac*): Since it became a part of U.A.R., no.

Mr. ARGUE: In regard to economic assistance to the Middle East generally and your suggestion that Canada would support such a programme through the United Nations—

Mr. SMITH (*Hastings-Frontenac*): Or other agencies.

Mr. ARGUE: I certainly welcome that suggestion. Could you tell the committee what size of a program Canada has in mind? It would seem to me that in addition to saying we are in favour of a program, that Canada must have some assessment as to the amount of money, a minimum sum that would be needed to fulfill the kind of program that Canada has in mind. In other words, is this a program of the size of the Colombo Plan, or a smaller fraction of it, or is it a much greater program?

Mr. SMITH (*Hastings-Frontenac*): I am unable to answer that question in specific terms. It is a matter for consideration and I do not invoke that suggestion under the political escape clause. I assure the committee that

earnest consideration is being given to this because we believe it is basic to the whole area. We are discussing this problem with other nations and these discussions have been indeed intensified by reason of the present crisis.

Mr. ARGUE: Could Mr. Smith tell us the approximate total annual contribution that Canada makes to economic development and technical assistance and so forth through the United Nations?

Mr. SMITH (*Hastings-Frontenac*): I do not have that exactly. I could guess, but I am going to get the exact figure.

Mr. LEGER: We will be circulating that information probably in the next meeting of this committee.

Mr. ARGUE: I am not trying to tie you down to a dollar figure; could you give me an estimate?

Mr. SMITH (*Hastings-Frontenac*): I have seen it in the last week or two.

Mr. FAIRFIELD: May I ask a question arising out of some statements made about uranium and the control of uranium for the production of atom bombs or nuclear weapons. Would the minister know or would he care to say how much of the free world supply of uranium concentrates is controlled by Canada?

Mr. SMITH (*Hastings-Frontenac*): I am unable to answer that. That is another question to which we will supply an answer for you.

Mr. SMITH (*Calgary South*): Mr. Chairman, could I ask the minister a question? I believe the problem of oil of course has been a contributory factor in the problem to date. I understand that the situation in Iraq and perhaps in all the Middle East countries is that the principle is that the government receives I think before tax 50 per cent of the net revenue obtained from oil. The question I would like to ask is whether this subject of the allocation and revenues has at any time been referred to any section of the economic part of the United Nations or whether there has been any discussion or any suggestion of what really amounts to the interference. Has there been any advice received whether it is considered to be an equitable proportion because in talking about that the charge has been levied the Middle East countries do not receive in actual fact their fair share of the proportions of the oil revenues. Has this been under consideration by the United Nations?

Mr. LEGER: That problem has been discussed but not within the United Nations framework. The countries more directly concerned, the producers, and those who buy the oil have been consulted individually by the Secretary-General but no plan has emerged from that and those discussions did not take place within the framework of the United Nations.

Mr. SMITH (*Calgary South*): Would it be a fair question to ask—and this is a important question by nature of the fact that if a greater percentage of these revenues were retained that conceivably it would be one of the solutions to the economic problem within the Middle East.

Mr. LEGER: I think it is a fair question.

Mr. SMITH (*Hastings-Frontenac*): In answer to Mr. Argue's question, I have found the document for which I was looking a while ago. From 1945 to 1958 Canada has contributed to the Colombo Plan \$196 million.

Mr. ARGUE: My actual question was—

The CHAIRMAN: Would you allow the minister to complete his statement?

Mr. SMITH (*Hastings-Frontenac*): Including the Colombo Plan—if you will permit me to give the picture as I have it here—and the United Nations agencies, special loans, reconstruction loans. Military relief assistance to Belgium, Denmark, France, Italy, Luxemburg, Netherlands, Norway, amounts to \$105 million. So that does not come within Mr. Argue's question, but I pull out military relief assistance and I find here the whole total of \$4,306,010,000 from 1945-1958.

Mr. ARGUE: Surely that is not the answer to my question. My question was what sum of money annually, let us say last year, did Canada contribute to the United Nations and to the United Nations agency for economic development and technical assistance and not how many billions of dollars.

Mr. SMITH (*Hastings-Frontenac*): I wanted to get this on the record.

Mr. ARGUE: You are not suggesting it was an answer to my question.

Mr. SMITH (*Hastings-Frontenac*): That is information that could be obtained for our next meeting, Mr. Chairman.

Mr. ARGUE: Could we have a quick estimate on the basis of the estimates before us; is it less than \$3 million?

Mr. SMITH (*Hastings-Frontenac*): I refuse to hazard a guess.

The CHAIRMAN: I would suggest gentlemen that the answer to this would only at the moment be maybe a very good estimate. Should it stand in abeyance until our next meeting?

Mr. ARGUE: The point I was coming to, if my estimate and the estimate of the Leader of the Opposition is correct, it is just a contribution of a very few million dollars that Canada makes to the United Nations annually for economic assistance and technical aid and some of these items—I presume they are all in the estimates—are a very small amount of \$2 million or \$3 million. Well then, in light of the answer that Mr. Smith made to my question as to whether Canada had some general figure in mind as to the value of an economic assistance program for the Middle East through the United Nations, my suggestion is and my hope is that Canada will raise its sights and that Canada's contribution in this field will be much higher and if what Canada has in mind for Middle East development is in line with the very small sum which is now contributed to the United Nations that the total figure will be most inadequate to do the job in the area. The Colombo Plan has a much higher figure and it is supported by all parties and we think in many instances it should be higher.

Mr. SMITH (*Hastings-Frontenac*): Mr. Chairman, I refused because I was unable to give any projection with respect to Canada's contribution to economic assistance. I did make it very plain. I leave it to the committee that until we can formulate any comment and plans in that regard, I cannot make any estimate. Mr. Matthews, could you interpret this?

Mr. W. D. MATHEWS (*Assistant Under-Secretary of State for External Affairs*): The main votes for assistance which are included in this year's estimates before the committee are vote 96, the expanded program for technical assistance which is \$1,976,875. That is about \$2 million U.S. dollars. Then there is the United Nations children's fund which is \$650,000 and \$35 million for the Colombo Plan.

Mr. ARGUE: Which is outside the United Nations?

Mr. MATTHEWS: Yes.

The CHAIRMAN: It still comes out of the taxpayers' pocket.

Mr. ARGUE: I am not referring to that.

Mr. MATTHEWS: The assessment for membership in the intergovernmental committee for European migration is \$258,000.

Mr. ARGUE: This time it has varied.

Mr. MATTHEWS: \$200,000 for the refugee fund, \$500,000 for the Near East and then there are non-United Nations items. The technical assistance for West Indies and Ghana is \$135,000; wheat and flour for India, Pakistan and Ceylon is \$10 million.

Mr. SMITH (*Hastings-Frontenac*): There will be further supplementary estimates.

Mr. PEARSON: On this point, in regard to the Prime Minister's proposal the other night to increase the capital available to the Fund and the Bank, I think he indicated this might make possible more economic assistance from that source to any Middle East development program—it could be used for that purpose.

Mr. SMITH (*Hastings-Frontenac*): Oh, yes.

Mr. PEARSON: Well, the proposal the other night was that the guarantee to the bank should be increased from 80 per cent to 160 per cent of national capital subscribed and the fund would be increased by an amount of about \$3 billion. I am sure the minister cannot answer this question now. It is too detailed. However, could he find out what proportion of that increase has come from Canada. It is a very large increase.

Mr. SMITH (*Hastings-Frontenac*): We will do that.

Mr. MCGEE: Mr. Chairman, are we about to adjourn?

The CHAIRMAN: I notice there is only one member of the steering, or advisory, committee here. We could possibly continue for another five minutes. If it is the wish of the committee to adjourn, we will do so.

Mr. SMITH (*Hastings-Frontenac*): Mr. Chairman, I deliberately got this record on Canada in the minutes. I appreciate that I was not answering directly Mr. Argue's question, but on the other hand I wanted the Canadian people to know that.

Mr. ARGUE: What part of the \$4 billion was military assistance and what parts of it were loans?

Mr. LEGER: Mr. Chairman, would it help the committee if this were to be circulated this morning instead of on Monday. It gives the figures.

Mr. CRESTOHL: Mr. Chairman, can you tell us what the projected schedule is for the meetings of this committee for next week? The reasons why I ask this question are the following: I think that there is this committee and only one other committee that is now in session. I suppose by pure coincidence both meetings were called for this morning at 9:30. Of course, one cannot attend two meetings at the same time. I wonder if you would be careful, in

trying to coordinate the meetings of this committee with the meetings of the public accounts committee, to see that we do not clash again.

Mr. MCGEE: This meeting has some of the characteristics of Saturday night in a boiler factory. There are garbage trucks and people barking around in the hall. Is there not a more quiet room where we might hold these meetings?

The CHAIRMAN: Not this size.

Mr. MCGEE: What about the room off the reading room and Senate committee rooms.

Mr. SMITH (*Calgary South*): After you have considered that, I would also like to recommend that we do, as we were able to do in one other committee, and that is to approach the persons who are responsible for the printing of the minutes to see if we could get our minutes printed as quickly as possible. We were successful, in another committee, in getting them within four days after our meeting.

The CHAIRMAN: We will take these suggestions into consideration.

Mr. FAIRFIELD: I think we might adjourn. What I was going to bring up may reopen some wounds. However, I will ask the question. Has Canada ever refused to meet its obligations under the United Nations for technical assistance to any country as asked for by the United Nations?

Mr. SMITH (*Hastings-Frontenac*): Not under this government.

Mr. PEARSON: What are our obligations? Whatever we determine.

Mr. MCGEE: I am told that there are conference rooms in the east block and it appears to me that it might be a good idea to use them.

Mr. ARGUE: There are garbage trucks there also.

The CHAIRMAN: It is possible, very shortly, that we will be getting into morning sittings.

Mr. ARGUE: That was a decision of the cabinet yesterday morning.

Mr. PEARSON: Would it help the minister if I were to give him an indication of some of the questions which I hope to ask at a future meeting. I will ask some questions about the proposals in respect of the emergency force; some questions about atomic agreements and the Canadian position in respect to them; also the proposal as to the policy regarding the banning of nuclear tests, which the minister did speak about in his earlier statement, and which I would like to follow up; and also some questions on the operation of NATO.

The CHAIRMAN: Before you leave, gentlemen, we should not lose sight of the fact that Mr. Leger, the under-secretary, has a statement to make. It is wise, I think, that these questions directed to the minister be disposed of first because no one knows just what might happen over this summit meeting and when he may be called to New York or somewhere else.

Also I want to mention again, because of the objections taken to meeting while the house is in session, that this is a decision which will have to be made if we have morning sittings since it would then be unavoidable. I mentioned earlier that I would cooperate in every way in an endeavour to evade this. We had the one hour meeting on Wednesday last and that was the only one. I was going to call the steering committee together to discuss this problem, but now with the possibility that the morning sittings will commence next week—

Mr. ARGUE: My understanding is that it will be the week after next, so we have a week when we can operate somewhat on the basis that we have been.

The CHAIRMAN: You can then be prepared for quite a number of meetings next week so that we can get as much of our work through as possible before we commence morning sittings.

CANADA'S POST-WAR FINANCIAL ASSISTANCE ABROAD 1945-1958⁽¹⁾

(Millions of Canadian dollars)

80

| | EXPENDITURES | EXPENDITURES | EXPENDITURES | ESTIMATED | TOTAL |
|---|----------------------------|-------------------------|-------------------------|-------------------------|----------------------------|
| | to March 31, 1955 Total | Year 1955/1956 Total | Year 1956/1957 Total | Year 1957/1958 Total | to March 31, 1958 Total |
| 1. RECONSTRUCTION LOANS: | | | | | |
| Belgium..... | 68.84 | | | | 68.84 |
| China..... | 64.97 | | | | 64.97 |
| Czechoslovakia..... | 16.67 | | | | 16.67 |
| France..... | 253.45 | | | | 253.45 |
| Netherlands..... | 123.95 | | | | 123.95 |
| Indonesia..... | 15.45 | | | | 15.45 |
| Norway..... | 23.66 | | | | 23.66 |
| United Kingdom..... | 1,185.00 | | | | 1,185.00 |
| U.S.S.R..... | 15.16 | | | | 15.16 |
| Suez Canal Clearance..... | — | | 1.00 | | 1.00 |
| | <u>1,767.15</u> | | <u>1.00</u> | | <u>1,768.15</u> |
| 2. SPECIAL LOANS: | | | | | |
| Colombo Plan countries for purchase of wheat and flour from Canada..... | | | | 35.00 | 35.00 |
| | | | | 35.00 | 35.00 |
| 3. MILITARY ASSISTANCE: | | | | | |
| Balkans, Belgium, Denmark, France, Italy, Luxem- bourg, Netherlands, Norway..... | 105.22 | | | | 105.22 |
| | <u>105.22</u> | | | | <u>105.22</u> |
| 4. GRANTS: | | | | | |
| <i>(a) To U.N. Agencies and Programmes</i> | | | | | |
| UNRAA..... | 154.00 | | | | 154.00 |
| Post-UNRAA Relief..... | 11.85 | | | | 11.85 |
| Intergovernmental Committee on Refugees..... | .24 | | | | .24 |
| IRO..... | 18.82 | | | | 18.82 |
| ICEM..... | .05 | .05 | | | .10 |
| UNREF (Refugees)..... | .15 | .13 | .13 | .20 | .61 |
| UNICEF (Children)..... | 8.88 | .50 | .65 | .65 | 10.68 |
| UNKRA..... | 7.25 | .50 | — | — | 7.75 |
| UNRWA (Palestine Refugees)..... | 4.04 | — | .50 | 2.25 | 6.79 |
| EPTA (Technical Assistance)..... | 3.86 | 1.48 | 1.77 | 1.93 | 9.04 |
| | <u>209.14</u> | <u>2.66</u> | <u>3.05</u> | <u>5.03</u> | <u>219.88</u> |

STANDING COMMITTEE

| | | | | | | |
|---|-----------------|---------------|----------------------|----------------------|-----------------|--|
| (b) <i>Colombo Plan: Capital and Technical Assistance</i> | | | | | | |
| TOTAL..... | 101.47 | 26.40 | 34.40 | 34.40 | 196.67 | |
| (c) <i>Special Assistance:</i> | | | | | | |
| European Flood Relief (1952)..... | 1.00 | — | — | — | 1.00 | |
| Greece (wheat—famine relief)..... | .85 | — | — | — | .85 | |
| Greece (earthquake relief)..... | .50 | — | — | — | .50 | |
| Korea (fish)..... | .75 | — | — | — | .75 | |
| India, Pakistan, Nepal (food and drugs—flood relief) | .23 | — | — | — | .23 | |
| Haiti (fish—hurricane relief)..... | .03 | — | — | — | .03 | |
| Japan (food—flood relief)..... | .04 | — | — | — | .04 | |
| Yugoslavia (fish)..... | .04 | — | — | — | .04 | |
| British West Indies (flour—hurricane relief)..... | — | .05 | — | — | .05 | |
| India (medical supplies—flood relief)..... | — | .05 | — | — | .05 | |
| Pakistan (wheat, medical supplies—famine, flood relief) | 5.00 | .05 | 1.48 | — | 6.53 | |
| India, Pakistan, Ceylon (wheat & flour)..... | — | — | — | 15.00 | 15.00 | |
| Hungarian Refugees— | | | | | | |
| —Transportation and Assistance..... | — | — | 10.47 ⁽²⁾ | 12.91 ⁽³⁾ | 23.38 | |
| —Special Instruction Programme..... | — | — | .04 | .04 | .08 | |
| West Indies and Ghana (technical assistance)..... | — | — | — | .15 | .15 | |
| TOTAL..... | 8.44 | .15 | 11.99 | 28.10 | 48.68 | |
| (d) <i>NATO:</i> | | | | | | |
| Military Assistance—(transfers from Can. stocks, new production items, NATO aircrew training, etc.).... | 1,089.66 | 164.43 | 119.51 | 111.70 | 1,485.30 | |
| Infrastructure and NATO Budgets..... | 38.99 | 10.54 | 14.04 | 18.30 | 81.87 | |
| | <u>1,128.65</u> | <u>174.97</u> | <u>133.55</u> | <u>130.00</u> | <u>1,567.17</u> | |
| TOTAL..... | 1,447.70 | 204.18 | 182.99 | 197.53 | 2,032.40 | |
| 5. TOTAL LOANS, MILITARY ASSISTANCE, GRANTS | <u>3,320.07</u> | <u>204.18</u> | <u>183.99</u> | <u>232.53</u> | <u>3,940.77</u> | |
| Subscriptions as valued at March 31, 1957 ⁽⁴⁾ | | | | | | |
| IBRD..... | | | | | 70.86 | |
| IMF..... | | | | | 290.95 | |
| IFC..... | | | | | 3.52 | |
| TOTAL..... | | | | | 365.33 | |
| 6. GRAND TOTAL..... | | | | | <u>4,306.10</u> | |

⁽¹⁾ Excludes contributions for membership assessments in international agencies and programmes. On this basis, numerous assessments and an amount of \$909,584 provided in 1957/58 for Canada's UNEF assessment in respect of calendar years 1957 and 1958 are excluded.

⁽²⁾ This includes: (a) \$1 million for assistance of which \$350,000 went to the Red Cross, and \$650,000 to the UNHCR; (b) \$9.47 million for transportation and care of Hungarian refugees coming to Canada of which \$6.53 million is for trans-oceanic transportation, \$1.04 million for inland transportation, \$0.72 million for accommodation, and \$1.13 million for family assistance.

⁽³⁾ This includes: \$0.49 million on trans-oceanic transportation, \$1.20 million inland transportation, \$7.40 million food and shelter, \$3.60 million family assistance, \$0.22 million federal provincial assistance.

⁽⁴⁾ Represents Canada's net capital participation, i.e. original contributions adjusted for transfers reflecting the relative value of U.S. and Canadian dollars.

HOUSE OF COMMONS

First Session—Twenty-fourth Parliament

1958



STANDING COMMITTEE

ON

EXTERNAL AFFAIRS

Chairman: H. O. WHITE, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 3

MONDAY, AUGUST 4, 1958

MAIN ESTIMATES OF THE DEPARTMENT OF
EXTERNAL AFFAIRS—1958-59

WITNESSES

The Honourable Sidney E. Smith, Secretary of State for External Affairs
and Mr. Jules Leger, Under-Secretary of State for External Affairs.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1958

STANDING COMMITTEE ON EXTERNAL AFFAIRS

Chairman: H. O. White, Esq.

and Messrs.

Aitken, Miss

Argue,

Brassard (*Lapointe*),

Cardin,

Crestohl,

Deschatelets,

Dinsdale,

Dorion,

Fairfield,

Garland,

Herridge,

Jones,

Jung,

Kucherepa,

Lafrenière,

Lennard,

MacLellan,

Macnaughton,

Mandziuk,

Martin (*Essex East*),

McCleave,

McFarlane,

McGee,

McGrath,

Nugent,

Paul,

Pearson,

Pratt,

Richard (*Ottawa East*),

Smith (*Calgary South*),

Stinson,

Valade,

Van Horne,

Vivian—35.

J. E. O'Connor,

Clerk of the Committee.

MINUTES OF PROCEEDINGS

MONDAY, August 4, 1958.

The Standing Committee on External Affairs met at 10:00 a.m. this day. The Chairman, Mr. H. O. White, presided.

Members present: Messrs. Argue, Crestohl, Dinsdale, Fairfield, Herridge, Jones, Jung, Kucherepa, Lennard, MacLellan, Martin (*Essex East*), Mandziuk, McCleave, McFarlane, McGrath, Nugent, Pearson, Richard (*Ottawa East*), Smith (*Calgary South*), and White.

In attendance: The Honourable Sidney Smith, Secretary of State for External Affairs; Messrs. Jules Léger, Under-Secretary of State for External Affairs; W. D. Matthews, Assistant Under-Secretary of State for External Affairs; H. B. Robinson, Special Assistant to the Minister; W. T. Delworth, Private Secretary to the Minister; H. Best, Executive Assistant to the Minister; H. J. Armstrong, Financial Adviser to the Department; R. Grey, Economic Division; F. G. Hooton, Defence Liaison Division (1); A. G. Campbell, United Nations Division; and M. Shenstone, Middle Eastern Division.

Mr. Herridge rose to ask a question concerning the use of the United States Coast guard to quell a civil disturbance in Prince Rupert, B.C. The Minister stated that he had no first hand knowledge of the incident but would take the question as notice.

Following the answering of questions by the Minister and Mr. Léger, a document entitled "Canadian Economic Assistance to Less Developed Countries: 1954-1958" was distributed to members of the Committee and ordered printed as an appendix to the printed record of to-day's proceedings.

The Minister was further questioned and among other topics reference was made to the following subjects:

- (a) the McMahon Act.
- (b) the work of the International Commission in Laos, Cambodia and Viet Nam.
- (c) UNEF—UNOGIL.
- (d) Organization of American States.
- (e) NATO—Cyprus
- (f) Polish Art Treasures.

At 12:00 a.m. the Committee adjourned to the call of the Chair.

J. E. O'Connor,
Clerk of the Committee.

EVIDENCE

MONDAY, August 4, 1958.

10:00 a.m.

The CHAIRMAN: Gentlemen, I notice we have a quorum.

At the conclusion of our last meeting it was understood that Mr. Leger, the Under-Secretary, would answer a question of Mr. Argue's and then Mr. Smith, the minister, will answer various questions that arose out of our discussion.

Mr. HERRIDGE: Could I rise on a point of privilege and ask a question?

The CHAIRMAN: Yes.

Mr. HERRIDGE: I ask this question of the Secretary of State for External Affairs in view of newspaper reports to the effect that personnel of the United States Coast Guard Service came to the assistance of the Royal Canadian Mounted Police, to assist in quelling a disturbance in Prince Rupert on Sunday morning. Can the minister inform the committee if the services of the armed forces of a foreign state were officially requested in order to quell the exuberance of Canadian citizens celebrating the British Columbia centennial anniversary? Would the minister make inquiries as to the circumstances that occasioned this interference of the United States armed forces personnel in the domestic affairs of Canadians? Does the minister consider this a proper interference on the part of the United States Coast Guard Service personnel?

Hon. SIDNEY SMITH (*Secretary of State for External Affairs*): I know nothing but what I obtained from newspaper sources and I heard something over the radio. I will look into this and I will take the question as notice.

The CHAIRMAN: Mr. Leger.

Mr. JULES LEGER (*Under-Secretary of State for External Affairs*): You may recall at the last meeting Mr. Argue asked a question as follows:

Could Mr. Smith tell us the approximate total annual contribution that Canada makes to economic development and technical assistance and so forth through the United Nations?

It was then agreed I think in reply to his question that we would be circulating this morning this document which normally would have been circulated when I was about to make my own statement. The reply to Mr. Argue's question is on page 19 of what is termed the opening statement of the Under-Secretary of State for External Affairs before the standing committee on external affairs 1958, and if it is satisfactory, Mr. Chairman, this could be circulated immediately.

At the same time we could also circulate two other documents, one of which I think was circulated at the last meeting, which was the brief showing a tabulation of the total Canadian assistance in every form since the end of World War II. The second document which will be circulated this morning is the contribution of aid to various countries since 1954. It is a memorandum prepared for submission to the United Nations. This is a revised version of a paper which was available to the committee last year. If it is your wish, this could be circulated right away and they would together form the basis of any discussions to be held when I would take over.

Mr. SMITH (*Hastings-Frontenac*): I would suggest that.

The CHAIRMAN: Would it be the wish of the committee for this to be printed as an appendix to our report and then not only the committee but those who are in receipt of the report will have it for their information. Is that agreed?

Mr. JONES: Do you have copies there for circulation?

Mr. LEGER: Yes, right away.

Mr. SMITH (*Hastings-Frontenac*): Mr. Chairman, with your permission, I would like to refer to another specific question that was addressed to me by Mr. Fairfield. The question is as follows:

May I ask a question arising out of some statements made about uranium and the control of uranium for the production of atom bombs or nuclear weapons. Would the minister know, or would he care to say how much of the free world supply of uranium concentrates is controlled by Canada?

At the last meeting I said I would endeavour to find the answer to his question. I think the best way to answer his question is in terms of annual production, and for the coming year it is expected Canada will produce one-third of the free world's output of uranium concentrates.

Mr. PEARSON: Could the minister tell us where most of that Canadian uranium comes from?

Mr. SMITH (*Hastings-Frontenac*): I cannot. I have no breakdown as to whether it is in my own riding or Algoma East.

Mr. SMITH (*Calgary South*): I assure you, Mr. Minister, it is not in your own riding.

Mr. SMITH (*Hastings-Frontenac*): Mr. Pearson indicated that he had some questions he wished answered. One of his questions was quite specific and had reference to the International Monetary Fund and the International Bank and I can give a statement in that regard now. The question was of what general order the extent of Canadian participation would be if it were decided to give substance to the idea of expanding the resources of the International Monetary Fund and the International Bank for Reconstruction and Development along the lines suggested by the Prime Minister on the evening of July 25, at the end of the external affairs debate in the house.

Over the week-end I have gone into this problem. We had to consult with other departments and agencies of the government and my answer to this question may be a little complex. I will start by speaking about the financial structure of each of these two organizations—and I do that at the outset.

As far as the International Monetary Fund is concerned, each member of the Fund is assigned a quota. The total of these quotas amounts to \$9,000 million. The subscription of each member to the Fund is equal to its quota and it is payable, broadly speaking, to the extent of 25 per cent in gold and 75 per cent in national currencies.

The present Canadian quota, the sixth largest, amounts to \$300 million. The suggestion that the resources of the Fund be increased by 50 per cent would involve an additional Canadian contribution of \$150 million, of which 25 per cent or \$37.5 million would be payable in gold and the remaining 75 per cent or \$112.5 million in non-interest bearing Canadian dollar notes, payable on demand.

With respect to the International Bank for Reconstruction and Development, each member subscribes a certain amount of capital and this amount is essentially the same as its quota in the International Monetary Fund. Of this subscription 2 per cent is payable in gold and another 18 per cent in

national currency. This 18 per cent, however, is available to the Bank for lending only with the consent of the country concerned. The remaining 80 per cent is not paid up, but each member guarantees to pay it up if it were required to enable the Bank to meet its obligations.

It is on the basis of this 80 per cent guarantee that the Bank has been able to sell its debentures and thus to attract private capital into investment in countries which might find it difficult by themselves to attract such investment. I assume that those who purchase the Bank's debentures do so mainly on the basis of the guarantees of the financially stronger countries. It is for this reason that there is considerable attraction in the suggestion that members of the Bank should be asked—as the Prime Minister put it—to increase the guarantee element in their capital subscriptions from the present 80 per cent to 160 per cent.

Coming now to the Canadian contribution, our present subscription to the Bank is \$325 million of which 80 per cent or \$260 million represents the guarantee element. If this were to be doubled, our guarantee to the Bank would increase from the present figure of \$260 million to \$520 million.

The CHAIRMAN: Are there any questions arising out of the minister's statement?

Mr. PEARSON: I am very grateful to the minister for this information. It does give some indication of the increase and the amount that is involved for Canada. I am not saying I am objecting to it, but could the minister tell us whether this proposal—and I think this was mentioned in the House of Commons the other day—is to be discussed at the forthcoming meeting of the Bank and Fund?

Mr. SMITH (*Hastings-Frontenac*): I would not be surprised.

The CHAIRMAN: Are there any further questions?

Mr. SMITH (*Hastings-Frontenac*): Mr. Pearson asked a question on Monday last with respect to a suggestion that I threw out concerning Lebanon's neutrality. I would like to make a further statement in that regard. Maybe you will recall at the first meeting of this Committee which I attended on Monday last I made it very clear that I had thrown this out as a suggestion. We had not worked out the details but I did state on that occasion that this problem with respect to the future status of Lebanon was being considered in several capitals.

I would like to add to what I said, and I hope this will be of use to the committee. Reference has been made in public to statements by myself and by a number of others, including the Prime Minister of Ghana, to the example of Austria in this connection. I deem it desirable, subject to your agreement, to table the relevant portions of the Austrian state treaty of May 15, 1955 and the Austrian constitutional law concerning the neutrality of Austria, which came into force on November 5, 1955. The state treaty was concluded on May 15 and the relevant constitutional law was passed in November of the same year. Now, this Austrian treaty and Austrian constitutional law could be pertinent not as a wholesale and complete precedent for the consideration of the future of Lebanon although I think it would be useful for us to look at the treaty and the pertinent parts of the constitutional law.

The CHAIRMAN: Could I ask the committee whether it be the wish to have this copy included in the minutes of these proceedings at this particular point in order that it may be available for everyone?

Agreed.

Mr. SMITH (*Hastings-Frontenac*): I would like to table these documents as we received them officially. A number of governments, including Canada, took cognizance of the passing of this Austrian constitutional law.

EXTRACT FROM STATE TREATY FOR THE RE-ESTABLISHMENT OF
AN INDEPENDENT AND DEMOCRATIC AUSTRIA.

Vienna, May 15, 1955.

Article 1.

Re-establishment of Austria as a free and independent state.

The allied and associated powers recognize that Austria is re-established as a sovereign, independent and democratic state.

Article 2.

Maintenance of Austria's independence.

The allied and associated powers declare that they will respect the independence and territorial integrity of Austria as established under the present treaty.

Article 3.

Recognition by Germany of Austrian independence.

The allied and associated powers will incorporate in the German Peace Treaty provisions for securing from Germany the recognition of Austria's sovereignty and independence and the renunciation by Germany of all territorial and political claims in respect of Austria and Austrian territory.

Article 4.

Prohibition of Anschluss.

1. The allied and associated powers declare that political or economic union between Austria and Germany is prohibited. Austria fully recognizes its responsibilities in this matter and shall not enter into political or economic union with Germany in any form whatsoever.

2. In order to prevent such union Austria shall not conclude any agreement with Germany, nor do any act, nor take any measures likely, directly or indirectly, to promote political or economic union with Germany, or to impair its territorial integrity or political or economic independence. Austria further undertakes to prevent within its territory any act likely, directly or indirectly, to promote such union and shall prevent the existence, resurgence and activities of any organizations having as their aim political or economic union with Germany, and pan-German propaganda in favour of union with Germany.

The Austrian Legation presents its compliments to the Department of External Affairs and upon instructions of the Austrian federal government has the honour to convey to the Department of External Affairs the following:

On October 26th, 1955 the Austrian parliament has passed the constitutional law concerning the neutrality of Austria. This law has entered into force on November 5, 1955 and has the following wording:

Article I

(1) For the purpose of the lasting maintenance of her independence externally, and for the purpose of the inviolability of her territory, Austria declares of her own free will her perpetual neutrality. Austria will maintain and defend this with all means at her disposal.

(2) For the securing of this purpose in all future times Austria will not join any military alliances and will not permit the establishment of any foreign military bases on her territory.

Article II

The federal government is charged with the execution of this federal constitutional law.

A copy of the authentic text in the German language is enclosed.

In bringing this constitutional law to the knowledge of the government of Canada the Austrian federal government has the honour to request that the government of Canada recognize the perpetual neutrality of Austria as defined in the aforementioned law.

The Austrian Legation takes this opportunity to renew to the Department of External Affairs the assurance of its highest consideration.

Ottawa, November 14th, 1955.

The
Department of External Affairs,
Ottawa.

Mr. MARTIN (*Essex East*): First of all, Mr. Chairman, how many members are there to the treaty itself?

Mr. SMITH (*Hastings-Frontenac*): Four.

Mr. LEGER: It was negotiated by the four powers.

Mr. MARTIN (*Essex East*): By Germany, Austria—

Mr. LEGER: It was negotiated by the four great powers: the United States, the U.S.S.R., the United Kingdom and France.

Mr. SMITH (*Hastings-Frontenac*): I would like to add further that the whole idea of perpetual neutrality for Lebanon—and I emphasize it is merely a suggestion—could be developed only if it is abundantly clear that such a concept would be in accord with the wishes of the Lebanese people themselves. There have been public observations that this proposal is another instance of imposing something on a country. The text of my remarks in the house on July 25 shows that I endeavoured to make that point very clear and I can find the exact text. However, the purport of that text was that this must be acceptable to the Lebanese.

Now there is a new president. He is not yet in power and therefore during this interim period it seems premature to advance any specific plans for determining the wish of the Lebanese people in this regard. I assure the committee again that various proposals, and particularly this one with respect to some type of neutrality—a status comparable to that of Austria or comparable to that of Switzerland—might be secured and assured by the United Nations, for example, or by the great powers. I commended Mr. Martin a week ago upon his appreciation of the problem and I was interested to hear him suggest, as I did when I spoke earlier on July 25, that this might be an example that could be used, extended and modified for other countries to follow. Lebanon's unique denominational or confessional balance between Christian Arabs and Moslem Arabs; its long tradition of autonomy; and, as I have already said, the fact they have been traders: these are factors to my mind that would provide ample reason for the shaping of a special status in the first instance for Lebanon. One can run the gamut of proposals in this regard. One which I thought of over the week-end might be a type of Monroe doctrine for Lebanon. That might be a variation that could be looked at very carefully and seriously.

Mr. Chairman and members of the committee, I would like to point out with regard to these documents, which we have agreed to include in the minutes of the proceedings of this committee as an appendix, that I believe that there would have to be amendments to the concept that is embodied in these excerpts from the treaty, and from the amendments to the Austrian constitutional law. Certainly these documents should be examined very carefully.

Mr. PEARSON: I take it from what the minister has said that he feels—and I agree with him—that Canada cannot go any further than to participate in a guarantee for neutrality for Lebanon which has been requested by the Lebanese people and as long as the Lebanese people want that status.

He mentioned the alternative, a type of Monroe doctrine. You will recall that the original Monroe doctrine was declared by the United States but enforced by the British Navy. Would such a doctrine for the Middle East be declared by the Western Powers but enforced by the Soviet Army?

Mr. SMITH (*Hastings-Frontenac*): We might have the United Nations play a role in that context.

Mr. HERRIDGE: Mr. Chairman, I believe the Minister of External Affairs emphasized the point that nothing would be done against the wishes of the Lebanese people in respect of neutrality.

Mr. SMITH (*Hastings-Frontenac*): I appreciate that statement, Mr. Herridge.

Mr. MARTIN (*Essex East*): There was a reference made to this particular proposal by some of the delegates to the Security Council in recent discussions, was there not? I think you will find there was. I was reading this on Saturday.

Mr. SMITH (*Hastings-Frontenac*): You are referring to a reference made in the Security Council discussions?

Mr. MARTIN (*Essex East*): Yes, there was a reference made there.

Mr. SMITH (*Hastings-Frontenac*): I do not believe there was, at least not to our knowledge. We can check into it.

Mr. MARTIN (*Essex East*): I have sent for the document.

Mr. SMITH (*Hastings-Frontenac*): I cannot recall that this proposal was discussed in the Security Council. Certainly it was not discussed at any meetings which I attended. Of course, the discussions there were related to particular problems concerning UNOGIL, and the setting up of some instrumentality of the United Nations with a view to stabilizing the situation in Lebanon and Jordan, and with a view to the withdrawal of the United States and the United Kingdom troops.

Mr. SMITH (*Calgary South*): I wonder if I could ask the chairman how he proposes to proceed this morning? We now have before us several documents, one from the Under-Secretary of State, and I gather we are still dealing with item 85 as such. I assume we will have a general discussion this morning and then have the Under-Secretary of State's statement?

The CHAIRMAN: That is right.

At the moment we are dealing with two or three questions that remained unanswered at the close of our last meeting. We are trying to clean up those questions following which we will proceed with item 85.

Mr. SMITH (*Hastings-Frontenac*): That is what I am endeavouring to do.

There was another question asked relating to disengagement.

This statement is a result of a lot of work having been done over the week-end, and I would like to make this statement in that regard. Perhaps afterwards there will be questions concerning it.

The CHAIRMAN: That will be acceptable.

Mr. SMITH (*Hastings-Frontenac*): This subject has been discussed in the NATO council, by various governments, and indeed by various individuals over six or eight months.

The plan about which we have heard the most discussion, and the plan which has emanated from a government is the Rapacki plan for a nuclear-free zone comprising the two Germanies, Poland and Czechoslovakia.

This plan was presented for consideration to various governments. We in Canada received a formal presentation of this plan from the representative of the Polish government here in Ottawa.

I also refer to another plan presented by an individual that has been discussed in the newspapers to a considerable extent. That plan was put forward by George Kennan who was at one time the Ambassador from the United States to the U.S.S.R.

The Rapacki plan as I have indicated—

Mr. MARTIN (*Essex East*): What are you referring to now?

Mr. SMITH (*Hastings-Frontenac*): I am referring to disengagement.

Mr. MARTIN (*Essex East*): You referred to one plan put forward by George Kennan. Does that plan involve troops?

Mr. SMITH (*Hastings-Frontenac*): The Rapacki plan and other plans for disengagement have been carefully considered by the Canadian government and the NATO Council, where Canada took part in the discussions. I sent a reply on July 9, 1958, to the note which I received from Mr. Rapacki. Mr. Rapacki is the foreign minister of Poland.

As this exchange of notes bears direct relationship to one aspect of the subject of disengagement I think it would be of interest to the members of the committee if I tabled the note which I received and the reply that I sent on July 9.

The CHAIRMAN: Is that the wish of the committee?

Some Hon. MEMBERS: Agreed.

WARSAW, FEBRUARY 14, 1958.

John Price Erichsen-Brown,
Chargé d'affaires of Canada;
in Warsaw.

Sir,

I wish to refer to the proposal of the Polish government concerning the establishment of the denuclearized zone in central Europe presented at the United Nations general assembly on October 2, 1957 and subsequently repeated through diplomatic channels.

In view of the wide interest which this proposal has evoked in government and political circles as well as in the public opinion of many countries, including the country which you, sir, represent, and taking into account a number of opinions expressed in connection with the Polish proposal, the Polish government has resolved to present a more detailed elaboration of its proposal.

For this purpose the Polish government has prepared the attached memorandum, which has been transmitted to the governments of the four great powers and other interested countries.

The Polish government is conscious of the fact that the solution of the problem of disarmament on a world-wide scale requires, first of all, negotiations among the great powers and other countries concerned. Therefore the Polish government supports the proposal of the U.S.S.R. government concerning a meeting on the highest level of leading statesmen with the participation of heads of governments. Such a meeting could also result in reaching an agreement on the question of the establishment of a denuclearised zone in central Europe, should an agreement among the countries concerned not be reached in the meantime. In any event the initiation at present of discussions on the question of a denuclearised zone in central Europe would contribute to a successful course of the above-mentioned meeting.

The Polish government expresses the hope, that the government of Canada will study the attached memorandum and that the proposals contained in it will meet with the understanding of the government of Canada.

Please accept, sir, the assurances of my highest consideration.

1 enclosure

ADAM RAPACKI.

MEMORANDUM FROM GOVERNMENT of POLAND

On October 2, 1957, the government of the Polish People's Republic presented to the general assembly of the United Nations a proposal concerning the establishment of a denuclearised zone in central Europe. The governments of Czechoslovakia and of the German Democratic Republic declared their readiness to accede to that zone.

The government of the Polish People's Republic proceeded with the conviction that the establishment of the proposed denuclearised zone could lead to an improvement in the international atmosphere and facilitate broader discussions on disarmament as well as the solution of other controversial international issues, while the continuation of nuclear armaments and making them universal could only lead to a further solidifying of the division of Europe into opposing blocs and to a further complication of the situation, especially in central Europe.

In December 1957 the government of the Polish People's Republic renewed its proposal through diplomatic channels.

Considering the wide repercussions which the Polish initiative has evoked and taking into account the propositions emerging from the discussion which has developed on this proposal, the government of the Polish People's Republic hereby presents a more detailed elaboration of its proposal, which may facilitate the opening of negotiations and reaching of an agreement on this subject.

I. The proposed zone should include the territory of Poland, Czechoslovakia, German Democratic Republic and German Federal Republic. In this territory nuclear weapons would neither be manufactured nor stockpiled, the equipment and installations designed for their servicing would not be located there; the use of nuclear weapons against the territory of this zone would be prohibited.

II. The contents of the obligations arising from the establishment of the denuclearised zone would be based upon the following premises:

1. The states included in this zone would undertake the obligations not to manufacture, maintain nor import for their own use and not to permit the location on their territories of nuclear weapons of any type, as well as not to install on or to admit to their territories of installations and equipment designed for servicing nuclear weapons, including missiles launching equipment.

2. The four powers (France, United States, Great Britain and USSR) would undertake the following obligations:

a not to maintain nuclear weapons in the armaments of their forces stationed on the territories of States included in this zone; neither to maintain nor to install on the territories of these States any installations or equipment designed for servicing nuclear weapons, including missiles launching equipment.

b not to transfer in any manner and under any reason whatsoever, nuclear weapons nor installations and equipment designed for servicing nuclear weapons—to governments or other organs in this area.

3. The powers which have at their disposal nuclear weapons should undertake the obligation not to use these weapons against the territory of the zone or against any targets situated in this zone.

Thus the powers would undertake the obligation to respect the status of the zone as an area in which there should be no nuclear weapons and against which nuclear weapons should not be used.

4. Other states, whose forces are stationed on the territory of any state included in the zone, would also undertake the obligation not to maintain nuclear weapons in the armaments of these forces and not to transfer such weapons to governments or to other organs in this area. Neither will they install equipment or installations designed for the servicing of nuclear weapons, including missiles launching equipment, on the territories of States in the zone nor will they transfer them to governments or other organs in this area.

The manner and procedure for the implementation of these obligations could be the subject of detailed mutual stipulations.

III. 1. In order to ensure the effectiveness and the implementation of the obligations contained in part II, para 1-2 and 4, the states concerned would undertake to create a system of broad and effective control in the area of the proposed zone and submit themselves to its functioning.

This system could comprise ground as well as aerial control. Adequate control posts, with rights and possibilities of action which would ensure the effectiveness of inspection, could also be established.

The details and forms of the implementation of control can be agreed upon on the basis of the experience acquired up to the present time in this field, as well as on the basis of proposals submitted by various states in the course of the disarmament negotiations, in the form and to the extent in which they can be adapted to the area of the zone.

The system of control established for the denuclearised zone could provide useful experience for the realization of broader disarmament agreement.

2. For the purpose of supervising the implementation of the proposed obligations an adequate control machinery should be established. There could participate in it, for example, representatives appointed (not excluding ad personam appointments) by organs of the North Atlantic Treaty Organization and of the Warsaw Treaty. Nationals or representatives of states, which do not belong to any military grouping in Europe, could also participate in it.

The procedure of the establishment, operation and reporting of the control organs can be the subject of further mutual stipulations.

IV. The most simple form of embodying the obligations of states included in the zone would be the conclusion of an appropriate international convention. To avoid, however, complications, which some states might find in such a solution, it can be arranged that:

1. These obligations be embodied in the form of four unilateral declarations, bearing the character of an international obligation, deposited with a mutually agreed upon depositary state:

2. The obligations of great powers be embodied in the form of a mutual document or unilateral declarations (as mentioned above in para 1);

3. The obligations of other states, whose armed forces are stationed in the area of the zone, be embodied in the form of unilateral declarations (as mentioned in para 1).

On the basis of the above proposals the government of the Polish People's Republic suggests to initiate negotiations for the purpose of a further detailed elaboration of the plan for the establishment of the denuclearised zone, of the documents and guarantees related to it as well as of the means of implementation of the undertaken obligations.

The government of the Polish People's Republic has reasons to state that acceptance of the proposal concerning the establishment of a denuclearised zone in central Europe will facilitate the reaching of an agreement relating to an adequate reduction of conventional armaments and of foreign armed forces stationed on the territory of the states included in the zone.

THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS,
CANADA.

OTTAWA, July 9, 1958.

Mieczyslaw Sieradzki, Esq.,
Chargé d'Affaires a.i. of Poland,
10 Range Road,
Ottawa, Ontario.

Sir:

I have the honour to refer to your government's note and memorandum of February 14, 1958 which were delivered to the Canadian Chargé d'Affaires in Warsaw, and which set out certain proposals concerning the establishment of a denuclearized zone in central Europe.

The Canadian government has welcomed this initiative of the Polish government and has studied carefully the proposals in the memorandum because, like the Polish government, it is anxious to explore any proposal which might give some hope of providing an equitable basis for progress towards a disarmament agreement. The Canadian government attached particular importance to the Polish government's recognition that any agreement should be supported by an effective control and inspection system. However, in the course of our consideration it has become apparent that this plan for a first step toward disarmament in Europe falls short of the requirements for a successful limited approach to the major problem and therefore could not be expected to provide a basis for negotiating an equitable agreement.

This judgment does not, in the Canadian view, necessarily exclude the possibility of negotiation leading to an agreement limited as to region or subject, but any such approach would, in order to be acceptable, have to contribute towards an increase in mutual confidence and at the same time not complicate the solution of other problems. The Canadian government remains concerned, as does the Polish government, over the continued failure to achieve much progress on disarmament and we therefore remain ready to examine suggestions which might be expected to lead by stages to the final aim.

The participation of scientists from the major powers and from other interested countries, including Poland and Canada, in the conference at Geneva to study the detection of nuclear tests, is evidence of a widely held hope that solutions to special aspects of the disarmament problem may contribute to a general settlement. For this reason we are grateful for the initiative of the Polish government which, although it has failed to gain acceptance, has usefully served to stimulate the study of regional disarmament proposals and has brought us closer to an understanding of the inter-relationships between them and general disarmament. Such opportunities, which test the areas of confidence, cannot fail to contribute in the long run to progress on this vital problem. I therefore hope that the Polish government will continue its efforts to bring about a rapprochement of views in the field of disarmament and that the Canadian government will be given an opportunity to learn of any further ideas which, as a result of the reaction to their initiative and

taking into account the consequence of the Geneva meeting of experts, the Polish government may formulate in an endeavour to achieve this objective.

Accept, sir, the renewed assurances of my highest consideration.

Secretary of State for External Affairs.

Mr. SMITH (*Hastings-Frontenac*): While the concept and even the impression created by the word "disengagement" is an attractive one, it is apparent that the specific proposals for disengagement must bear careful scrutiny to ensure that they do not adversely affect the strategic position of the alliance—that is the north Atlantic alliance—and that they do not complicate the solution of other problems.

They must also be considered in relation to the broader measures of disarmament on which we have been trying for many years, to come to an agreement with the Soviet Union.

After careful consideration we and our partners in NATO agreed that the Rapacki proposal for a nuclear-free zone in central Europe—I say these words very slowly and give them to you very carefully—could not be considered as a basis for negotiation since it would have placed the military forces of the alliance at a disadvantage. It therefore failed to meet the requirements of an equitable limited approach to disarmament.

The fact that the Rapacki plan did not prove acceptable does not, however, in our view necessarily exclude the possibility of further negotiations leading to an agreement limited as to region or subject, but any such approach would, as I have indicated in my note to Mr. Rapacki, in order to be acceptable, have to contribute toward an increase in mutual confidence and at the same time not complicate the solution of other problems.

The government attached particular importance to the Polish government's recognition that any regional proposals must be supported by an effective control and inspection system.

Mr. MARTIN (*Essex East*): Do I understand that when you now say "effective control" these are your observations of the plan?

Mr. SMITH (*Hastings-Frontenac*): Yes. The Polish government in Rapacki's plan referred—this was encouraging—to the necessity for inspection and control.

Mr. MARTIN (*Essex East*): Is there any known Soviet Union comment on the Polish plan for a nuclear-free zone?

Mr. SMITH (*Hastings-Frontenac*): Not to my knowledge, but we do know that the Polish government would not have put this plan forward unless there was approval. I think we can count on a favourable reaction by the U.S.S.R.

Mr. MARTIN (*Essex East*): Yes.

Could the minister tell us—and I ask this only for information—how this differs from the proposal that was made by our side some time earlier for a plan that would permit, as a pilot project, based upon control and inspection, and that kind of thing, which Mr. Eden had in mind in 1955?

Mr. LEGER: I think the main difference, Mr. Chairman, was that the Eden proposal was a pilot project applying to a rather smaller zone whereas the Rapacki plan had definite frontiers placing West Germany on our side and East Germany, Poland and Hungary on the other side.

Indeed one of the complicating factor was that the Rapacki plan was no longer a pilot program if it applied to such a wide zone.

Mr. MARTIN (*Essex East*): The Eden plan applied to East and West Germany providing for a pilot project involving these two sections of Germany, excluding Hungary of course.

Mr. LEGER: The Eden plan was indeed based on the demarcation line, but it did not go as far in either direction as the Rapacki plan.

Mr. PEARSON: Is it not true that the Eden plan provided for a neutralization and disarmament of that particular zone where the Rapacki plan merely provides for the abolition of nuclear weapons inside this zone?

Mr. LEGER: Yes, that is my recollection of the Eden plan.

Mr. MARTIN (*Essex East*): Assuming that to be the case, and if the Soviet Union gave approval to this plan, and that approval included our concept of the kind of control and inspection which we consider necessary in any partial or complete plan for disarmament, I should like to know more about our reasons for objecting to this particular plan.

Mr. SMITH (*Hastings-Frontenac*): Mr. Chairman, the Rapacki plan included a much wider zone on each side than the Eden plan and that would involve the retirement of, let us say, the United States troops to the disadvantage of the alliance, and therefore reduce its military defence.

Mr. MARTIN (*Essex East*): Perhaps the real reason for our objection, I suggest, is the difficulty in regard to a scientific system for detecting whether or not a nuclear-free zone is in effect being observed by both sides. Is that not likely the reason?

Mr. SMITH (*Hastings-Frontenac*): That is one of the reasons, Mr. Chairman. If we could make some headway with the region with respect to Mr. Eisenhower's proposal, and the qualified acceptance by the U.S.S.R. and the United States relating to surprise attacks—that technical information would come out of a meeting of scientists comparable to the group who are now convened in Geneva in respect to nuclear tests and detecting nuclear tests—we would have made some advance in regard to the terms of control and supervision.

Mr. PEARSON: Is it not true that the important reason for objecting to this plan is, that under it the west would be deprived in this zone of its main weapon of defence, that is tactical atomic weapons, and the Soviet Union on the other hand would be allowed to maintain its conventional fighting forces in huge numbers?

Mr. SMITH (*Hastings-Frontenac*): That is what I had in mind, Mr. Chairman, when I said that this plan would weaken us inequitably in so far as the forces in Europe under NATO are concerned.

I would ask for permission at this time to read a part of my reply to Mr. Rapacki on July 9, 1958.

The Canadian government has welcomed this initiative of the Polish government and has studied carefully the proposals in the memorandum because, like the Polish government, it is anxious to explore any proposal which might give some hope of providing an equitable basis for progress towards a disarmament agreement. The Canadian government attached particular importance to the Polish government's recognition that any agreement should be supported by an effective control and inspection system. However, in the course of our consideration it has become apparent that this plan for a first step toward disarmament in Europe falls short of the requirements for a successful limited approach to the major problem and therefore could not be expected to provide a basis for negotiating an equitable agreement.

This judgment does not, in the Canadian view,—

And this, to my mind is a forthcoming observation—necessarily exclude the possibility of negotiation leading to an agreement limited as to region or subject, but any such approach would, in order to be

acceptable, have to contribute towards an increase in mutual confidence and at the same time not complicate the solution of other problems.

I would just like to make this further observation, Mr. Chairman. That is, we are continuing our consultations within the NATO Council on the broader, as well as the more limited forms of disarmament including ideas which fall, under the heading of disengagement.

The CHAIRMAN: Are there any questions arising out of the minister's statement?

Mr. MARTIN (*Essex East*): What is the date of this Polish proposal?

Mr. SMITH (*Hastings-Frontenac*): It was proposed some time ago. The date is February 14.

Mr. MARTIN (*Essex East*): Is this proposal referred to in the white paper?

Mr. SMITH (*Hastings-Frontenac*): No, that had to do only with discussions at the United Nations for the year 1957.

Mr. KUCHEREPA: Is it not true that the main desire in the Rapacki plan is to undermine the strength of our NATO forces in continental Europe?

Mr. SMITH (*Hastings-Frontenac*): I have discussed this with the Polish Charge d'Affaires, and have read the discussion in the NATO Council. I would say that there was real anxiety on the part of the Polish government motivating this proposal, and therefore a corresponding note of sincerity.

Mr. MARTIN (*Essex East*): What was the reaction of other powers to the Polish proposal?

Mr. SMITH (*Hastings-Frontenac*): I recall that the United Kingdom, in response to the same communication which we received, rejected it. While we were at Copenhagen, or just about that time, the United States also rejected the Rapacki plan.

Mr. JONES: Was this proposal discussed in the NATO Council?

Mr. SMITH (*Hastings-Frontenac*): Oh yes, this proposal has been discussed repeatedly and continuously.

Mr. JONES: There was more or less uniformity of opinion in regard to the way this project should be dealt with?

Mr. SMITH (*Hastings-Frontenac*): Yes.

Mr. PEARSON: I would like to get the minister's opinion in regard to another wider form of disengagement which presumably has also been discussed in the NATO council, under which there would be no outside forces of any kind in Poland, Czechoslovakia, East and West Germany. That would mean that the United States forces would withdraw, and the Russian forces would withdraw, and in return for that withdrawal there would be free elections and self government of Germany and the satellites without Russian forces being present. On the other side there would be the withdrawal of Germany from the North Atlantic Treaty Organization. That is a much more comprehensive form of disengagement.

Mr. SMITH (*Hastings-Frontenac*): That situation has been considered.

The CHAIRMAN: Are there any further questions?

Mr. MARTIN (*Essex East*): When was mention first made of the Polish plan?

Mr. SMITH (*Hastings-Frontenac*): I read about it in the newspapers on the day of the communication.

Mr. MARTIN (*Essex East*): There was reference made in some form or other at the last assembly in 1957.

Mr. SMITH (*Hastings-Frontenac*): Yes. The Undersecretary informs me that this was projected. I do not recall that it was projected in the same detail

as set forth in the memorandum which was sent with this note bearing the date of February of this year.

But it was projected by the Polish foreign minister in the general assembly last autumn, I think just before the meeting of the NATO council, the heads of government meeting.

There was a letter at that time sent to the various countries in which the proposal in essence—not identically—was put forward by the U.S.S.R. That is why I said six or eight months. That is why I used that term.

Mr. PEARSON: I take it that the minister does not wish to comment on the advantages or the disadvantages of a more comprehensive plan?

Mr. SMITH (*Hastings-Frontenac*): I would like to think that over. As Mr. Pearson and other members of the committee realize, there are political implications in so far as Germany is concerned.

Mr. HERRIDGE: Which plan is that?

Mr. SMITH (*Hastings-Frontenac*): I am referring to the plan which came from Poland.

The CHAIRMAN: Are there any further questions? If not, may we now proceed with a statement from the Undersecretary?

Mr. McCLEAVE: With reference to the Monroe doctrine and Lebanon, my understanding is that the Monroe doctrine is always a sort of unilateral, hands-off policy.

Who would be proclaiming that hands-off policy in the situation the minister has hinted at?

Mr. SMITH (*Hastings-Frontenac*): The great powers; but I would prefer of course endorsement by the United Nations and some instrumentality set up by the United Nations to assure observance, and the implementation of such a general concept.

Mr. McCLEAVE: That would be up to the great powers?

Mr. SMITH (*Hastings-Frontenac*): I hope that the United Nations would be involved in it.

I have another statement. I am trying to clean up questions which have already been asked. There was a question asked last week with respect to the effects of the amendments to the US Atomic Energy Act.

I think we had amendments to the so-called McMahon Act or Atomic Energy Act by the Congress recently.

I have already referred twice to this subject in the House of Commons in answer to questions: once on July 1, and again on July 7. There is little I can add to these statements. But for the committee I shall endeavour to summarize the situation with respect to the effect of these amendments on Canada.

I cannot, from the standpoint of the Department of External Affairs, go into this field in any detail because this has to do with national defence and it is primarily a matter for my colleague the Minister of National Defence, and his department.

But to summarize:

—following certain proposals made last January by the administration, the U.S. Congress has amended the U.S. Atomic Energy Act, first passed in 1946 and subsequently amended in 1954. The purpose of these amendments was to make easier the transfer by the U.S. government of non-nuclear parts, special nuclear materials and certain restricted data relating to the use of atomic weapons to friendly countries who entered into an agreement with the United States for this purpose.

The amendments do not affect the provisions of the act which forbid the transfer of nuclear components of weapons which, if manufactured in the United States, must remain in the custody of United States personnel. Furthermore, amendments added by the Congress establish that only those nations who have made substantial progress in the development of atomic weapons may benefit from the provisions relating to the transfer of non-nuclear parts of atomic weapons, special nuclear materials for research on or developments of atomic weapons and restricted data concerning atomic weapons.

Nevertheless, nations such as Canada, who may not qualify under this provision of the act, could benefit from the amended act in the following ways:

- (a) they may receive certain non-nuclear materials such as military reactors which they were prevented from doing before;
- (b) they may receive certain additional information relating to the military applications of atomic energy.

Finally, I should like to point out that the amendments to the act leave unchanged the proviso that any part or section of the act which may conflict with an international agreement approved by the Congress entered into after the enactment of the act is of no force or effect. Thus an international agreement could be made with a friendly country such as Canada for the transfer of information or materials not permitted by the act, if approved by Congress.

I conclude, therefore, that if, under the terms of its present agreement with the United States, Canada should decide, for whatever reason, that a more liberal agreement is necessary, the possibility exists for it to negotiate such an agreement, as the United Kingdom has just done.

Whether in fact such a new agreement may be necessary I am not in a position to say.

Mr. PEARSON: I have several questions on this matter which I think is of very considerable importance.

I have studied the amendments to the act, and I agree that in some respects they liberalize existing procedures in regard to the exchange of information and weapons in the non-nuclear field. But the amendment makes a distinction between the United Kingdom on the one side and other countries on the other side.

Mr. SMITH (*Hastings-Frontenac*): It is admitted that the United Kingdom has substantial know-how.

Mr. PEARSON: That is right. Therefore, in order to benefit from this, in so far as the exchange of atomic weapons is concerned, you must also have made certain progress in the production of those weapons.

As the minister knows—he mentioned this the other day—we on this side have put forward a proposal against the production of such weapons by any of the countries not now producing them.

I do not want that to be misunderstood as indicating that I am opposed to the transfer from the producing power to a friendly power of already manufactured weapons. That is quite different than manufacturing them. I want to find out exactly under this amendment what the position is in regard to such transfers. It can be done with the United Kingdom, but it cannot be done with Canada.

In that sense the policy appears to be a departure from that of Canada-US-UK atomic co-operation embodied in the Combined Policy Committee. Let me give a specific illustration: and the minister will correct me if I am

wrong. Under this amendment, which has just come into law, a Canadian Bomarc squadron could operate in the North American defence command under a United States commander with a Canadian deputy commander, but it could not have at its disposal under its own Canadian control Bomarc missiles with nuclear warheads, is that not so?

Mr. SMITH (*Hastings-Frontenac*): That is part of NORAD.

Mr. PEARSON: A Canadian squadron armed in that way, under this amendment, would be prevented from having under its control a missile with a nuclear warhead which would be in the possession of an American squadron in the same command would have.

Mr. SMITH (*Hastings-Frontenac*): Perhaps the Undersecretary might comment.

Mr. LEGER: That is not my understanding, since even if the Bomarc itself was stationed in Canada, the atomic warhead would still be under the custody of the Americans, as is still the case, under the new legislation, for American atomic warheads placed in Bomarcs, in the United Kingdom.

The atomic component itself always remains under the custody of the United States even under this new legislation.

Mr. PEARSON: Is it not true, however, that the United Kingdom, under this legislation, could have its own Bomarc weapons with nuclear warheads manufactured in the United Kingdom?

Mr. LEGER: Yes.

Mr. PEARSON: That is not possible for Canada. Canada cannot receive these because they are not manufactured here. We do not manufacture the actual nuclear warhead and therefore there is that distinction. I think that is the case under the law.

What the Undersecretary says is correct. If it were a U.S. nuclear warhead in the United Kingdom, the United Kingdom would have no more control over it than we would have if it were in Canada, as was said a few moments ago. I was not aware until the Minister mentioned it a few moments ago that under this amendment, I presume under section 123, it would now be possible for Canada to make the same kind of an agreement with the United States, as the United Kingdom has done, or did I get the wrong impression?

Mr. SMITH (*Hastings-Frontenac*): No. I said it would not be possible because we have not been producing nuclear weapons. The test, as I interpret it with the text of the amendment before me, is this: That the country has made substantial progress, and that they have the "know-how".

That is true only of the United Kingdom. We have not reached that stage.

Mr. PEARSON: What was the Minister referring to when he spoke of an agreement we could now negotiate with the United States?

Mr. SMITH (*Hastings-Frontenac*): Subject to subsequent approval by Congress.

Mr. PEARSON: Would that cover nuclear weapons?

Mr. SMITH (*Hastings-Frontenac*): It could, but the Congress would have to approve.

Mr. PEARSON: Can Congress approve of an agreement by which we would be put in a position of being able to exchange military information and nuclear weapons which would make it possible for us to manufacture them in Canada if we so desired?

Mr. SMITH (*Hastings-Frontenac*): It could, but such an agreement would have the effect of over-riding the amendment. We are not asking for such an agreement.

Mr. PEARSON: No. But that kind of agreement if made would override the provisions of section 144C under which the United Kingdom made its agreement?

Mr. SMITH (*Hastings-Frontenac*): Yes.

Mr. PEARSON: There is another section, 123, which provides for entering into an agreement with the United States for the exchange of information. That does not apply to an agreement in so far as the manufacturing of the weapon is concerned, but for a general exchange of nuclear information.

Has Canada entered into an agreement with the United States, or does Canada propose to enter into an agreement with the United States, having in mind this last section?

Mr. SMITH (*Hastings-Frontenac*): It has not entered into an agreement. But that would be a matter of government policy.

Mr. PEARSON: If that is not the case,—and I understand that there would not have been time to enter into such an agreement since the passage of these amendments—then we in Canada—would have to enter into an agreement to get the benefit of these liberalizing procedures in regard to the exchange of information under this amendment—?

Mr. SMITH (*Hastings-Frontenac*): Yes.

The CHAIRMAN: Are there any further questions?

Mr. CRESTOHL: Is it known to what extent France is becoming an atomic weapon power? Has it been discussed in the United Nations?

Mr. SMITH (*Hastings-Frontenac*): We have nothing in that regard except the public statements that have been attributed to General De Gaulle that they would like to be in a position such as the United Kingdom to qualify, subject to the proviso in the amendment, to the end that they would get the know-how.

Mr. CRESTOHL: Have they requested to receive those benefits?

Mr. SMITH (*Hastings-Frontenac*): To my knowledge they have not reached that stage yet. I mean France has not.

Mr. CRESTOHL: You mean they have not reached that stage in production?

Mr. SMITH (*Hastings-Frontenac*): Or in development.

Mr. CRESTOHL: But it is on record at the United Nations, and General De Gaulle has said it.

Mr. SMITH (*Hastings-Frontenac*): No. All I rely upon is the public statement which has been attributed to him. I recall no discussion in the United Nations.

Mr. CRESTOHL: To what extent is it known that France is developing, or has developed the possibility of producing nuclear weapons?

Mr. SMITH (*Hastings-Frontenac*): I am unable to answer at what stage they are in their scientific development.

You spoke of the United Nations. This is a bilateral agreement with the United States. I do not recall any representations made by France to the United Nations in this regard.

Mr. HERRIDGE: You are speaking of newspaper reports?

Mr. SMITH (*Hastings-Frontenac*): Yes.

Mr. HERRIDGE: In the same regard as we have read where United States personnel was used recently to quell exuberance in British Columbia?

Mr. SMITH (*Hastings-Frontenac*): We are not in a position to ask France officially: "Where are you in the development of the nuclear warhead, or any of the various types to be found in the nuclear family of military devices in this regard?"

Mr. PEARSON: Congress passed this agreement. The joint committee on atomic energy in its report, No. 1849, stated that it was not the intention of this amendment to encourage additional nations to develop additional nuclear weapon capabilities.

But if in effect the only way you can get the complete exchange of know-how and information and help in the manufacture of nuclear weapons is to qualify under section 144-C as a nation which has already made substantial progress, isn't that likely to encourage, rather than to discourage, other countries going into the production of nuclear weapons and reaching the point where they can even ask the United States to help them?

Mr. SMITH (*Hastings-Frontenac*): I might look at it another way: that it might discourage other nations. It is so expensive; the cost is so tremendous that it might well bankrupt a nation which does not have a strong financial backbone to enable them to carry on this development.

Mr. JONES: The implication left here I think could be qualified, and that is: in embarking upon a greater degree of exchange with respect to atomic energy, this happens automatically in the case of a new nation achieving information about nuclear weapon development. I take it that it is not automatic procedure at all; it is still subject to the control of the American government?

Mr. SMITH (*Hastings-Frontenac*): It is not automatic. I think the agreement reached in this case with the United Kingdom is still on the table for 30 days. I think that normally such an agreement is tabled for 60 days.

Mr. JONES: If it is automatic under their law, then there might be some validity in the suggestion which Mr. Pearson has made.

Mr. SMITH (*Hastings-Frontenac*): Three months, that is the law. Possibly when the Congress met, they might go further into the administration of it in entering into such an agreement.

Mr. PEARSON: Congress does not have to act under 144-C. The President can act alone if he wants to, but Congress can throw it out.

Mr. SMITH (*Hastings-Frontenac*): That is a safeguard.

Mr. PEARSON: That is a safeguard. This is the report that I mentioned and I am quoting from it. "The joint committee is of the opinion that closer collaboration should be had between the United States and Great Britain in the atomic weapons field." It makes a case for special arrangements with Great Britain. Would you not agree that in view of the close association between the United States and Canada which we should have in continental defence, that the collaboration in this field should be as close between our country and the United States as that between the United States and Great Britain?

Mr. SMITH (*Hastings-Frontenac*): I shudder when I think of the development and production of nuclear weapons in Canada. The figures which Mr. Dulles gave me when he was in Ottawa over two weeks ago were just stupendous and were astronomical in character. I was surprised to find that the development of smaller weapons in the family of nuclear weapons could involve a greater outlay and expenditure than the development of some of the larger weapons. I pointed out last week to the committee that up to now the United States and the United Kingdom have had the capacity to supply these weapons for their partners in the North Atlantic alliance. I would express the view that I expressed the other day that I shudder about the development and production of these weapons by other countries.

Mr. MARTIN (*Essex East*): All of that would perhaps be a very effective argument as to why Canada should not engage itself in the production of atomic weapons, but with great respect it does not answer the question put by Mr. Pearson in which he asked the minister if he did not believe in view of the character of our continental defence arrangements that Canada should be put in supply.

Mr. SMITH (*Hastings-Frontenac*): I gave an answer to Mr. Pearson's question.

Mr. JONES: One of the implications that seems to have arisen out of the earlier questions in this connection was the implication that Canada had been in recent years in full exchange with the Americans on nuclear development, and of course that is not so.

Mr. PEARSON: Mr. Chairman, is it not correct that from the beginning of atomic development during the war, with the Manhattan project and other projects of Canada and the United Kingdom, that almost from the beginning such development was on a three-power basis, embodied in a committee called the combined policy committee, in which Canada was on exactly the same footing in regard to the exchange of information as the United States and the United Kingdom; and that we now have the United States and the United Kingdom on a special level of collaboration in the exchange of information, in which Canada is not included. The minister has said that there is a way of providing for an exchange of military atomic information, through agreement under this U.S. law, and perhaps it could be brought about that way. But the point I am trying to make is that when defence collaboration between Canada and the United States is as close as that between the United States and the United Kingdom, procedures in regard to the exchange of military information, defence information and armaments information should be equally close as they are between the United Kingdom and the United States.

Mr. SMITH (*Hastings-Frontenac*): I am not unhappy about the arrangement; indeed, I approve of it and endorse the special arrangements between the United Kingdom and the United States in this regard. I will be very interested, Mr. Chairman, if this committee advises the government that we should go into the field of development and manufacture of nuclear weapons.

Mr. PEARSON: That is not what I am suggesting. Nobody wants to get into the production of nuclear weapons and, as a matter of fact, we have made a proposal in the House which would prevent that; by every country that is not now producing them, making a self-denying resolution at the United Nations. But what I am suggesting is, will it not be ultimately an intolerable condition for a Canadian squadron to be serving in the same command as an American squadron, and the Canadian squadron having inferior weapons to the American squadron—inferior in the sense of not having nuclear components;—or at least they are not under Canadian control and cannot be brought under Canadian control except by decision of the United States government. That is the present situation. I am merely suggesting that perhaps the time has come to change that. Maybe that is what Mr. Pearkes is doing in Washington this week.

Mr. JONES: To keep the record straight, is not one of the significant advantages of this the fact that Britain is to have this information whereas previously she did not have it?

Mr. MARTIN (*Essex East*): I do think that there is a very important principle here, Mr. Chairman, that the minister possibly is not fully appreciating in the character of Mr. Pearson's question. As Mr. Pearson has just indicated, he has not been urging that Canada get into the production of these weapons, but that in view of the close defensive arrangements between the United States and Canada, we should share not less in this particular than the United Kingdom. He has invited the minister to comment on that. Does the minister not feel that that is a perfectly legitimate field of inquiry?

Mr. SMITH (*Hastings-Frontenac*): I just reiterate; I am not unhappy about the United Kingdom-United States arrangement.

Mr. PEARSON: We are not unhappy about it either; but that is not the point. The point is that surely the Americans can send us up a Bomarc for a

Canadian squadron, and say "fine; it is your own, if you pay for it". But when they send us up a nuclear warhead for the Bomarc for a Canadian squadron they say, "you can use it if we permit you to use it. You can store it on your station but you cannot use it until we permit you to use it."

Mr. SMITH (*Hastings-Frontenac*): There is no question about storing nuclear warheads in Canada.

Mr. KUCHEREPA: The crux of the matter lies in this: in regard to the production and development of these weapons the United Kingdom and the United States have these special arrangements, whereas we are not in this particular field or development and production and therefore we have very little need for this kind of information; would that be summarizing the situation fairly?

Mr. SMITH (*Hastings-Frontenac*): Yes, I would suggest that.

Mr. MARTIN (*Essex East*): Can we have an answer to that?

Mr. SMITH (*Hastings-Frontenac*): I am not treating it as a question. I treat it as an observation.

Mr. MACLELLAN: I wonder, Mr. Chairman, if the same argument could be used by France, and if the purpose of the amendment was not to limit the distribution of atomic weapons?

Mr. HERRIDGE: In following up what Mr. Pearson said, and I thought there was a great deal of validity in his view. In effect, the present proposals make our air force immobile and brings it completely under the command of the United States.

Mr. PEARSON: I did not say that.

Mr. SMITH (*Hastings-Frontenac*): As I suggest, when it comes down to the equipment of our military forces, and the air force, you should address these questions, as I said at the outset, to the Minister of National Defence.

Mr. DINSDALE: Could I ask this question by way of clarification to verify my own curiosity? I take it from this discussion that Canadian squadrons should not use atomic warheads until some special measure had been approved by Congress?

Mr. KUCHEREPA: No, NORAD covers that.

Mr. SMITH (*Hastings-Frontenac*): No, it is part of NORAD.

Mr. PEARSON: The approval has to be from Washington.

Mr. KUCHEREPA: It is still under NORAD.

Mr. DINSDALE: Not by a special measure from Congress.

Mr. SMITH (*Hastings-Frontenac*): No, not for the arming of NORAD.

Mr. DINSDALE: It would need a very quick decision.

Mr. SMITH (*Hastings-Frontenac*): Too quick, perhaps.

The CHAIRMAN: We will now ask the Under-Secretary to proceed.

Mr. MARTIN (*Essex East*): I have a question—and I am sorry I was not here last week. I do not know whether the minister dealt with a question of commissions in Indo-China. He has already announced that the international commission in Laos has adjourned *sine die* but that in Cambodia that has not yet been effected—although there is some indication that it may be.

Mr. SMITH (*Hastings-Frontenac*): The intention has been expressed.

Mr. MARTIN (*Essex East*): Well then, has there been any request made by any country not on those commissions that the commission in Cambodia should not adjourn *sine die*—or says it is an operation apart from any member of the commission. May I clarify my question? There was a suggestion, I understand, some time ago that the commission in Cambodia might be used to arbitrate boundary matters between Viet Nam and Cambodia.

Mr. SMITH (*Hastings-Frontenac*): We took the stand that that was not within the terms of reference or instructions.

Mr. MARTIN (*Essex East*): Yes, I agree, that the Canadian government took the position that the boundary disputes were not within the terms of the Geneva accord. But is there pressure now being exerted on Canada that she should not bring about an abandonment of the commission in Cambodia for the reason that it is now thought desirable that the commission should deal with such matters as boundary disputes between the two countries?

Mr. LEGER: Mr. Chairman, I wonder if the distinction could not be established between the pressure that may be exerted by the government of Cambodia and the pressure within the commission to stay or to leave. If Mr. Martin refers to pressure within the commission—

Mr. MARTIN (*Essex East*): I was referring to a request from outside the commission.

Mr. LEGER: Therefore, from the government of Cambodia.

Mr. MARTIN (*Essex East*): Not necessarily from the government of Cambodia—from other governments as well.

Mr. LEGER: I think I would like to refer back to the major reason why the government has decided to withdraw from the commission in Laos—and that was at the specific request of the government of Laos. If similar requests came from the government of Cambodia, naturally I would presume the government would also take that into consideration, and decide to press for withdrawal. That request from the government of Cambodia has not come—had not come, four or five days ago.

Mr. MARTIN (*Essex East*): I do not know whether I misunderstood what the Under-Secretary said—that the reason for the action taken at Laos was because of the request of the government of Laos.

Mr. LEGER: The main reason.

Mr. MARTIN (*Essex East*): The government of Laos now, for several years, has asked for the commission to get out of Laos.

Mr. SMITH (*Hastings-Frontenac*): As I said in the house, we regarded the task of the supervisory commission in Laos as completed after the supplementary elections on May 4.

Mr. MARTIN (*Essex East*): Yes. But what I really have in mind—I am not so much concerned about Laos. I think the course taken in Laos was correct. Our record on these commissions has been correct, and in accordance with the provisions of the Geneva conference, that I am sure we are all anxious to see that position maintained. But I have heard it suggested that, with regard to the Cambodian arrangement, consideration has been given to altering what seemed to be the decision we were about to make, because of the view urged upon us by other countries.

Mr. SMITH (*Hastings-Frontenac*): Mr. Chairman, I am trying to be helpful. If the countries could be identified it would enable us to answer the question more completely. But so far as I am concerned, as minister, I do not know what Mr. Martin is talking about.

Mr. MARTIN (*Essex East*): I do not want to go any further.

Mr. PEARSON: I do not mind going further. Is the United States trying to keep the Cambodian commission in existence or is India or any other government preventing us from withdrawing from it?

Mr. SMITH (*Hastings-Frontenac*): I am not conscious of any pressure from the United States in this regard.

Mr. HERRIDGE: No representations whatsoever?

Mr. SMITH (*Hastings-Frontenac*): Not to my knowledge.

Mr. MARTIN (*Essex East*): Is it thought, then, that the commission in Cambodia is likely to be disbanded in the way that action has been taken in Laos, within the foreseeable future?

Mr. SMITH (*Hastings-Frontenac*): Yes, in a few months Mr. Martin said in the house it was an ingenious device—and that is a fair description—the Poles on the commission did not move in favour of it. India and Canada took this stand bilaterally as a procedural matter.

Mr. MARTIN (*Essex East*): It was really a compromise arrangement between India and Canada, was it not?

Mr. SMITH (*Hastings-Frontenac*): It was.

Mr. MARTIN (*Essex East*): With regard to the situation in Viet Nam—that I take it is more indefinite—that the Canadian government regards the continuation of the commission there as desirable and in accordance with the provisions of the 1954 arrangement?

Mr. SMITH (*Hastings-Frontenac*): Oh, yes; we take that view. We cannot get out of Viet Nam yet—south and north.

Mr. MARTIN (*Essex East*): Is there any possibility when the time may be opportune for the holding of free elections which would make that possible?

Mr. LEGER: That would be one of the conditions of reunification naturally; and it would appear that that is neither for tomorrow nor next year—at the rate things are going.

Mr. SMITH (*Hastings-Frontenac*): Any inquiries I have made would not indicate that there is any *terminus ad quem* there in prospect.

Mr. PEARSON: I have a question I brought up the other day which the minister has perhaps overlooked. It was about the United Nations emergency force, which he mentioned in his first statement. Could he tell us what discussions took place at the last Assembly in regard to establishment of a permanent force, and the attitude adopted then? I am not sure whether it was discussed at the last Assembly or not.

Mr. SMITH (*Hastings-Frontenac*): Yes, it was, in one aspect. I have a document here which is long. I think it would take too much time to read it, but perhaps I could give a digest of it to the committee. I do recall that last week I talked about obstacles that the previous efforts to create a United Nations force had encountered. I did not mention all of them. I referred to them by name—the United Nations guard and the United Nations legion. This whole question has taken a long time and indeed my recitation of the past incidents would be distressing as well as long because this is an outstanding example of frustration and evasion and indeed of a kind that has worried the Canadian government. But I would point out, Mr. Chairman, that reasonable and sound objections have been put forward in earlier days. The Secretary-General has come into this picture, and to that extent one might say that there was consideration last autumn by the United Nations, but not a detailed discussion of it in any agencies of which I am aware. But when the Secretary-General presented his annual report of the work of the United Nations for 1956-57—that is a year ago—he introduced it with reference to an instrumentality of some kind set up by the United Nations. He indicated in that report—and that is how it was presented to the General Assembly—that the United Nations secretariat would be undertaking a study and analysis so there would be a sound foundation upon which the United Nations could build a standby plan for a police force. The police force he had in mind, in writing the introductory part of his report in 1957, was to build a standby plan for a police force which could be activated on short notice in a future emergency. He said, in his report to the General Assembly, that a study has been going on, and

he said recently that it helped considerably in the private conversations in setting up UNOGIL. I have in mind that out of the experience of UNEF, and out of the experience of setting up UNOGIL there will be valuable material which will enable the Secretary-General—one aspect, or one factor in the United Nations picture—to present a new concept of United Nations standby instrumentality. But I would point out in this context that UNOGIL was created under very different circumstances from those under which UNEF was set up. And I would make this further observation that it is a very useful sign. The Security Council created UNOGIL and that would indicate that in comparing it with UNEF that there can be a flexibility of approach—that is the creation of different United Nations instruments for the preservation of peace. I think we are moving towards a United Nations force slowly; I do think we are moving in that direction.

I want to emphasize something that I have already stated, and that is that we should not go too fast. We should take short steps and we should be careful to avoid creating the wrong impression of what we hope to achieve. We should be careful to avoid the use of such words as “police force”. I mentioned that in my observations before. I would not like, at this time, to say anything more because there are many aspects which must be considered.

I would say that this matter, in view of the setting up of UNOGIL, can be examined with more hope perhaps than we could have had in some of the earlier ventures in this regard. Canada will explore, within the United Nations, with the Secretary-General, and with other countries, possibilities. I did make a suggestion throughout that there might be hope in proceeding along the line of the Uniting for Peace resolution of the General Assembly in 1950 and that we might use the machinery that is contemplated in that resolution; but that would not be, necessarily, the only one that would be considered.

There are different functions. UNOGIL is an observation group; UNEF is a police endeavour. Then you could have an armed force. It was suggested in one of the earlier proposals that that would be under the direction of the Secretary-General by reason of the authority that has been given to him by the Assembly or by the Security Council.

It does seem to me that we must work hard and work strenuously towards the setting up of some instrumentality that would provide for the assembly of a group that could be moved very quickly. I come back again to the question of the functions of this instrumentality; whether it should be an armed force, whether it should be a police activity or whether it should be an observation group. To me at the moment in terms of taking short steps and doing more than has been done in the past, it seems to me that the peace observation group might be the first step which could be taken.

Mr. CRESTOHL: In speaking about the UNEF, has the Canadian government received an official report as to the death of Colonel Flint who was killed and information as to where the bullet came from?

Mr. SMITH (*Hastings-Frontenac*): Yes.

Mr. CRESTOHL: I am sure the committee would be interested in that.

Mr. LEGER: I think we could make available to the committee the reports which we received from the United Nations.

Mr. SMITH (*Hastings-Frontenac*): It was not made to us directly. It came to us from the Secretary-General.

The CHAIRMAN: Is it the wish of the committee that we have the report of the Secretary-General?

Mr. CRESTOHL: Unless the minister can give us a report in general.

Mr. SMITH (*Hastings-Frontenac*): I am a little worried about giving now the details.

Mr. LEGER: We could circulate the reports, but unfortunately we do not have them here this morning. We could have them this afternoon.

Mr. PEARSON: I listened with much interest to what the minister said and I agree with everything he said about the necessity for proceeding vigorously but carefully. He repeated what he said the other day about the possible disadvantages of calling any agency of this kind a United Nations police force. I do not think the name means very much. You can call it a firefighting committee if you like.

What worries me is the developing tendency in the United Nations in the last couple of years for the powers to say we have to do certain things but as soon as the United Nations can take over we will withdraw, or we would not have gone in if there had been a United Nations agency to have taken on the job.

I think we must try to make provision at the United Nations assembly for the permanent establishment of a permanent agency which could be on call. Some of these same powers find all sorts of reasons for not doing it, but it is becoming increasingly difficult for the United Nations at the same time to take on those responsibilities and be prevented from organizing the mechanisms to discharge them.

Mr. HERRIDGE: I think Mr. Pearson has a very good point there.

Mr. RICHARD (*Ottawa East*): On another subject, I would like to ask the minister if since he has assumed office he has had any request from the South American countries to join in any alliance, treaty, or economic development program to offset the present active Communist interests in South America. I am tempted to ask this question because our friend Mr. Dulles this week is in South America for the purpose. I understand that the interests of the United States in South America are larger than ours. I think I would be interested to know from the minister what is the information the department has as to the situation in South America and whether or not we can expect just as much trouble in the years to come in South America as we have had recently in what is called the Middle East?

Mr. SMITH (*Hastings-Frontenac*): In respect of the first part of the question and the statement, since I have taken over the portfolio I can say that we have had no representations made to us by any South American country nor have we received any invitation to join the Organization of American States. I make that as a positive statement. I do not think it will be proper and fitting for me to comment before the committee on the reactions which were set in motion by Mr. Nixon's visit.

Mr. RICHARD (*Ottawa East*): There has been no request to help in the development of trade of which your department is aware, or a necessity to assist?

Mr. SMITH (*Hastings-Frontenac*): No.

Mr. PEARSON: There is a proposal under discussion at the present time to call a conference at the level of the heads of government of all the American states to consider this whole question of development. Do I take it that Canada has not been approached to attend that conference.

Mr. SMITH (*Hastings-Frontenac*): No. At least there have been two proposals which have come out of certain countries in Latin America for a meeting—not under the O.A.S. I have a memorandum before me here which I will read. There have been several recent proposals for the calling of an inter-American conference at ministerial level or at the level of heads of government to discuss political and economic problems of this hemisphere. The tentative proposals have been put forward by Brazil and Columbia, and by the Rockefeller fund which has recently made public a report in this respect. There

also has been a resolution introduced into the United States Senate in respect of the type of inter-American conference. No such conference has yet been called, and consequently, the question of Canadian participation in it has not been raised formally. This has nothing to do with membership in the O.A.S. If an invitation were received, our decision would depend largely on the subject matter of the conference and whether it seemed likely that our contribution would contribute to its success.

The three main public proposals were in an exchange of letters between the presidents of Brazil and the United States in which the former suggests, that is, the president of Brazil, that the relations between the United States and Latin America should be the subject of an inter-American meeting at the level of the heads of state to be called without delay by the Organization of American States.

The Rockefeller fund report urged the calling, as soon as possible, of an inter-American economic conference to which Canada should be invited.

The resolution of the United States recommended that a meeting of foreign ministers, including Canada, be held to review policies of mutual understanding in the western hemisphere and it deemed advisable to place on the agenda an American hemisphere summit meeting.

I want to make it clear that there have been no formal invitations which have come out of any of these proposals yet.

Mr. CRESTOHL: We have embassies in most of the Latin American countries?

Mr. SMITH (*Hastings-Frontenac*): In nine out of the twenty.

Mr. CRESTOHL: When you say there is no official invitation, were there any unofficial communications delivered, or discussed, with our ambassadors in the South American countries.

Mr. SMITH (*Hastings-Frontenac*): We have instructed our ambassadors to find out as much as possible about these proposals.

Mr. PEARSON: I have two questions which have nothing to do with anything which has been discussed.

The CHAIRMAN: Are there any further questions relating to South American matters?

Mr. PEARSON: My first question is have any proposals been made or have any discussions been held within the NATO Council recently to the effect that NATO as such should now step in and see what it can do to settle the deplorable problem of Cyprus? I know, in the past, it was not done so for the very good reason that those most concerned did not want anything done in NATO. Has there been any change in the last few months?

Mr. SMITH (*Hastings-Frontenac*): My recollection, subject to correction by the Undersecretary, is that it has been discussed in the NATO Council for at least a year. My recollection is that when the proposal from the United Kingdom, or indeed before it was made public or before Mr. Macmillan gave it in the House of Commons, was made known to the representatives of the NATO countries and made known in a meeting of the Council, my understanding is that apart from the two countries involved, that is Turkey and Greece, the other representatives on the NATO council urged those two countries to look at the proposal carefully and, they hoped, sympathetically.

It has been under constant review. You will appreciate that the difference of opinion between the two members of NATO, Greece and Turkey, could weaken NATO.

Mr. PEARSON: I do not think that is—

Mr. SMITH (*Hastings-Frontenac*): I was going to say it is an understatement.

Mr. PEARSON: Has NATO given consideration to making proposals of its own in respect of this matter apart from considering the proposals made by individual members like the United Kingdom; in other words, is it considering stepping in and taking on direct responsibility?

Mr. SMITH (*Hastings-Frontenac*): No. They have not come up with any proposal.

Mr. RICHARD (*Ottawa East*): Has the government taken any definite stand or decision about entering into a world copyright treaty?

Mr. SMITH (*Hastings-Frontenac*): I take that as notice. I do not know.

Mr. PEARSON: Have there been any recent developments with reference to the Polish art treasures?

Mr. SMITH (*Hastings-Frontenac*): No.

Mr. CRESTOHL: The Secretary of State seems to feel that this is a matter for the Department of External Affairs.

Mr. SMITH (*Hastings-Frontenac*): Negotiation would be a matter for the Department of External Affairs, but the decision must be initiated by the Department of the Secretary of State.

Mr. CRESTOHL: I will look up the question which I put to the Prime Minister, but I do feel that this is something which would fall within the jurisdiction, certainly to a large extent, of the Department of External Affairs.

Mr. SMITH (*Hastings-Frontenac*): I say that is true as far as negotiations are concerned, but only that far.

Mr. MARTIN (*Essex East*): I would like to ask the Under-Secretary of State if he could indicate when the new missions will be established in the various countries designated by the Prime Minister, and when a minister will be appointed to Lebanon and particularly to Israel. I am going over there very soon and I would like some protection.

Mr. SMITH (*Hastings-Frontenac*): I discussed this with the Under-Secretary of State over the week-end and possibly he could answer that question.

Mr. MARTIN (*Essex East*): I do not suppose these new missions will be established before the end of this month?

Mr. LEGER: I think that we must establish a distinction between Lebanon and Israel. We now have a mission in Israel. We will have to make provisions for the new heads of missions, and that takes a little time. I hope it is not necessary to pin down the exact month.

Mr. MARTIN (*Essex East*): Oh no, I just wanted to get some information in that regard.

Mr. LEGER: Six or seven weeks would be closer than one month, following the procedure that we want to follow. However, the *Chargés d'Affaires* will be there to welcome Mr. Martin on his arrival.

Mr. PEARSON: Can Mr. Martin be assured of protection?

Mr. SMITH (*Hastings-Frontenac*): I do not think Mr. Martin needs any protection.

Mr. MARTIN (*Essex East*): What about the other countries where we do not have missions?

The CHAIRMAN: I would like to thank the committee members for maintaining order during all these meetings.

Is it agreeable to members of the committee that we adjourn now and meet again at four-thirty this afternoon?

Some Hon. MEMBERS: Agreed.

"APPENDIX A"

CANADIAN ECONOMIC ASSISTANCE TO LESS DEVELOPED COUNTRIES: 1954-1958

(A memorandum prepared for inclusion in the Report of the Secretary-General of the United Nations to the Economic and Social Council on Economic Assistance to Less Developed Countries.)

1. This statement of Canadian aid, which is designed to show the direction and the amount of Canadian economic assistance during the fiscal years 1954-1955 to 1957-1958, has been requested by the Secretary-General of the United Nations, and will be included in his general Report on this matter to the 26th Session of the Economic and Social Council.

2. *Table I* shows the assistance which Canada has provided to a number of countries in terms of commitments and expenditures, grants and loans. *Expenditure* refers to the value of the assistance actually provided in grants and long-term loans, and includes the fulfilment of current and previous commitments. *Grants* refer to donations, including the value of technical assistance.

3. *Table II* shows these Commitments and Expenditures classified by recipient country and by purpose. *Economic Development Projects* refer to aid provided for specific projects contributing to the economic development of the country concerned. The section on *Relief* refers to aid given to alleviate temporary hardships such as crop failure or floods. *General Economic Aid* comprises all other aid provided for economic, as distinct from military, purposes.

4. *Table III* shows Canadian Expenditures classified by recipient country and by economic character. Commodity transfers are classified as "food and agricultural" items, or as "other", which comprises commodities such as industrial metals. *Technical Assistance* refers to the expenditures incurred by the direct provision of technical services to the recipient country, and to the award of training fellowships to its scholars, technicians and trainees. *Other and Mixed* include all other types of direct economic assistance and those of a mixed character which could not be resolved easily into the specified categories.

5. This survey does not include Canadian contributions to multilateral aid programs such as those of the United Nations.

Department of External Affairs, Ottawa, Canada.

16 May 1958.

Mr. MARTIN (*Essex East*): There is one large case which involves the hydroelectric ownership in Poland. That is a case which involves millions of dollars.

Mr. SMITH (*Hastings-Frontenac*): I can think of another case but I do not care to identify it at this time.

Mr. KUCHEREPA: I know of individual cases where people have lost their homes and that sort of thing—they were expropriated by the present Polish regime—and because of present Polish legislation these individuals are unable to recover anything. There are many such cases of this kind. I have no idea of the number.

Mr. SMITH (*Hastings-Frontenac*): I do not suppose that we would be able to find that number in our own files.

Mr. RICHARD (*Ottawa East*): I do think we are getting into a legal argument. I am not on the side of Poland, but I think the civil rights of a state are governed by the law of the country. In this case the treasures were removed from the country where they were. People who have property in Poland are governed in respect of those properties by the laws of that country just as people are governed by laws of other countries.

Some of our good friends from England cannot remove more than a certain amount of money from England. That situation applies to France as well as other countries. I would suggest that the civil rights are governed by the state where the property is located. This is a little different question. I do not think we can set off one situation against the other.

Mr. SMITH (*Hastings-Frontenac*): I do not think they are entirely unconnected.

Mr. MANDZIUK: I do not wish to prolong this question, but looking at this from strictly a legal point of view, I would be inclined to disagree with the minister when he says this is a matter between the Bank of Montreal and the depositors.

From a legal point of view these treasures belong to the Polish state and it is the Polish state that is entitled to them.

Therefore I would suggest that it is a subject of negotiation between our government and the present Polish government. The present Polish government has been recognized. I do not think that the depositors have any right to these treasures at all, unless they can claim succession or some such thing. I believe the treasures belong to the Polish people, and no matter what government the Polish people choose, that is the government which is entitled to these treasures.

Mr. SMITH (*Hastings-Frontenac*): Mr. Chairman, these treasures are not in the custody of the Canadian government. Let us start with that statement.

Mr. PEARSON: That is true.

Mr. MANDZIUK: I was thinking of the particular rights to these treasures.

Mr. SMITH (*Hastings-Frontenac*): I have struggled over this question but I am now clear. I am bound—I say this with a smile—to accept the view of the Rt. Hon. Mr. St. Laurent.

Mr. PEARSON: The minister is not bound to accept that.

Mr. HERRIDGE: You mean you are delighted to?

Mr. SMITH (*Hastings-Frontenac*): I am not. I wish we could legally return these treasures to Poland.

Mr. CRESTOHL: Mr. Chairman, a month or so ago I asked a question of the Prime Minister with respect to funds that are being held in connection with claims that have been made in Poland and in central Europe. The Prime Minister promised a reply to that question but as yet I have not received one. I am a little uncertain as to whether this falls under the Department of External Affairs, or the custodian of—

Mr. SMITH (*Hastings-Frontenac*): I can answer that question.

The custodian is in the Department of the Secretary of State.

Mr. PEARSON: In respect of the treasures in the Bank of Montreal?

Mr. SMITH (*Hastings-Frontenac*): Not at the moment. That problem is not as yet solved.

Mr. MARTIN (*Essex East*): The Prime Minister announced that we were going to establish new missions in the middle east. Is the minister able to say when those ministers will take over?

Mr. SMITH (*Hastings-Frontenac*): May I add a word in respect of the Polish treasures? The Polish government has been informed that we have no solution of the problem of the Polish art treasures at this time.

Mr. PEARSON: Has the Polish government made any recent moves?

Mr. SMITH (*Hastings-Frontenac*): We had a memorandum three months ago and we have intimated to them that we have not a proposal as yet. At the moment we have taken the view of the former government that this is a matter between the Bank of Montreal and the depositors of the treasures. I refer to a statement made in the House of Commons by the Right Honourable Mr. St. Laurent.

Mr. PEARSON: His position, I think, at that time was that if the Polish government wanted the treasures back perhaps they should go to law and claim them. Is this presented by the statute of limitations now?

Mr. SMITH (*Hastings-Frontenac*): I do not think it is clear that any statute of limitations or prescriptive rights have run against the depositor. That is a question of law. I have not studied it, but that is my own opinion at this moment.

I am sorry, I interrupted you, Mr. Martin.

Mr. PEARSON: Mr. St. Laurent said that as far as the Polish treasures in the Bank of Montreal were concerned, it is a matter between the Bank of Montreal and the depositors. However, what would happen if the depositors died?

Mr. SMITH (*Hastings-Frontenac*): Normally you would have them replaced. You would have to appoint a successor.

Mr. KUCHEREPA: Mr. Chairman, I would like to mention a situation that is perhaps similar to that problem which has been raised by Mr. Pearson.

Quite a number of Canadian citizens, formerly citizens of Poland, have had their property, and life savings, in some cases, expropriated in some way by the present Polish government and are unable to recover this money, homes, and that sort of thing because of the fact that the laws in Poland are such that they are not able to claim possession unless they go back to Poland, in which case they would probably be arrested for some reason or other.

These Canadian citizens of Polish ancestry find themselves in a hopeless position today in this regard.

Mr. HERRIDGE: Would the situation mentioned by the member provide a basis for negotiation in regard to the other treasures?

Mr. KUCHEREPA: I mention this situation as possibly the other side to the same question. If the Polish government is asking for the return of these treasures, perhaps that is the basis of negotiation in regard to these Canadian citizens who have properties in Poland which are now under the jurisdiction of the present Polish government, and cannot claim them.

Mr. MARTIN (*Essex East*): How many claims are there by Canadian citizens of Polish extraction who have property in Poland? I know there is one large case.

Mr. SMITH (*Hastings-Frontenac*): I can think of one large one.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE 1—COMMITMENTS AND EXPENDITURES BY COUNTRY

BRITISH WEST INDIES, INCLUDING WEST INDIES FEDERATION

| Fiscal Years Ending March 31 | Commitments | | | Expenditures | | |
|---------------------------------|-------------|-------|--------|--------------|-------|--------|
| | Grants | Loans | Total | Grants | Loans | Total |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| 1954-55..... | — | — | — | — | — | — |
| 1955-56..... | 50,000 | — | 50,000 | 49,999 | — | 49,999 |
| 1956-57..... | 4,034 | — | 4,034 | 4,034 | — | 4,034 |
| 1957-58..... | 4,034 | — | 4,034 | 4,034 | — | 4,034 |
| | 54,034 | — | 54,034 | 54,033 | — | 54,033 |

BURMA

| | | | | | | |
|--------------|---------|---|---------|---------|---|---------|
| 1954-55..... | 4,377 | — | 4,377 | 4,377 | — | 4,377 |
| 1955-56..... | 78,001 | — | 78,001 | 33,501 | — | 33,501 |
| 1956-57..... | 204,710 | — | 204,710 | 118,745 | — | 118,745 |
| 1957-58..... | 331,607 | — | 331,607 | 304,519 | — | 304,519 |
| | 618,695 | — | 618,695 | 461,142 | — | 461,142 |

CAMBODIA

| | | | | | | |
|--------------|--------|---|--------|--------|---|--------|
| 1954-55..... | 34,468 | — | 34,468 | 19,468 | — | 19,468 |
| 1955-56..... | 15,850 | — | 15,850 | 29,483 | — | 29,483 |
| 1956-57..... | 14,438 | — | 14,438 | 14,438 | — | 14,438 |
| 1957-58..... | 25,941 | — | 25,941 | 25,941 | — | 25,941 |
| | 90,697 | — | 90,697 | 89,330 | — | 89,330 |

CEYLON

| | | | | | | |
|--------------|------------|---|------------|-----------|---|-----------|
| 1954-55..... | 2,994,824 | — | 2,994,824 | 2,265,840 | — | 2,265,840 |
| 1955-56..... | 2,224,937 | — | 2,224,937 | 1,815,885 | — | 1,815,885 |
| 1956-57..... | 2,222,414 | — | 2,222,414 | 2,923,456 | — | 2,923,456 |
| 1957-58..... | 5,254,259 | — | 5,254,259 | 2,688,321 | — | 2,688,321 |
| | 12,696,434 | — | 12,696,434 | 9,693,502 | — | 9,693,502 |

HAITI

| | | | | | | |
|--------------|--------|---|--------|--------|---|--------|
| 1954-55..... | 25,000 | — | 25,000 | 24,988 | — | 24,988 |
| 1955-56..... | — | — | — | — | — | — |
| 1956-57..... | — | — | — | — | — | — |
| 1957-58..... | — | — | — | — | — | — |
| | 25,000 | — | 25,000 | 24,988 | — | 24,988 |

INDIA

| | | | | | | |
|--------------|------------|------------|------------|------------|------------|------------|
| 1954-55..... | 11,314,032 | — | 11,314,032 | 8,942,075 | — | 8,942,075 |
| 1955-56..... | 16,760,305 | — | 16,760,305 | 16,626,422 | — | 16,626,422 |
| 1956-57..... | 14,861,509 | — | 14,861,509 | 7,547,639 | — | 7,547,639 |
| 1957-58..... | 31,327,758 | 25,000,000 | 56,327,758 | 19,263,984 | 16,173,000 | 35,436,984 |
| | 74,263,604 | 25,000,000 | 99,263,604 | 52,380,120 | 16,173,000 | 68,553,120 |

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE 1—COMMITMENTS AND EXPENDITURES BY COUNTRY

INDONESIA

| Fiscal Years Ending March 31 | Commitments | | | Expenditures | | |
|---------------------------------|-------------|-------|---------|--------------|-------|---------|
| | Grants | Loans | Total | Grants | Loans | Total |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| 1954-55..... | 64,304 | — | 64,304 | 64,304 | — | 64,304 |
| 1955-56..... | 148,324 | — | 148,324 | 148,324 | — | 148,324 |
| 1956-57..... | 216,061 | — | 216,061 | 216,061 | — | 216,061 |
| 1957-58..... | 165,619 | — | 165,619 | 163,709 | — | 163,709 |
| | 594,308 | — | 594,308 | 592,398 | — | 592,398 |

KOREA

| | | | | | | |
|--------------|---------|---|---------|---------|---|---------|
| 1954-55..... | 750,000 | — | 750,000 | 745,421 | — | 745,421 |
| 1955-56..... | — | — | — | — | — | — |
| 1956-57..... | — | — | — | — | — | — |
| 1957-58..... | — | — | — | — | — | — |
| | 750,000 | — | 750,000 | 745,421 | — | 745,421 |

LAOS

| | | | | | | |
|--------------|--------|---|--------|--------|---|--------|
| 1954-55..... | — | — | — | — | — | — |
| 1955-56..... | — | — | — | — | — | — |
| 1956-57..... | 32,240 | — | 32,240 | 32,240 | — | 32,240 |
| 1957-58..... | 38,292 | — | 38,292 | 38,292 | — | 38,292 |
| | 70,532 | — | 70,532 | 70,532 | — | 70,532 |

MALAYA

| | | | | | | |
|--------------|---------|---|---------|---------|---|---------|
| 1954-55..... | 56,007 | — | 56,007 | 56,007 | — | 56,007 |
| 1955-56..... | 43,147 | — | 43,147 | 43,147 | — | 43,147 |
| 1956-57..... | 295,734 | — | 295,734 | 155,398 | — | 155,398 |
| 1957-58..... | 61,202 | — | 61,202 | 195,539 | — | 195,539 |
| | 456,090 | — | 456,090 | 450,091 | — | 450,091 |

NORTH BORNEO

| | | | | | | |
|--------------|--------|---|--------|--------|---|--------|
| 1954-55..... | 5,467 | — | 5,467 | 5,467 | — | 5,467 |
| 1955-56..... | 5,658 | — | 5,658 | 5,658 | — | 5,658 |
| 1956-57..... | 573 | — | 573 | 573 | — | 573 |
| 1957-58..... | 3,451 | — | 3,451 | 3,451 | — | 3,451 |
| | 15,149 | — | 15,149 | 15,149 | — | 15,149 |

PAKISTAN

| | | | | | | |
|--------------|------------|---|------------|------------|---|------------|
| 1954-55..... | 14,334,460 | — | 14,334,460 | 6,336,500 | — | 6,336,500 |
| 1955-56..... | 10,197,172 | — | 10,197,172 | 7,021,142 | — | 7,021,142 |
| 1956-57..... | 11,080,669 | — | 11,080,669 | 11,239,021 | — | 11,239,021 |
| 1957-58..... | 17,346,845 | — | 17,346,845 | 19,157,026 | — | 19,157,026 |
| | 52,959,146 | — | 52,959,146 | 43,753,689 | — | 43,753,689 |

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE 1—COMMITMENTS AND EXPENDITURES BY COUNTRY

SARAWAK

| Fiscal Years Ending March 31 | Commitments | | | Expenditures | | |
|---------------------------------|-------------|-------|--------|--------------|-------|--------|
| | Grants | Loans | Total | Grants | Loans | Total |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| 1954-55..... | — | — | — | — | — | — |
| 1955-56..... | 1,671 | — | 1,671 | 1,671 | — | 1,671 |
| 1956-57..... | 2,746 | — | 2,746 | 2,746 | — | 2,746 |
| 1957-58..... | 30,058 | — | 30,058 | 30,058 | — | 30,058 |
| | 34,475 | — | 34,475 | 34,475 | — | 34,475 |

SINGAPORE

| | | | | | | |
|--------------|---------|---|---------|--------|---|--------|
| 1954-55..... | 8,541 | — | 8,541 | 8,541 | — | 8,541 |
| 1955-56..... | 1,867 | — | 1,867 | 1,867 | — | 1,867 |
| 1956-57..... | 71,859 | — | 71,859 | 21,859 | — | 21,859 |
| 1957-58..... | 22,722 | — | 22,722 | 23,687 | — | 23,687 |
| | 104,989 | — | 104,989 | 55,954 | — | 55,954 |

THAILAND

| | | | | | | |
|--------------|--------|---|--------|--------|---|--------|
| 1954-55..... | 2,845 | — | 2,845 | 2,845 | — | 2,845 |
| 1955-56..... | 534 | — | 534 | 534 | — | 534 |
| 1956-57..... | — | — | — | — | — | — |
| 1957-58..... | 15,616 | — | 15,616 | 15,616 | — | 15,616 |
| | 18,995 | — | 18,995 | 18,995 | — | 18,995 |

VIETNAM

| | | | | | | |
|--------------|---------|---|---------|---------|---|---------|
| 1954-55..... | 4,313 | — | 4,313 | 4,313 | — | 4,313 |
| 1955-56..... | 1,361 | — | 1,361 | 1,361 | — | 1,361 |
| 1956-57..... | 138,137 | — | 138,137 | 138,137 | — | 138,137 |
| 1957-58..... | 37,347 | — | 37,347 | 37,347 | — | 37,347 |
| | 181,158 | — | 181,158 | 181,158 | — | 181,158 |

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE II—COMMITMENTS AND EXPENDITURES CLASSIFIED BY RECIPIENT COUNTRY AND BY PURPOSE
BRITISH WEST INDIES INCLUDING WEST INDIES FEDERATION

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|------------------------------|-------------------------------------|---------------|----------------------------|---------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMITMENTS | | | | |
| 195-55..... | — | — | — | — |
| 1955-56..... | — | 50,000 | — | 50,000 |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 4,034 | — | — | 4,034 |
| | <u>4,034</u> | <u>50,000</u> | <u>—</u> | <u>54,034</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | 49,999 | — | 49,999 |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 4,034 | — | — | 4,034 |
| | <u>4,034</u> | <u>49,999</u> | <u>—</u> | <u>54,033</u> |

BURMA

| | | | | |
|------------------------|----------------|----------|----------|----------------|
| A. COMMITMENTS | | | | |
| 1954-55..... | 4,377 | — | — | 4,377 |
| 1955-56..... | 78,001 | — | — | 78,001 |
| 1956-57..... | 204,710 | — | — | 204,710 |
| 1957-58..... | 331,607 | — | — | 331,607 |
| | <u>618,695</u> | <u>—</u> | <u>—</u> | <u>618,695</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 4,377 | — | — | 4,377 |
| 1955-56..... | 33,501 | — | — | 33,501 |
| 1956-57..... | 118,745 | — | — | 118,745 |
| 1957-58..... | 304,519 | — | — | 304,519 |
| | <u>461,142</u> | <u>—</u> | <u>—</u> | <u>461,142</u> |

CAMBODIA

| | | | | |
|------------------------|---------------|----------|----------|---------------|
| A. COMMITMENTS | | | | |
| 1954-55..... | 34,468 | — | — | 34,468 |
| 1955-56..... | 15,850 | — | — | 15,850 |
| 1956-57..... | 14,438 | — | — | 14,438 |
| 1957-58..... | 25,941 | — | — | 25,941 |
| | <u>90,697</u> | <u>—</u> | <u>—</u> | <u>90,697</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 19,468 | — | — | 19,468 |
| 1955-56..... | 29,483 | — | — | 29,483 |
| 1956-57..... | 14,438 | — | — | 14,438 |
| 1957-58..... | 25,941 | — | — | 25,941 |
| | <u>89,330</u> | <u>—</u> | <u>—</u> | <u>89,330</u> |

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE II—COMMITMENTS AND EXPENDITURES CLASSIFIED BY RECIPIENT COUNTRY AND BY PURPOSE

CEYLON

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|------------------------------|-------------------------------------|------------------|----------------------------|-------------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMITMENTS | | | | |
| 1954-55..... | 2,994,824 | — | — | 2,994,824 |
| 1955-56..... | 2,224,937 | — | — | 2,224,937 |
| 1956-57..... | 2,222,414 | — | — | 2,222,414 |
| 1957-58..... | 2,254,259 | 3,000,000 | — | 5,254,259 |
| | <u>9,696,437</u> | <u>3,000,000</u> | <u>—</u> | <u>12,696,437</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 2,265,840 | — | — | 2,265,840 |
| 1955-56..... | 1,815,885 | — | — | 1,815,885 |
| 1956-57..... | 2,923,456 | — | — | 2,923,456 |
| 1957-58..... | 2,688,321 | — | — | 2,688,321 |
| | <u>9,693,502</u> | <u>—</u> | <u>—</u> | <u>9,693,502</u> |

HAITI

| | | | | |
|------------------------|----------|---------------|----------|---------------|
| A. COMMITMENTS | | | | |
| 1954-55..... | — | 25,000 | — | 25,000 |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| | <u>—</u> | <u>25,000</u> | <u>—</u> | <u>25,000</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | — | 24,988 | — | 24,988 |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| | <u>—</u> | <u>24,988</u> | <u>—</u> | <u>24,988</u> |

INDIA

| | | | | |
|------------------------|-------------------|------------------|-------------------|-------------------|
| A. COMMITMENTS | | | | |
| 1954-55..... | 11,314,032 | — | — | 11,314,032 |
| 1955-56..... | 16,760,305 | — | — | 16,760,305 |
| 1956-57..... | 14,861,509 | — | — | 14,861,509 |
| 1957-58..... | 23,327,758 | 8,000,000 | 25,000,000 | 56,327,758 |
| | <u>66,263,604</u> | <u>8,000,000</u> | <u>25,000,000</u> | <u>99,263,604</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 8,942,075 | — | — | 8,942,075 |
| 1955-56..... | 16,626,422 | — | — | 16,626,422 |
| 1956-57..... | 7,547,639 | — | — | 7,547,639 |
| 1957-58..... | 19,263,984 | — | 16,173,000 | 35,436,984 |
| | <u>52,380,120</u> | <u>—</u> | <u>16,173,000</u> | <u>68,553,120</u> |

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE II—COMMITMENTS AND EXPENDITURES CLASSIFIED BY RECIPIENT COUNTRY AND BY PURPOSE

INDONESIA

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|------------------------------|-------------------------------------|----------|----------------------------|----------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMITMENTS | | | | |
| 1954-55..... | 64,304 | — | — | 64,304 |
| 1955-56..... | 148,324 | — | — | 148,324 |
| 1956-57..... | 216,061 | — | — | 216,061 |
| 1957-58..... | 165,619 | — | — | 165,619 |
| | <u>594,308</u> | <u>—</u> | <u>—</u> | <u>594,308</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 64,304 | — | — | 64,304 |
| 1955-56..... | 148,324 | — | — | 148,324 |
| 1956-57..... | 216,061 | — | — | 216,061 |
| 1957-58..... | 163,709 | — | — | 163,709 |
| | <u>592,398</u> | <u>—</u> | <u>—</u> | <u>592,398</u> |

KOREA

| | | | | |
|------------------------|----------------|----------|----------|----------------|
| A. COMMITMENTS | | | | |
| 1954-55..... | 750,000 | — | — | 750,000 |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| | <u>750,000</u> | <u>—</u> | <u>—</u> | <u>750,000</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 745,421 | — | — | 745,421 |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| | <u>745,421</u> | <u>—</u> | <u>—</u> | <u>745,421</u> |

LAOS

| | | | | |
|------------------------|---------------|----------|----------|---------------|
| A. COMMITMENTS | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | 32,240 | — | — | 32,240 |
| 1957-58..... | 38,292 | — | — | 38,292 |
| | <u>70,532</u> | <u>—</u> | <u>—</u> | <u>70,532</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | 32,240 | — | — | 32,240 |
| 1957-58..... | 38,292 | — | — | 38,292 |
| | <u>70,532</u> | <u>—</u> | <u>—</u> | <u>70,532</u> |

STANDING COMMITTEE

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE II—COMMITMENTS AND EXPENDITURES CLASSIFIED BY RECIPIENT COUNTRY AND BY PURPOSE

MALAYA

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|------------------------------|-------------------------------------|----------|----------------------------|----------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMITMENTS | | | | |
| 1954-55..... | 56,007 | — | — | 56,007 |
| 1955-56..... | 43,147 | — | — | 43,147 |
| 1956-57..... | 295,734 | — | — | 295,734 |
| 1957-58..... | 61,202 | — | — | 61,202 |
| | <u>456,090</u> | <u>—</u> | <u>—</u> | <u>456,090</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 56,007 | — | — | 56,007 |
| 1955-56..... | 43,147 | — | — | 43,147 |
| 1956-57..... | 155,398 | — | — | 155,398 |
| 1957-58..... | 195,539 | — | — | 195,539 |
| | <u>450,091</u> | <u>—</u> | <u>—</u> | <u>450,091</u> |

NORTH BORNEO

| | | | | |
|------------------------|---------------|----------|----------|---------------|
| A. COMMITMENTS | | | | |
| 1954-55..... | 5,467 | — | — | 5,467 |
| 1955-56..... | 5,658 | — | — | 5,658 |
| 1956-57..... | 573 | — | — | 573 |
| 1957-58..... | 3,451 | — | — | 3,451 |
| | <u>15,149</u> | <u>—</u> | <u>—</u> | <u>15,149</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 5,467 | — | — | 5,467 |
| 1955-56..... | 5,658 | — | — | 5,658 |
| 1956-57..... | 573 | — | — | 573 |
| 1957-58..... | 3,451 | — | — | 3,451 |
| | <u>15,149</u> | <u>—</u> | <u>—</u> | <u>15,149</u> |

PAKISTAN

| | | | | |
|------------------------|-------------------|------------------|----------|-------------------|
| A. COMMITMENTS | | | | |
| 1954-55..... | 14,334,460 | — | — | 14,334,460 |
| 1955-56..... | 10,197,172 | — | — | 10,197,172 |
| 1956-57..... | 9,580,669 | 1,500,000 | — | 11,080,669 |
| 1957-58..... | 13,346,845 | 4,000,000 | — | 17,346,845 |
| | <u>47,459,146</u> | <u>5,500,000</u> | <u>—</u> | <u>52,959,146</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 6,336,500 | — | — | 6,336,500 |
| 1955-56..... | 7,021,142 | — | — | 7,021,142 |
| 1956-57..... | 9,763,187 | 1,475,834 | — | 11,239,021 |
| 1957-58..... | 17,157,026 | 2,000,000 | — | 19,157,026 |
| | <u>40,277,855</u> | <u>3,475,834</u> | <u>—</u> | <u>43,753,689</u> |

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE II—COMMITMENTS AND EXPENDITURES CLASSIFIED BY RECIPIENT COUNTRY AND BY PURPOSE

SARAWAK

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|------------------------------|-------------------------------------|----------|----------------------------|---------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMITMENTS | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | 1,671 | — | — | 1,671 |
| 1956-57..... | 2,746 | — | — | 2,746 |
| 1957-58..... | 30,058 | — | — | 30,058 |
| | <u>34,475</u> | <u>—</u> | <u>—</u> | <u>34,475</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | 1,671 | — | — | 1,671 |
| 1956-57..... | 2,746 | — | — | 2,746 |
| 1957-58..... | 30,058 | — | — | 30,058 |
| | <u>34,475</u> | <u>—</u> | <u>—</u> | <u>34,475</u> |

SINGAPORE

| | | | | |
|------------------------|----------------|----------|----------|----------------|
| A. COMMITMENTS | | | | |
| 1954-55..... | 8,541 | — | — | 8,541 |
| 1955-56..... | 1,867 | — | — | 1,867 |
| 1956-57..... | 71,859 | — | — | 71,859 |
| 1957-58..... | 22,722 | — | — | 22,722 |
| | <u>104,989</u> | <u>—</u> | <u>—</u> | <u>104,989</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 8,541 | — | — | 8,541 |
| 1955-56..... | 1,867 | — | — | 1,867 |
| 1956-57..... | 21,859 | — | — | 21,859 |
| 1957-58..... | 23,687 | — | — | 23,687 |
| | <u>55,954</u> | <u>—</u> | <u>—</u> | <u>55,954</u> |

THAILAND

| | | | | |
|------------------------|---------------|----------|----------|---------------|
| A. COMMITMENTS | | | | |
| 1954-55..... | 2,845 | — | — | 2,845 |
| 1955-56..... | 534 | — | — | 534 |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 15,616 | — | — | 15,616 |
| | <u>18,995</u> | <u>—</u> | <u>—</u> | <u>18,995</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 2,845 | — | — | 2,845 |
| 1955-56..... | 534 | — | — | 534 |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 15,616 | — | — | 15,616 |
| | <u>18,995</u> | <u>—</u> | <u>—</u> | <u>18,995</u> |

STANDING COMMITTEE

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE II—COMMITMENTS AND EXPENDITURES CLASSIFIED BY RECIPIENT COUNTRY AND BY PURPOSE

VIETNAM

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|------------------------------|-------------------------------------|----------|----------------------------|----------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMITMENTS | | | | |
| 1954-55..... | 4,313 | — | — | 4,313 |
| 1955-56..... | 1,361 | — | — | 1,361 |
| 1956-57..... | 138,137 | — | — | 138,137 |
| 1957-58..... | 37,347 | — | — | 37,347 |
| | <u>181,158</u> | <u>—</u> | <u>—</u> | <u>181,158</u> |
| B. EXPENDITURE | | | | |
| 1954-55..... | 4,313 | — | — | 4,313 |
| 1955-56..... | 1,361 | — | — | 1,361 |
| 1956-57..... | 138,137 | — | — | 138,137 |
| 1957-58..... | 37,347 | — | — | 37,347 |
| | <u>181,158</u> | <u>—</u> | <u>—</u> | <u>181,158</u> |

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

BRITISH WEST INDIES INCLUDING WEST INDIES FEDERATION

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|--------|----------------------------|--------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES¹ | | | | |
| (a) Food and Agricultural Commodities.... | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | 49,999 | — | 49,999 |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS..... | — | — | — | — |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 4,034 | — | — | 4,034 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| D. OTHER AND MIXED¹ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| E. TOTAL | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | 49,999 | — | 49,999 |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 4,034 | — | — | 4,034 |
| | 4,034 | 49,999 | — | 54,033 |

NOTE¹:—All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

BURMA

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---------------------------------------|-------------------------------------|--------|----------------------------|---------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES¹ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS | | | | |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | 4,377 | — | — | 4,377 |
| 1955-56..... | 19,602 | — | — | 19,602 |
| 1956-57..... | 21,879 | — | — | 21,879 |
| 1957-58..... | 76,741 | — | — | 76,741 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | 12,886 | — | — | 12,886 |
| 1956-57..... | 57,831 | — | — | 57,831 |
| 1957-58..... | 112,772 | — | — | 112,772 |
| D. OTHER AND MIXED¹ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | 1,013 | — | — | 1,013 |
| 1956-57..... | 39,035 | — | — | 39,035 |
| 1957-58..... | 114,634 | — | — | 114,634 |
| E. TOTAL | | | | |
| 1954-55..... | 4,377 | — | — | 4,377 |
| 1955-56..... | 33,501 | — | — | 33,501 |
| 1956-57..... | 118,745 | — | — | 118,745 |
| 1957-58..... | 304,519 | — | — | 304,519 |
| | 461,142 | — | — | 461,142 |

NOTE¹:—All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

CAMBODIA

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|----------|----------------------------|---------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES⁽¹⁾ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS..... | | | | |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | 17,808 | — | — | 17,808 |
| 1955-56..... | 10,009 | — | — | 10,009 |
| 1956-57..... | 3,844 | — | — | 3,844 |
| 1957-58..... | 92 | — | — | 92 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | 1,660 | — | — | 1,660 |
| 1955-56..... | 5,840 | — | — | 5,840 |
| 1956-57..... | 10,594 | — | — | 10,594 |
| 1957-58..... | 25,849 | — | — | 25,849 |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | 13,634 | — | — | 13,634 |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| E. TOTAL | | | | |
| 1954-55..... | 19,468 | — | — | 19,468 |
| 1955-56..... | 29,483 | — | — | 29,483 |
| 1956-57..... | 14,438 | — | — | 14,438 |
| 1957-58..... | 25,941 | — | — | 25,941 |
| | <u>89,330</u> | <u>—</u> | <u>—</u> | <u>89,330</u> |

NOTE (1): All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

CEYLON

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|----------|----------------------------|------------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES⁽¹⁾ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | 539,286 | — | — | 539,286 |
| 1955-56..... | 491,509 | — | — | 491,509 |
| 1956-57..... | 899,600 | — | — | 899,600 |
| 1957-58..... | 1,639,185 | — | — | 1,639,185 |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS..... | — | — | — | — |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | 131,033 | — | — | 131,033 |
| 1955-56..... | 144,738 | — | — | 144,738 |
| 1956-57..... | 162,271 | — | — | 162,271 |
| 1957-58..... | 198,808 | — | — | 198,808 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | 32,833 | — | — | 32,833 |
| 1955-56..... | 79,199 | — | — | 79,199 |
| 1956-57..... | 51,433 | — | — | 51,433 |
| 1957-58..... | 44,486 | — | — | 44,486 |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | 1,562,688 | — | — | 1,562,688 |
| 1955-56..... | 1,100,439 | — | — | 1,100,439 |
| 1956-57..... | 1,810,152 | — | — | 1,810,152 |
| 1957-58..... | 805,842 | — | — | 805,842 |
| E. TOTAL | | | | |
| 1954-55..... | 2,265,840 | — | — | 2,265,840 |
| 1955-56..... | 1,815,885 | — | — | 1,815,885 |
| 1956-57..... | 2,923,456 | — | — | 2,923,456 |
| 1957-58..... | 2,688,321 | — | — | 2,688,321 |
| | <u>9,693,502</u> | <u>—</u> | <u>—</u> | <u>9,693,502</u> |

NOTE (1): All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

HAITI

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|--------|----------------------------|--------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES⁽¹⁾ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | 24,988 | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS..... | | | | |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| E. TOTAL | | | | |
| 1954-55..... | — | 24,988 | — | 24,988 |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| | — | 24,988 | — | 24,988 |

Note (1): All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

INDIA

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|--------|----------------------------|------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES⁽¹⁾ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 7,000,000 | — | 16,173,000 | 23,173,000 |
| (b) Other | | | | |
| 1954-55..... | 1,805,062 | — | — | 1,805,062 |
| 1955-56..... | 1,374,777 | — | — | 1,374,777 |
| 1956-57..... | 1,246,459 | — | — | 1,246,459 |
| 1957-58..... | 328,043 | — | — | 328,043 |
| B. CASH TRANSFERS..... | | | | |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | 17,694 | — | — | 17,694 |
| 1955-56..... | 37,024 | — | — | 37,024 |
| 1956-57..... | 102,365 | — | — | 102,365 |
| 1957-58..... | 60,860 | — | — | 60,860 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | 96,339 | — | — | 96,339 |
| 1955-56..... | 188,281 | — | — | 188,281 |
| 1956-57..... | 258,868 | — | — | 258,868 |
| 1957-58..... | 266,899 | — | — | 266,899 |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | 7,022,980 | — | — | 7,022,980 |
| 1955-56..... | 15,026,340 | — | — | 15,026,340 |
| 1956-57..... | 5,939,946 | — | — | 5,939,946 |
| 1957-58..... | 11,608,183 | — | — | 11,608,183 |
| E. TOTAL | | | | |
| 1954-55..... | 8,942,075 | — | — | 8,942,075 |
| 1955-56..... | 16,626,422 | — | — | 16,626,422 |
| 1956-57..... | 7,547,639 | — | — | 7,547,639 |
| 1957-58..... | 19,263,984 | — | 16,173,000 | 35,436,984 |
| | 52,380,120 | — | 16,173,000 | 68,553,120 |

NOTE⁽¹⁾:—All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

INDONESIA

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---------------------------------------|-------------------------------------|----------|----------------------------|----------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES (1) | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS..... | | | | |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | 9,762 | — | — | 9,762 |
| 1955-56..... | 25,558 | — | — | 25,558 |
| 1956-57..... | 22,200 | — | — | 22,200 |
| 1957-58..... | 32,681 | — | — | 32,681 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | 54,542 | — | — | 54,542 |
| 1955-56..... | 122,766 | — | — | 122,766 |
| 1956-57..... | 193,861 | — | — | 193,861 |
| 1957-58..... | 131,028 | — | — | 131,028 |
| D. OTHER AND MIXED | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| E. TOTAL | | | | |
| 1954-55..... | 64,304 | — | — | 64,304 |
| 1955-56..... | 148,324 | — | — | 148,324 |
| 1956-57..... | 216,061 | — | — | 216,061 |
| 1957-58..... | 163,709 | — | — | 163,709 |
| | <u>592,398</u> | <u>—</u> | <u>—</u> | <u>592,398</u> |

NOTE (1): All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

KOREA

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|---------|----------------------------|---------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES⁽¹⁾ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | 745,421 | — | 745,421 |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS | | | | |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| E. TOTAL | | | | |
| 1954-55..... | — | 745,421 | — | 745,421 |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| | — | 745,421 | — | 745,421 |

NOTE (1): All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

LAOS

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---------------------------------------|-------------------------------------|--------|----------------------------|--------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES ⁽¹⁾ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS | | | | |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | 4,957 | — | — | 4,957 |
| 1957-58..... | 3,019 | — | — | 3,019 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | 27,283 | — | — | 27,283 |
| 1957-58..... | 35,273 | — | — | 35,273 |
| | 70,532 | | | 70,532 |
| D. OTHER AND MIXED ⁽¹⁾ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| E. TOTAL | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | 32,240 | — | — | 32,240 |
| 1957-58..... | 35,292 | — | — | 35,292 |
| | 70,532 | | | 70,532 |

NOTE: (1): All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

MALAYA

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|----------|----------------------------|----------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS | | | | |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | 54,428 | — | — | 54,428 |
| 1955-56..... | 40,825 | — | — | 40,825 |
| 1956-57..... | 78,768 | — | — | 78,768 |
| 1957-58..... | 44,501 | — | — | 44,501 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | 1,579 | — | — | 1,579 |
| 1955-56..... | 2,322 | — | — | 2,322 |
| 1956-57..... | 15,966 | — | — | 15,966 |
| 1957-58..... | 8,101 | — | — | 8,101 |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | 60,664 | — | — | 60,664 |
| 1957-58..... | 142,937 | — | — | 142,937 |
| | <u>450,091</u> | <u>—</u> | <u>—</u> | <u>450,091</u> |
| E. TOTAL | | | | |
| 1954-55..... | 56,007 | — | — | 56,007 |
| 1955-56..... | 43,147 | — | — | 43,147 |
| 1956-57..... | 155,398 | — | — | 155,398 |
| 1957-58..... | 195,539 | — | — | 195,539 |
| | <u>450,091</u> | <u>—</u> | <u>—</u> | <u>450,091</u> |

NOTE (1):—All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

NORTH BORNEO

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|--------|----------------------------|--------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES⁽¹⁾ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS..... | — | — | — | — |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | 5,467 | — | — | 5,467 |
| 1955-56..... | 5,658 | — | — | 5,658 |
| 1956-57..... | 573 | — | — | 573 |
| 1957-58..... | — | — | — | — |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 3,451 | — | — | 3,451 |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| E. TOTAL | | | | |
| 1954-55..... | 5,467 | — | — | 5,467 |
| 1955-56..... | 5,658 | — | — | 5,658 |
| 1956-57..... | 573 | — | — | 573 |
| 1957-58..... | 3,451 | — | — | 3,451 |
| | 15,149 | — | — | 15,149 |

NOTE⁽¹⁾:—All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

PAKISTAN

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|-----------|----------------------------|------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES⁽¹⁾ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | 1,475,834 | — | 1,475,834 |
| 1957-58..... | 2,000,000 | 2,000,000 | — | 4,000,000 |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | 285,600 | — | — | 285,600 |
| 1956-57..... | 314,496 | — | — | 314,496 |
| 1957-58..... | 258,822 | — | — | 258,822 |
| B. CASH TRANSFERS..... | | | | |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | 65,583 | — | — | 65,583 |
| 1955-56..... | 39,364 | — | — | 39,364 |
| 1956-57..... | 28,243 | — | — | 28,243 |
| 1957-58..... | 19,913 | — | — | 19,913 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | 141,290 | — | — | 141,290 |
| 1955-56..... | 157,808 | — | — | 157,808 |
| 1956-57..... | 167,236 | — | — | 167,236 |
| 1957-58..... | 222,532 | — | — | 222,532 |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | 6,129,627 | — | — | 6,129,628 |
| 1955-56..... | 6,538,370 | — | — | 6,538,370 |
| 1956-57..... | 9,253,212 | — | — | 9,253,212 |
| 1957-58..... | 14,655,759 | — | — | 14,653,759 |
| E. TOTAL | | | | |
| 1954-55..... | 6,336,500 | — | — | 6,336,500 |
| 1955-56..... | 7,021,142 | — | — | 7,021,142 |
| 1956-57..... | 9,763,187 | 1,475,834 | — | 11,239,021 |
| 1957-58..... | 17,157,026 | 2,000,000 | — | 19,157,026 |
| | 40,277,855 | 3,475,834 | — | 43,753,689 |

NOTE (1): All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

SARAWAK

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|----------|----------------------------|---------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES⁽¹⁾ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Industrial Goods and Equipment | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS..... | | | | |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 23,355 | — | — | 23,355 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | 1,671 | — | — | 1,671 |
| 1956-57..... | 2,746 | — | — | 2,746 |
| 1957-58..... | 6,703 | — | — | 6,703 |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| E. TOTAL | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | 1,671 | — | — | 1,671 |
| 1956-57..... | 2,746 | — | — | 2,746 |
| 1957-58..... | 30,058 | — | — | 30,058 |
| | <u>34,475</u> | <u>—</u> | <u>—</u> | <u>34,475</u> |

NOTE⁽¹⁾: All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

SINGAPORE

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|--------|----------------------------|--------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES⁽¹⁾ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS..... | — | — | — | — |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | 12,106 | — | — | 12,106 |
| 1957-58..... | 14,999 | — | — | 14,999 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | 8,541 | — | — | 8,541 |
| 1955-56..... | 1,867 | — | — | 1,867 |
| 1956-57..... | 9,753 | — | — | 9,753 |
| 1957-58..... | 7,723 | — | — | 7,723 |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 965 | — | — | 965 |
| E. TOTAL | | | | |
| 1954-55..... | 8,541 | — | — | 8,541 |
| 1955-56..... | 1,867 | — | — | 1,867 |
| 1956-57..... | 21,859 | — | — | 21,859 |
| 1957-58..... | 23,687 | — | — | 23,687 |
| | 55,954 | — | — | 55,954 |

NOTE (1): All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

THAILAND

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---------------------------------------|-------------------------------------|--------|----------------------------|--------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES¹ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS | — | — | — | — |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 7,512 | — | — | 7,512 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | 2,845 | — | — | 2,845 |
| 1955-56..... | 534 | — | — | 534 |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 8,104 | — | — | 8,104 |
| D. OTHER AND MIXED¹ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| E. TOTAL | | | | |
| 1954-55..... | 2,845 | — | — | 2,845 |
| 1955-56..... | 534 | — | — | 534 |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 15,616 | — | — | 15,616 |
| | 18,995 | — | — | 18,995 |

Note (1): All goods F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

VIETNAM

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|--------|----------------------------|---------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES⁽¹⁾ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS..... | | | | |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | 4,313 | — | — | 4,313 |
| 1955-56..... | 1,361 | — | — | 1,361 |
| 1956-57..... | 138,137 | — | — | 138,137 |
| 1957-58..... | 37,347 | — | — | 37,347 |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| E. TOTAL | | | | |
| 1955-54..... | 4,313 | — | — | 4,313 |
| 1955-56..... | 1,361 | — | — | 1,361 |
| 1956-57..... | 138,137 | — | — | 138,137 |
| 1957-58..... | 37,347 | — | — | 37,347 |
| | 181,158 | — | — | 181,158 |

NOTE (1): All goods are F.A.S. or F.O.B. a Canadian port.

HOUSE OF COMMONS

First Session—Twenty-fourth Parliament

1958

STANDING COMMITTEE

ON

EXTERNAL AFFAIRS

Chairman: H. O. WHITE, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 3

(Amended Copy)

MONDAY, AUGUST 4, 1958

MAIN ESTIMATES OF THE DEPARTMENT OF
EXTERNAL AFFAIRS—1958-59

WITNESSES

The Honourable Sidney E. Smith, Secretary of State for External Affairs
and Mr. Jules Leger, Under-Secretary of State for External Affairs.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1958



STANDING COMMITTEE ON EXTERNAL AFFAIRS

Chairman: H. O. White, Esq.

and Messrs.

Aitken, Miss
Argue,
Brassard (*Lapointe*),
Cardin,
Crestohl,
Deschatelets,
Dinsdale,
Dorion,
Fairfield,
Garland,
Herridge,
Jones,

Jung,
Kucherepa,
Lafrenière,
Lennard,
MacLellan,
Macnaughton,
Mandziuk,
Martin (*Essex East*),
McCleave,
McFarlane,
McGee,
McGrath,

Nugent,
Paul,
Pearson,
Pratt,
Richard (*Ottawa East*),
Smith (*Calgary South*),
Stinson,
Valade,
Van Horne,
Vivian—35.

J. E. O'Connor,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

MONDAY, August 4, 1958.

The Standing Committee on External Affairs met at 10:00 a.m. this day. The Chairman, Mr. H. O. White, presided.

Members present: Messrs. Argue, Crestohl, Dinsdale, Fairfield, Herridge, Jones, Jung, Kucherepa, Lennard, MacLellan, Martin (*Essex East*), Mandziuk, McCleave, McFarlane, McGrath, Nugent, Pearson, Richard (*Ottawa East*), Smith (*Calgary South*), and White.

In attendance: The Honourable Sidney Smith, Secretary of State for External Affairs; Messrs. Jules Léger, Under-Secretary of State for External Affairs; W. D. Matthews, Assistant Under-Secretary of State for External Affairs; H. B. Robinson, Special Assistant to the Minister; W. T. Delworth, Private Secretary to the Minister; H. Best, Executive Assistant to the Minister; H. J. Armstrong, Financial Adviser to the Department; R. Grey, Economic Division; F. G. Hooton, Defence Liaison Division (1); A. G. Campbell, United Nations Division; and M. Shenstone, Middle Eastern Division.

Mr. Herridge rose to ask a question concerning the use of the United States Coast guard to quell a civil disturbance in Prince Rupert, B.C. The Minister stated that he had no first hand knowledge of the incident but would take the question as notice.

Following the answering of questions by the Minister and Mr. Léger, a document entitled "Canadian Economic Assistance to Less Developed Countries: 1954-1958" was distributed to members of the Committee and ordered printed as an appendix to the printed record of to-day's proceedings.

The Minister was further questioned and among other topics reference was made to the following subjects:

- (a) the McMahon Act.
- (b) the work of the International Commission in Laos, Cambodia and Viet Nam.
- (c) UNEF—UNOGIL.
- (d) Organization of American States.
- (e) NATO—Cyprus
- (f) Polish Art Treasures.

At 12:00 a.m. the Committee adjourned to the call of the Chair.

J. E. O'Connor,
Clerk of the Committee.

EVIDENCE

MONDAY, August 4, 1958.

10:00 a.m.

The CHAIRMAN: Gentlemen, I notice we have a quorum.

At the conclusion of our last meeting it was understood that Mr. Leger, the Under-Secretary, would answer a question of Mr. Argue's and then Mr. Smith, the minister, will answer various questions that arose out of our discussion.

Mr. HERRIDGE: Could I rise on a point of privilege and ask a question?

The CHAIRMAN: Yes.

Mr. HERRIDGE: I ask this question of the Secretary of State for External Affairs in view of newspaper reports to the effect that personnel of the United States Coast Guard Service came to the assistance of the Royal Canadian Mounted Police, to assist in quelling a disturbance in Prince Rupert on Sunday morning. Can the minister inform the committee if the services of the armed forces of a foreign state were officially requested in order to quell the exuberance of Canadian citizens celebrating the British Columbia centennial anniversary? Would the minister make inquiries as to the circumstances that occasioned this interference of the United States armed forces personnel in the domestic affairs of Canadians? Does the minister consider this a proper interference on the part of the United States Coast Guard Service personnel?

Hon. SIDNEY SMITH (*Secretary of State for External Affairs*): I know nothing but what I obtained from newspaper sources and I heard something over the radio. I will look into this and I will take the question as notice.

The CHAIRMAN: Mr. Leger.

Mr. JULES LEGER (*Under-Secretary of State for External Affairs*): You may recall at the last meeting Mr. Argue asked a question as follows:

Could Mr. Smith tell us the approximate total annual contribution that Canada makes to economic development and technical assistance and so forth through the United Nations?

It was then agreed I think in reply to his question that we would be circulating this morning this document which normally would have been circulated when I was about to make my own statement. The reply to Mr. Argue's question is on page 19 of what is termed the opening statement of the Under-Secretary of State for External Affairs before the standing committee on external affairs 1958, and if it is satisfactory, Mr. Chairman, this could be circulated immediately.

At the same time we could also circulate two other documents, one of which I think was circulated at the last meeting, which was the brief showing a tabulation of the total Canadian assistance in every form since the end of World War II. The second document which will be circulated this morning is the contribution of aid to various countries since 1954. It is a memorandum prepared for submission to the United Nations. This is a revised version of a paper which was available to the committee last year. If it is your wish, this could be circulated right away and they would together form the basis of any discussions to be held when I would take over.

Mr. SMITH (*Hastings-Frontenac*): I would suggest that.

The CHAIRMAN: Would it be the wish of the committee for this to be printed as an appendix to our report and then not only the committee but those who are in receipt of the report will have it for their information. Is that agreed?

Mr. JONES: Do you have copies there for circulation?

Mr. LEGER: Yes, right away.

Mr. SMITH (*Hastings-Frontenac*): Mr. Chairman, with your permission, I would like to refer to another specific question that was addressed to me by Mr. Fairfield. The question is as follows:

May I ask a question arising out of some statements made about uranium and the control of uranium for the production of atom bombs or nuclear weapons. Would the minister know, or would he care to say how much of the free world supply of uranium concentrates is controlled by Canada?

At the last meeting I said I would endeavour to find the answer to his question. I think the best way to answer his question is in terms of annual production, and for the coming year it is expected Canada will produce one-third of the free world's output of uranium concentrates.

Mr. PEARSON: Could the minister tell us where most of that Canadian uranium comes from?

Mr. SMITH (*Hastings-Frontenac*): I cannot. I have no breakdown as to whether it is in my own riding or Algoma East.

Mr. SMITH (*Calgary South*): I assure you, Mr. Minister, it is not in your own riding.

Mr. SMITH (*Hastings-Frontenac*): Mr. Pearson indicated that he had some questions he wished answered. One of his questions was quite specific and had reference to the International Monetary Fund and the International Bank and I can give a statement in that regard now. The question was of what general order the extent of Canadian participation would be if it were decided to give substance to the idea of expanding the resources of the International Monetary Fund and the International Bank for Reconstruction and Development along the lines suggested by the Prime Minister on the evening of July 25, at the end of the external affairs debate in the house.

Over the week-end I have gone into this problem. We had to consult with other departments and agencies of the government and my answer to this question may be a little complex. I will start by speaking about the financial structure of each of these two organizations—and I do that at the outset.

As far as the International Monetary Fund is concerned, each member of the Fund is assigned a quota. The total of these quotas amounts to \$9,000 million. The subscription of each member to the Fund is equal to its quota and it is payable, broadly speaking, to the extent of 25 per cent in gold and 75 per cent in national currencies.

The present Canadian quota, the sixth largest, amounts to \$300 million. The suggestion that the resources of the Fund be increased by 50 per cent would involve an additional Canadian contribution of \$150 million, of which 25 per cent or \$37.5 million would be payable in gold and the remaining 75 per cent or \$112.5 million in non-interest bearing Canadian dollar notes, payable on demand.

With respect to the International Bank for Reconstruction and Development, each member subscribes a certain amount of capital and this amount is essentially the same as its quota in the International Monetary Fund. Of this subscription 2 per cent is payable in gold and another 18 per cent in

national currency. This 18 per cent, however, is available to the Bank for lending only with the consent of the country concerned. The remaining 80 per cent is not paid up, but each member guarantees to pay it up if it were required to enable the Bank to meet its obligations.

It is on the basis of this 80 per cent guarantee that the Bank has been able to sell its debentures and thus to attract private capital into investment in countries which might find it difficult by themselves to attract such investment. I assume that those who purchase the Bank's debentures do so mainly on the basis of the guarantees of the financially stronger countries. It is for this reason that there is considerable attraction in the suggestion that members of the Bank should be asked—as the Prime Minister put it—to increase the guarantee element in their capital subscriptions from the present 80 per cent to 160 per cent.

Coming now to the Canadian contribution, our present subscription to the Bank is \$325 million of which 80 per cent or \$260 million represents the guarantee element. If this were to be doubled, our guarantee to the Bank would increase from the present figure of \$260 million to \$520 million.

The CHAIRMAN: Are there any questions arising out of the minister's statement?

Mr. PEARSON: I am very grateful to the minister for this information. It does give some indication of the increase and the amount that is involved for Canada. I am not saying I am objecting to it, but could the minister tell us whether this proposal—and I think this was mentioned in the House of Commons the other day—is to be discussed at the forthcoming meeting of the Bank and Fund?

Mr. SMITH (*Hastings-Frontenac*): I would not be surprised.

The CHAIRMAN: Are there any further questions?

Mr. SMITH (*Hastings-Frontenac*): Mr. Pearson asked a question on Monday last with respect to a suggestion that I threw out concerning Lebanon's neutrality. I would like to make a further statement in that regard. Maybe you will recall at the first meeting of this Committee which I attended on Monday last I made it very clear that I had thrown this out as a suggestion. We had not worked out the details but I did state on that occasion that this problem with respect to the future status of Lebanon was being considered in several capitals.

I would like to add to what I said, and I hope this will be of use to the committee. Reference has been made in public to statements by myself and by a number of others, including the Prime Minister of Ghana, to the example of Austria in this connection. I deem it desirable, subject to your agreement, to table the relevant portions of the Austrian state treaty of May 15, 1955 and the Austrian constitutional law concerning the neutrality of Austria, which came into force on November 5, 1955. The state treaty was concluded on May 15 and the relevant constitutional law was passed in November of the same year. Now, this Austrian treaty and Austrian constitutional law could be pertinent not as a wholesale and complete precedent for the consideration of the future of Lebanon although I think it would be useful for us to look at the treaty and the pertinent parts of the constitutional law.

The CHAIRMAN: Could I ask the committee whether it be the wish to have this copy included in the minutes of these proceedings at this particular point in order that it may be available for everyone?

Agreed.

Mr. SMITH (*Hastings-Frontenac*): I would like to table these documents as we received them officially. A number of governments, including Canada, took cognizance of the passing of this Austrian constitutional law.

EXTRACT FROM STATE TREATY FOR THE RE-ESTABLISHMENT OF
AN INDEPENDENT AND DEMOCRATIC AUSTRIA.

Vienna, May 15, 1955.

Article 1.

Re-establishment of Austria as a free and independent state.

The allied and associated powers recognize that Austria is re-established as a sovereign, independent and democratic state.

Article 2.

Maintenance of Austria's independence.

The allied and associated powers declare that they will respect the independence and territorial integrity of Austria as established under the present treaty.

Article 3.

Recognition by Germany of Austrian independence.

The allied and associated powers will incorporate in the German Peace Treaty provisions for securing from Germany the recognition of Austria's sovereignty and independence and the renunciation by Germany of all territorial and political claims in respect of Austria and Austrian territory.

Article 4.

Prohibition of Anschluss.

1. The allied and associated powers declare that political or economic union between Austria and Germany is prohibited. Austria fully recognizes its responsibilities in this matter and shall not enter into political or economic union with Germany in any form whatsoever.

2. In order to prevent such union Austria shall not conclude any agreement with Germany, nor do any act, nor take any measures likely, directly or indirectly, to promote political or economic union with Germany, or to impair its territorial integrity or political or economic independence. Austria further undertakes to prevent within its territory any act likely, directly or indirectly, to promote such union and shall prevent the existence, resurgence and activities of any organizations having as their aim political or economic union with Germany, and pan-German propaganda in favour of union with Germany.

The Austrian Legation presents its compliments to the Department of External Affairs and upon instructions of the Austrian federal government has the honour to convey to the Department of External Affairs the following:

On October 26th, 1955 the Austrian parliament has passed the constitutional law concerning the neutrality of Austria. This law has entered into force on November 5, 1955 and has the following wording:

Article I

(1) For the purpose of the lasting maintenance of her independence externally, and for the purpose of the inviolability of her territory, Austria declares of her own free will her perpetual neutrality. Austria will maintain and defend this with all means at her disposal.

(2) For the securing of this purpose in all future times Austria will not join any military alliances and will not permit the establishment of any foreign military bases on her territory.

Article II

The federal government is charged with the execution of this federal constitutional law.

A copy of the authentic text in the German language is enclosed.

In bringing this constitutional law to the knowledge of the government of Canada the Austrian federal government has the honour to request that the government of Canada recognize the perpetual neutrality of Austria as defined in the aforementioned law.

The Austrian Legation takes this opportunity to renew to the Department of External Affairs the assurance of its highest consideration.

Ottawa, November 14th, 1955.

The
Department of External Affairs,
Ottawa.

Mr. MARTIN (*Essex East*): First of all, Mr. Chairman, how many members are there to the treaty itself?

Mr. SMITH (*Hastings-Frontenac*): Four.

Mr. LEGER: It was negotiated by the four powers.

Mr. MARTIN (*Essex East*): By Germany, Austria—

Mr. LEGER: It was negotiated by the four great powers: the United States, the U.S.S.R., the United Kingdom and France.

Mr. SMITH (*Hastings-Frontenac*): I would like to add further that the whole idea of perpetual neutrality for Lebanon—and I emphasize it is merely a suggestion—could be developed only if it is abundantly clear that such a concept would be in accord with the wishes of the Lebanese people themselves. There have been public observations that this proposal is another instance of imposing something on a country. The text of my remarks in the house on July 25 shows that I endeavoured to make that point very clear and I can find the exact text. However, the purport of that text was that this must be acceptable to the Lebanese.

Now there is a new president. He is not yet in power and therefore during this interim period it seems premature to advance any specific plans for determining the wish of the Lebanese people in this regard. I assure the committee again that various proposals, and particularly this one with respect to some type of neutrality—a status comparable to that of Austria or comparable to that of Switzerland—might be secured and assured by the United Nations, for example, or by the great powers. I commended Mr. Martin a week ago upon his appreciation of the problem and I was interested to hear him suggest, as I did when I spoke earlier on July 25, that this might be an example that could be used, extended and modified for other countries to follow. Lebanon's unique denominational or confessional balance between Christian Arabs and Moslem Arabs; its long tradition of autonomy; and, as I have already said, the fact they have been traders: these are factors to my mind that would provide ample reason for the shaping of a special status in the first instance for Lebanon. One can run the gamut of proposals in this regard. One which I thought of over the week-end might be a type of Monroe doctrine for Lebanon. That might be a variation that could be looked at very carefully and seriously.

Mr. Chairman and members of the committee, I would like to point out with regard to these documents, which we have agreed to include in the minutes of the proceedings of this committee as an appendix, that I believe that there would have to be amendments to the concept that is embodied in these excerpts from the treaty, and from the amendments to the Austrian constitutional law. Certainly these documents should be examined very carefully.

Mr. PEARSON: I take it from what the minister has said that he feels—and I agree with him—that Canada cannot go any further than to participate in a guarantee for neutrality for Lebanon which has been requested by the Lebanese people and as long as the Lebanese people want that status.

He mentioned the alternative, a type of Monroe doctrine. You will recall that the original Monroe doctrine was declared by the United States but enforced by the British Navy. Would such a doctrine for the Middle East be declared by the Western Powers but enforced by the Soviet Army?

Mr. SMITH (*Hastings-Frontenac*): We might have the United Nations play a role in that context.

Mr. HERRIDGE: Mr. Chairman, I believe the Minister of External Affairs emphasized the point that nothing would be done against the wishes of the Lebanese people in respect of neutrality.

Mr. SMITH (*Hastings-Frontenac*): I appreciate that statement, Mr. Herridge.

Mr. MARTIN (*Essex East*): There was a reference made to this particular proposal by some of the delegates to the Security Council in recent discussions, was there not? I think you will find there was. I was reading this on Saturday.

Mr. SMITH (*Hastings-Frontenac*): You are referring to a reference made in the Security Council discussions?

Mr. MARTIN (*Essex East*): Yes, there was a reference made there.

Mr. SMITH (*Hastings-Frontenac*): I do not believe there was, at least not to our knowledge. We can check into it.

Mr. MARTIN (*Essex East*): I have sent for the document.

Mr. SMITH (*Hastings-Frontenac*): I cannot recall that this proposal was discussed in the Security Council. Certainly it was not discussed at any meetings which I attended. Of course, the discussions there were related to particular problems concerning UNOGIL, and the setting up of some instrumentality of the United Nations with a view to stabilizing the situation in Lebanon and Jordan, and with a view to the withdrawal of the United States and the United Kingdom troops.

Mr. SMITH (*Calgary South*): I wonder if I could ask the chairman how he proposes to proceed this morning? We now have before us several documents, one from the Under-Secretary of State, and I gather we are still dealing with item 85 as such. I assume we will have a general discussion this morning and then have the Under-Secretary of State's statement?

The CHAIRMAN: That is right.

At the moment we are dealing with two or three questions that remained unanswered at the close of our last meeting. We are trying to clean up those questions following which we will proceed with item 85.

Mr. SMITH (*Hastings-Frontenac*): That is what I am endeavouring to do. There was another question asked relating to disengagement.

This statement is a result of a lot of work having been done over the week-end, and I would like to make this statement in that regard. Perhaps afterwards there will be questions concerning it.

The CHAIRMAN: That will be acceptable.

Mr. SMITH (*Hastings-Frontenac*): This subject has been discussed in the NATO council, by various governments, and indeed by various individuals over six or eight months.

The plan about which we have heard the most discussion, and the plan which has emanated from a government is the Rapacki plan for a nuclear-free zone comprising the two Germanies, Poland and Czechoslovakia.

This plan was presented for consideration to various governments. We in Canada received a formal presentation of this plan from the representative of the Polish government here in Ottawa.

I also refer to another plan presented by an individual that has been discussed in the newspapers to a considerable extent. That plan was put forward by George Kennan who was at one time the Ambassador from the United States to the U.S.S.R.

The Rapacki plan as I have indicated—

Mr. MARTIN (*Essex East*): What are you referring to now?

Mr. SMITH (*Hastings-Frontenac*): I am referring to disengagement.

Mr. MARTIN (*Essex East*): You referred to one plan put forward by George Kennan. Does that plan involve troops?

Mr. SMITH (*Hastings-Frontenac*): The Rapacki plan and other plans for disengagement have been carefully considered by the Canadian government and the NATO Council, where Canada took part in the discussions. I sent a reply on July 9, 1958, to the note which I received from Mr. Rapacki. Mr. Rapacki is the foreign minister of Poland.

As this exchange of notes bears direct relationship to one aspect of the subject of disengagement I think it would be of interest to the members of the committee if I tabled the note which I received and the reply that I sent on July 9.

The CHAIRMAN: Is that the wish of the committee?

Some Hon. MEMBERS: Agreed.

WARSAW, FEBRUARY 14, 1958.

John Price Erichsen-Brown,
Chargé d'affaires of Canada;
in Warsaw.

Sir,

I wish to refer to the proposal of the Polish government concerning the establishment of the denuclearized zone in central Europe presented at the United Nations general assembly on October 2, 1957 and subsequently repeated through diplomatic channels.

In view of the wide interest which this proposal has evoked in government and political circles as well as in the public opinion of many countries, including the country which you, sir, represent, and taking into account a number of opinions expressed in connection with the Polish proposal, the Polish government has resolved to present a more detailed elaboration of its proposal.

For this purpose the Polish government has prepared the attached memorandum, which has been transmitted to the governments of the four great powers and other interested countries.

The Polish government is conscious of the fact that the solution of the problem of disarmament on a world-wide scale requires, first of all, negotiations among the great powers and other countries concerned. Therefore the Polish government supports the proposal of the U.S.S.R. government concerning a meeting on the highest level of leading statesmen with the participation of heads of governments. Such a meeting could also result in reaching an agreement on the question of the establishment of a denuclearised zone in central Europe, should an agreement among the countries concerned not be reached in the meantime. In any event the initiation at present of discussions on the question of a denuclearised zone in central Europe would contribute to a successful course of the above-mentioned meeting.

The Polish government expresses the hope, that the government of Canada will study the attached memorandum and that the proposals contained in it will meet with the understanding of the government of Canada.

Please accept, sir, the assurances of my highest consideration.

1 enclosure

ADAM RAPACKI.

MEMORANDUM FROM GOVERNMENT of POLAND

On October 2, 1957, the government of the Polish People's Republic presented to the general assembly of the United Nations a proposal concerning the establishment of a denuclearised zone in central Europe. The governments of Czechoslovakia and of the German Democratic Republic declared their readiness to accede to that zone.

The government of the Polish People's Republic proceeded with the conviction that the establishment of the proposed denuclearised zone could lead to an improvement in the international atmosphere and facilitate broader discussions on disarmament as well as the solution of other controversial international issues, while the continuation of nuclear armaments and making them universal could only lead to a further solidifying of the division of Europe into opposing blocs and to a further complication of the situation, especially in central Europe.

In December 1957 the government of the Polish People's Republic renewed its proposal through diplomatic channels.

Considering the wide repercussions which the Polish initiative has evoked and taking into account the propositions emerging from the discussion which has developed on this proposal, the government of the Polish People's Republic hereby presents a more detailed elaboration of its proposal, which may facilitate the opening of negotiations and reaching of an agreement on this subject.

I. The proposed zone should include the territory of Poland, Czechoslovakia, German Democratic Republic and German Federal Republic. In this territory nuclear weapons would neither be manufactured nor stockpiled, the equipment and installations designed for their servicing would not be located there; the use of nuclear weapons against the territory of this zone would be prohibited.

II. The contents of the obligations arising from the establishment of the denuclearised zone would be based upon the following premises:

1. The states included in this zone would undertake the obligations not to manufacture, maintain nor import for their own use and not to permit the location on their territories of nuclear weapons of any type, as well as not to install on or to admit to their territories of installations and equipment designed for servicing nuclear weapons, including missiles launching equipment.

2. The four powers (France, United States, Great Britain and USSR) would undertake the following obligations:

a not to maintain nuclear weapons in the armaments of their forces stationed on the territories of States included in this zone; neither to maintain nor to install on the territories of these States any installations or equipment designed for servicing nuclear weapons, including missiles launching equipment.

b not to transfer in any manner and under any reason whatsoever, nuclear weapons nor installations and equipment designed for servicing nuclear weapons—to governments or other organs in this area.

3. The powers which have at their disposal nuclear weapons should undertake the obligation not to use these weapons against the territory of the zone or against any targets situated in this zone.

Thus the powers would undertake the obligation to respect the status of the zone as an area in which there should be no nuclear weapons and against which nuclear weapons should not be used.

4. Other states, whose forces are stationed on the territory of any state included in the zone, would also undertake the obligation not to maintain nuclear weapons in the armaments of these forces and not to transfer such weapons to governments or to other organs in this area. Neither will they install equipment or installations designed for the servicing of nuclear weapons, including missiles launching equipment, on the territories of States in the zone nor will they transfer them to governments or other organs in this area.

The manner and procedure for the implementation of these obligations could be the subject of detailed mutual stipulations.

III. 1. In order to ensure the effectiveness and the implementation of the obligations contained in part II, para 1-2 and 4, the states concerned would undertake to create a system of broad and effective control in the area of the proposed zone and submit themselves to its functioning.

This system could comprise ground as well as aerial control. Adequate control posts, with rights and possibilities of action which would ensure the effectiveness of inspection, could also be established.

The details and forms of the implementation of control can be agreed upon on the basis of the experience acquired up to the present time in this field, as well as on the basis of proposals submitted by various states in the course of the disarmament negotiations, in the form and to the extent in which they can be adapted to the area of the zone.

The system of control established for the denuclearised zone could provide useful experience for the realization of broader disarmament agreement.

2. For the purpose of supervising the implementation of the proposed obligations an adequate control machinery should be established. There could participate in it, for example, representatives appointed (not excluding ad personam appointments) by organs of the North Atlantic Treaty Organization and of the Warsaw Treaty. Nationals or representatives of states, which do not belong to any military grouping in Europe, could also participate in it.

The procedure of the establishment, operation and reporting of the control organs can be the subject of further mutual stipulations.

IV. The most simple form of embodying the obligations of states included in the zone would be the conclusion of an appropriate international convention. To avoid, however, complications, which some states might find in such a solution, it can be arranged that:

1. These obligations be embodied in the form of four unilateral declarations, bearing the character of an international obligation, deposited with a mutually agreed upon depositary state:

2. The obligations of great powers be embodied in the form of a mutual document or unilateral declarations (as mentioned above in para 1);

3. The obligations of other states, whose armed forces are stationed in the area of the zone, be embodied in the form of unilateral declarations (as mentioned in para 1).

On the basis of the above proposals the government of the Polish People's Republic suggests to initiate negotiations for the purpose of a further detailed elaboration of the plan for the establishment of the denuclearised zone, of the documents and guarantees related to it as well as of the means of implementation of the undertaken obligations.

The government of the Polish People's Republic has reasons to state that acceptance of the proposal concerning the establishment of a denuclearised zone in central Europe will facilitate the reaching of an agreement relating to an adequate reduction of conventional armaments and of foreign armed forces stationed on the territory of the states included in the zone.

THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS,
CANADA.

OTTAWA, July 9, 1958.

Mieczyslaw Sieradzki, Esq.,
Chargé d'Affaires a.i. of Poland,
10 Range Road,
Ottawa, Ontario.

Sir:

I have the honour to refer to your government's note and memorandum of February 14, 1958 which were delivered to the Canadian Chargé d'Affaires in Warsaw, and which set out certain proposals concerning the establishment of a denuclearized zone in central Europe.

The Canadian government has welcomed this initiative of the Polish government and has studied carefully the proposals in the memorandum because, like the Polish government, it is anxious to explore any proposal which might give some hope of providing an equitable basis for progress towards a disarmament agreement. The Canadian government attached particular importance to the Polish government's recognition that any agreement should be supported by an effective control and inspection system. However, in the course of our consideration it has become apparent that this plan for a first step toward disarmament in Europe falls short of the requirements for a successful limited approach to the major problem and therefore could not be expected to provide a basis for negotiating an equitable agreement.

This judgment does not, in the Canadian view, necessarily exclude the possibility of negotiation leading to an agreement limited as to region or subject, but any such approach would, in order to be acceptable, have to contribute towards an increase in mutual confidence and at the same time not complicate the solution of other problems. The Canadian government remains concerned, as does the Polish government, over the continued failure to achieve much progress on disarmament and we therefore remain ready to examine suggestions which might be expected to lead by stages to the final aim.

The participation of scientists from the major powers and from other interested countries, including Poland and Canada, in the conference at Geneva to study the detection of nuclear tests, is evidence of a widely held hope that solutions to special aspects of the disarmament problem may contribute to a general settlement. For this reason we are grateful for the initiative of the Polish government which, although it has failed to gain acceptance, has usefully served to stimulate the study of regional disarmament proposals and has brought us closer to an understanding of the inter-relationships between them and general disarmament. Such opportunities, which test the areas of confidence, cannot fail to contribute in the long run to progress on this vital problem. I therefore hope that the Polish government will continue its efforts to bring about a rapprochement of views in the field of disarmament and that the Canadian government will be given an opportunity to learn of any further ideas which, as a result of the reaction to their initiative and

taking into account the consequence of the Geneva meeting of experts, the Polish government may formulate in an endeavour to achieve this objective.

Accept, sir, the renewed assurances of my highest consideration.

Secretary of State for External Affairs.

Mr. SMITH (*Hastings-Frontenac*): While the concept and even the impression created by the word "disengagement" is an attractive one, it is apparent that the specific proposals for disengagement must bear careful scrutiny to ensure that they do not adversely affect the strategic position of the alliance—that is the north Atlantic alliance—and that they do not complicate the solution of other problems.

They must also be considered in relation to the broader measures of disarmament on which we have been trying for many years, to come to an agreement with the Soviet Union.

After careful consideration we and our partners in NATO agreed that the Rapacki proposal for a nuclear-free zone in central Europe—I say these words very slowly and give them to you very carefully—could not be considered as a basis for negotiation since it would have placed the military forces of the alliance at a disadvantage. It therefore failed to meet the requirements of an equitable limited approach to disarmament.

The fact that the Rapacki plan did not prove acceptable does not, however, in our view necessarily exclude the possibility of further negotiations leading to an agreement limited as to region or subject, but any such approach would, as I have indicated in my note to Mr. Rapacki, in order to be acceptable, have to contribute toward an increase in mutual confidence and at the same time not complicate the solution of other problems.

The government attached particular importance to the Polish government's recognition that any regional proposals must be supported by an effective control and inspection system.

Mr. MARTIN (*Essex East*): Do I understand that when you now say "effective control" these are your observations of the plan?

Mr. SMITH (*Hastings-Frontenac*): Yes. The Polish government in Rapacki's plan referred—this was encouraging—to the necessity for inspection and control.

Mr. MARTIN (*Essex East*): Is there any known Soviet Union comment on the Polish plan for a nuclear-free zone?

Mr. SMITH (*Hastings-Frontenac*): Not to my knowledge, but we do know that the Polish government would not have put this plan forward unless there was approval. I think we can count on a favourable reaction by the U.S.S.R.

Mr. MARTIN (*Essex East*): Yes.

Could the minister tell us—and I ask this only for information—how this differs from the proposal that was made by our side some time earlier for a plan that would permit, as a pilot project, based upon control and inspection, and that kind of thing, which Mr. Eden had in mind in 1955?

Mr. LEGER: I think the main difference, Mr. Chairman, was that the Eden proposal was a pilot project applying to a rather smaller zone whereas the Rapacki plan had definite frontiers placing West Germany on our side and East Germany, Poland and Hungary on the other side.

Indeed one of the complicating factor was that the Rapacki plan was no longer a pilot program if it applied to such a wide zone.

Mr. MARTIN (*Essex East*): The Eden plan applied to East and West Germany providing for a pilot project involving these two sections of Germany, excluding Hungary of course.

Mr. LEGER: The Eden plan was indeed based on the demarcation line, but it did not go as far in either direction as the Rapacki plan.

Mr. PEARSON: Is it not true that the Eden plan provided for a neutralization and disarmament of that particular zone where the Rapacki plan merely provides for the abolition of nuclear weapons inside this zone?

Mr. LEGER: Yes, that is my recollection of the Eden plan.

Mr. MARTIN (*Essex East*): Assuming that to be the case, and if the Soviet Union gave approval to this plan, and that approval included our concept of the kind of control and inspection which we consider necessary in any partial or complete plan for disarmament, I should like to know more about our reasons for objecting to this particular plan.

Mr. SMITH (*Hastings-Frontenac*): Mr. Chairman, the Rapacki plan included a much wider zone on each side than the Eden plan and that would involve the retirement of, let us say, the United States troops to the disadvantage of the alliance, and therefore reduce its military defence.

Mr. MARTIN (*Essex East*): Perhaps the real reason for our objection, I suggest, is the difficulty in regard to a scientific system for detecting whether or not a nuclear-free zone is in effect being observed by both sides. Is that not likely the reason?

Mr. SMITH (*Hastings-Frontenac*): That is one of the reasons, Mr. Chairman.

If we could make some headway with the region with respect to Mr. Eisenhower's proposal, and the qualified acceptance by the U.S.S.R. and the United States relating to surprise attacks—that technical information would come out of a meeting of scientists comparable to the group who are now convened in Geneva in respect to nuclear tests and detecting nuclear tests—we would have made some advance in regard to the terms of control and supervision.

Mr. PEARSON: Is it not true that the important reason for objecting to this plan is, that under it the west would be deprived in this zone of its main weapon of defence, that is tactical atomic weapons, and the Soviet Union on the other hand would be allowed to maintain its conventional fighting forces in huge numbers?

Mr. SMITH (*Hastings-Frontenac*): That is what I had in mind, Mr. Chairman, when I said that this plan would weaken us inequitably in so far as the forces in Europe under NATO are concerned.

I would ask for permission at this time to read a part of my reply to Mr. Rapacki on July 9, 1958.

The Canadian government has welcomed this initiative of the Polish government and has studied carefully the proposals in the memorandum because, like the Polish government, it is anxious to explore any proposal which might give some hope of providing an equitable basis for progress towards a disarmament agreement. The Canadian government attached particular importance to the Polish government's recognition that any agreement should be supported by an effective control and inspection system. However, in the course of our consideration it has become apparent that this plan for a first step toward disarmament in Europe falls short of the requirements for a successful limited approach to the major problem and therefore could not be expected to provide a basis for negotiating an equitable agreement.

This judgment does not, in the Canadian view,—

And this, to my mind is a forthcoming observation—necessarily exclude the possibility of negotiation leading to an agreement limited as to region or subject, but any such approach would, in order to be

acceptable, have to contribute towards an increase in mutual confidence and at the same time not complicate the solution of other problems.

I would just like to make this further observation, Mr. Chairman. That is, we are continuing our consultations within the NATO Council on the broader, as well as the more limited forms of disarmament including ideas which fall, under the heading of disengagement.

The CHAIRMAN: Are there any questions arising out of the minister's statement?

Mr. MARTIN (*Essex East*): What is the date of this Polish proposal?

Mr. SMITH (*Hastings-Frontenac*): It was proposed some time ago. The date is February 14.

Mr. MARTIN (*Essex East*): Is this proposal referred to in the white paper?

Mr. SMITH (*Hastings-Frontenac*): No, that had to do only with discussions at the United Nations for the year 1957.

Mr. KUCHEREPA: Is it not true that the main desire in the Rapacki plan is to undermine the strength of our NATO forces in continental Europe?

Mr. SMITH (*Hastings-Frontenac*): I have discussed this with the Polish Charge d'Affaires, and have read the discussion in the NATO Council. I would say that there was real anxiety on the part of the Polish government motivating this proposal, and therefore a corresponding note of sincerity.

Mr. MARTIN (*Essex East*): What was the reaction of other powers to the Polish proposal?

Mr. SMITH (*Hastings-Frontenac*): I recall that the United Kingdom, in response to the same communication which we received, rejected it. While we were at Copenhagen, or just about that time, the United States also rejected the Rapacki plan.

Mr. JONES: Was this proposal discussed in the NATO Council?

Mr. SMITH (*Hastings-Frontenac*): Oh yes, this proposal has been discussed repeatedly and continuously.

Mr. JONES: There was more or less uniformity of opinion in regard to the way this project should be dealt with?

Mr. SMITH (*Hastings-Frontenac*): Yes.

Mr. PEARSON: I would like to get the minister's opinion in regard to another wider form of disengagement which presumably has also been discussed in the NATO council, under which there would be no outside forces of any kind in Poland, Czechoslovakia, East and West Germany. That would mean that the United States forces would withdraw, and the Russian forces would withdraw, and in return for that withdrawal there would be free elections and self government of Germany and the satellites without Russian forces being present. On the other side there would be the withdrawal of Germany from the North Atlantic Treaty Organization. That is a much more comprehensive form of disengagement.

Mr. SMITH (*Hastings-Frontenac*): That situation has been considered.

The CHAIRMAN: Are there any further questions?

Mr. MARTIN (*Essex East*): When was mention first made of the Polish plan?

Mr. SMITH (*Hastings-Frontenac*): I read about it in the newspapers on the day of the communication.

Mr. MARTIN (*Essex East*): There was reference made in some form or other at the last assembly in 1957.

Mr. SMITH (*Hastings-Frontenac*): Yes. The Undersecretary informs me that this was projected. I do not recall that it was projected in the same detail

as set forth in the memorandum which was sent with this note bearing the date of February of this year.

But it was projected by the Polish foreign minister in the general assembly last autumn, I think just before the meeting of the NATO council, the heads of government meeting.

There was a letter at that time sent to the various countries in which the proposal in essence—not identically—was put forward by the U.S.S.R. That is why I said six or eight months. That is why I used that term.

Mr. PEARSON: I take it that the minister does not wish to comment on the advantages or the disadvantages of a more comprehensive plan?

Mr. SMITH (*Hastings-Frontenac*): I would like to think that over. As Mr. Pearson and other members of the committee realize, there are political implications in so far as Germany is concerned.

Mr. HERRIDGE: Which plan is that?

Mr. SMITH (*Hastings-Frontenac*): I am referring to the plan which came from Poland.

The CHAIRMAN: Are there any further questions? If not, may we now proceed with a statement from the Undersecretary?

Mr. McCLEAVE: With reference to the Monroe doctrine and Lebanon, my understanding is that the Monroe doctrine is always a sort of unilateral, hands-off policy.

Who would be proclaiming that hands-off policy in the situation the minister has hinted at?

Mr. SMITH (*Hastings-Frontenac*): The great powers; but I would prefer of course endorsement by the United Nations and some instrumentality set up by the United Nations to assure observance, and the implementation of such a general concept.

Mr. McCLEAVE: That would be up to the great powers?

Mr. SMITH (*Hastings-Frontenac*): I hope that the United Nations would be involved in it.

I have another statement. I am trying to clean up questions which have already been asked. There was a question asked last week with respect to the effects of the amendments to the US Atomic Energy Act.

I think we had amendments to the so-called McMahon Act or Atomic Energy Act by the Congress recently.

I have already referred twice to this subject in the House of Commons in answer to questions: once on July 1, and again on July 7. There is little I can add to these statements. But for the committee I shall endeavour to summarize the situation with respect to the effect of these amendments on Canada.

I cannot, from the standpoint of the Department of External Affairs, go into this field in any detail because this has to do with national defence and it is primarily a matter for my colleague the Minister of National Defence, and his department.

But to summarize:

—following certain proposals made last January by the administration, the U.S. Congress has amended the U.S. Atomic Energy Act, first passed in 1946 and subsequently amended in 1954. The purpose of these amendments was to make easier the transfer by the U.S. government of non-nuclear parts, special nuclear materials and certain restricted data relating to the use of atomic weapons to friendly countries who entered into an agreement with the United States for this purpose.

The amendments do not affect the provisions of the act which forbid the transfer of nuclear components of weapons which, if manufactured in the United States, must remain in the custody of United States personnel. Furthermore, amendments added by the Congress establish that only those nations who have made substantial progress in the development of atomic weapons may benefit from the provisions relating to the transfer of non-nuclear parts of atomic weapons, special nuclear materials for research on or developments of atomic weapons and restricted data concerning atomic weapons.

Nevertheless, nations such as Canada, who may not qualify under this provision of the act, could benefit from the amended act in the following ways:

- (a) they may receive certain non-nuclear materials such as military reactors which they were prevented from doing before;
- (b) they may receive certain additional information relating to the military applications of atomic energy.

Finally, I should like to point out that the amendments to the act leave unchanged the proviso that any part or section of the act which may conflict with an international agreement approved by the Congress entered into after the enactment of the act is of no force or effect. Thus an international agreement could be made with a friendly country such as Canada for the transfer of information or materials not permitted by the act, if approved by Congress.

I conclude, therefore, that if, under the terms of its present agreement with the United States, Canada should decide, for whatever reason, that a more liberal agreement is necessary, the possibility exists for it to negotiate such an agreement, as the United Kingdom has just done.

Whether in fact such a new agreement may be necessary I am not in a position to say.

Mr. PEARSON: I have several questions on this matter which I think is of very considerable importance.

I have studied the amendments to the act, and I agree that in some respects they liberalize existing procedures in regard to the exchange of information and weapons in the non-nuclear field. But the amendment makes a distinction between the United Kingdom on the one side and other countries on the other side.

Mr. SMITH (*Hastings-Frontenac*): It is admitted that the United Kingdom has substantial know-how.

Mr. PEARSON: That is right. Therefore, in order to benefit from this, in so far as the exchange of atomic weapons is concerned, you must also have made certain progress in the production of those weapons.

As the minister knows—he mentioned this the other day—we on this side have put forward a proposal against the production of such weapons by any of the countries not now producing them.

I do not want that to be misunderstood as indicating that I am opposed to the transfer from the producing power to a friendly power of already manufactured weapons. That is quite different than manufacturing them. I want to find out exactly under this amendment what the position is in regard to such transfers. It can be done with the United Kingdom, but it cannot be done with Canada.

In that sense the policy appears to be a departure from that of Canada-US-UK atomic co-operation embodied in the Combined Policy Committee. Let me give a specific illustration: and the minister will correct me if I am

wrong. Under this amendment, which has just come into law, a Canadian Bomarc squadron could operate in the North American defence command under a United States commander with a Canadian deputy commander, but it could not have at its disposal under its own Canadian control Bomarc missiles with nuclear warheads, is that not so?

Mr. SMITH (*Hastings-Frontenac*): That is part of NORAD.

Mr. PEARSON: A Canadian squadron armed in that way, under this amendment, would be prevented from having under its control a missile with a nuclear warhead which would be in the possession of an American squadron in the same command would have.

Mr. SMITH (*Hastings-Frontenac*): Perhaps the Undersecretary might comment.

Mr. LEGER: That is not my understanding, since even if the Bomarc itself was stationed in Canada, the atomic warhead would still be under the custody of the Americans, as is still the case, under the new legislation, for American atomic warheads placed in Bomarcs, in the United Kingdom.

The atomic component itself always remains under the custody of the United States even under this new legislation.

Mr. PEARSON: Is it not true, however, that the United Kingdom, under this legislation, could have its own Bomarc weapons with nuclear warheads manufactured in the United Kingdom?

Mr. LEGER: Yes.

Mr. PEARSON: That is not possible for Canada. Canada cannot receive these because they are not manufactured here. We do not manufacture the actual nuclear warhead and therefore there is that distinction. I think that is the case under the law.

What the Undersecretary says is correct. If it were a U.S. nuclear warhead in the United Kingdom, the United Kingdom would have no more control over it than we would have if it were in Canada, as was said a few moments ago. I was not aware until the Minister mentioned it a few moments ago that under this amendment, I presume under section 123, it would now be possible for Canada to make the same kind of an agreement with the United States, as the United Kingdom has done, or did I get the wrong impression?

Mr. SMITH (*Hastings-Frontenac*): No. I said it would not be possible because we have not been producing nuclear weapons. The test, as I interpret it with the text of the amendment before me, is this: That the country has made substantial progress, and that they have the "know-how".

That is true only of the United Kingdom. We have not reached that stage.

Mr. PEARSON: What was the Minister referring to when he spoke of an agreement we could now negotiate with the United States?

Mr. SMITH (*Hastings-Frontenac*): Subject to subsequent approval by Congress.

Mr. PEARSON: Would that cover nuclear weapons?

Mr. SMITH (*Hastings-Frontenac*): It could, but the Congress would have to approve.

Mr. PEARSON: Can Congress approve of an agreement by which we would be put in a position of being able to exchange military information and nuclear weapons which would make it possible for us to manufacture them in Canada if we so desired?

Mr. SMITH (*Hastings-Frontenac*): It could, but such an agreement would have the effect of over-riding the amendment. We are not asking for such an agreement.

Mr. PEARSON: No. But that kind of agreement if made would override the provisions of section 144C under which the United Kingdom made its agreement?

Mr. SMITH (*Hastings-Frontenac*): Yes.

Mr. PEARSON: There is another section, 123, which provides for entering into an agreement with the United States for the exchange of information. That does not apply to an agreement in so far as the manufacturing of the weapon is concerned, but for a general exchange of nuclear information.

Has Canada entered into an agreement with the United States, or does Canada propose to enter into an agreement with the United States, having in mind this last section?

Mr. SMITH (*Hastings-Frontenac*): It has not entered into an agreement. But that would be a matter of government policy.

Mr. PEARSON: If that is not the case,—and I understand that there would not have been time to enter into such an agreement since the passage of these amendments—then we in Canada—would have to enter into an agreement to get the benefit of these liberalizing procedures in regard to the exchange of information under this amendment—?

Mr. SMITH (*Hastings-Frontenac*): Yes.

The CHAIRMAN: Are there any further questions?

Mr. CRESTOHL: Is it known to what extent France is becoming an atomic weapon power? Has it been discussed in the United Nations?

Mr. SMITH (*Hastings-Frontenac*): We have nothing in that regard except the public statements that have been attributed to General De Gaulle that they would like to be in a position such as the United Kingdom to qualify, subject to the proviso in the amendment, to the end that they would get the know-how.

Mr. CRESTOHL: Have they requested to receive those benefits?

Mr. SMITH (*Hastings-Frontenac*): To my knowledge they have not reached that stage yet. I mean France has not.

Mr. CRESTOHL: You mean they have not reached that stage in production?

Mr. SMITH (*Hastings-Frontenac*): Or in development.

Mr. CRESTOHL: But it is on record at the United Nations, and General De Gaulle has said it.

Mr. SMITH (*Hastings-Frontenac*): No. All I rely upon is the public statement which has been attributed to him. I recall no discussion in the United Nations.

Mr. CRESTOHL: To what extent is it known that France is developing, or has developed the possibility of producing nuclear weapons?

Mr. SMITH (*Hastings-Frontenac*): I am unable to answer at what stage they are in their scientific development.

You spoke of the United Nations. This is a bilateral agreement with the United States. I do not recall any representations made by France to the United Nations in this regard.

Mr. HERRIDGE: You are speaking of newspaper reports?

Mr. SMITH (*Hastings-Frontenac*): Yes.

Mr. HERRIDGE: In the same regard as we have read where United States personnel was used recently to quell exuberance in British Columbia?

Mr. SMITH (*Hastings-Frontenac*): We are not in a position to ask France officially: "Where are you in the development of the nuclear warhead, or any of the various types to be found in the nuclear family of military devices in this regard?"

Mr. PEARSON: Congress passed this agreement. The joint committee on atomic energy in its report, No. 1849, stated that it was not the intention of this amendment to encourage additional nations to develop additional nuclear weapon capabilities.

But if in effect the only way you can get the complete exchange of know-how and information and help in the manufacture of nuclear weapons is to qualify under section 144-C as a nation which has already made substantial progress, isn't that likely to encourage, rather than to discourage, other countries going into the production of nuclear weapons and reaching the point where they can even ask the United States to help them?

Mr. SMITH (*Hastings-Frontenac*): I might look at it another way: that it might discourage other nations. It is so expensive; the cost is so tremendous that it might well bankrupt a nation which does not have a strong financial backbone to enable them to carry on this development.

Mr. JONES: The implication left here I think could be qualified, and that is: in embarking upon a greater degree of exchange with respect to atomic energy, this happens automatically in the case of a new nation achieving information about nuclear weapon development. I take it that it is not automatic procedure at all; it is still subject to the control of the American government?

Mr. SMITH (*Hastings-Frontenac*): It is not automatic. I think the agreement reached in this case with the United Kingdom is still on the table for 30 days. I think that normally such an agreement is tabled for 60 days.

Mr. JONES: If it is automatic under their law, then there might be some validity in the suggestion which Mr. Pearson has made.

Mr. SMITH (*Hastings-Frontenac*): Three months, that is the law. Possibly when the Congress met, they might go further into the administration of it in entering into such an agreement.

Mr. PEARSON: Congress does not have to act under 144-C. The President can act alone if he wants to, but Congress can throw it out.

Mr. SMITH (*Hastings-Frontenac*): That is a safeguard.

Mr. PEARSON: That is a safeguard. This is the report that I mentioned and I am quoting from it. "The joint committee is of the opinion that closer collaboration should be had between the United States and Great Britain in the atomic weapons field." It makes a case for special arrangements with Great Britain. Would you not agree that in view of the close association between the United States and Canada which we should have in continental defence, that the collaboration in this field should be as close between our country and the United States as that between the United States and Great Britain?

Mr. SMITH (*Hastings-Frontenac*): I shudder when I think of the development and production of nuclear weapons in Canada. The figures which Mr. Dulles gave me when he was in Ottawa over two weeks ago were just stupendous and were astronomical in character. I was surprised to find that the development of smaller weapons in the family of nuclear weapons could involve a greater outlay and expenditure than the development of some of the larger weapons. I pointed out last week to the committee that up to now the United States and the United Kingdom have had the capacity to supply these weapons for their partners in the North Atlantic alliance. I would express the view that I expressed the other day that I shudder about the development and production of these weapons by other countries.

Mr. MARTIN (*Essex East*): All of that would perhaps be a very effective argument as to why Canada should not engage itself in the production of atomic weapons, but with great respect it does not answer the question put by Mr. Pearson in which he asked the minister if he did not believe in view of the character of our continental defence arrangements that Canada should be put in supply.

Mr. SMITH (*Hastings-Frontenac*): I gave an answer to Mr. Pearson's question.

Mr. JONES: One of the implications that seems to have arisen out of the earlier questions in this connection was the implication that Canada had been in recent years in full exchange with the Americans on nuclear development, and of course that is not so.

Mr. PEARSON: Mr. Chairman, is it not correct that from the beginning of atomic development during the war, with the Manhattan project and other projects of Canada and the United Kingdom, that almost from the beginning such development was on a three-power basis, embodied in a committee called the combined policy committee, in which Canada was on exactly the same footing in regard to the exchange of information as the United States and the United Kingdom; and that we now have the United States and the United Kingdom on a special level of collaboration in the exchange of information, in which Canada is not included. The minister has said that there is a way of providing for an exchange of military atomic information, through agreement under this U.S. law, and perhaps it could be brought about that way. But the point I am trying to make is that when defence collaboration between Canada and the United States is as close as that between the United States and the United Kingdom, procedures in regard to the exchange of military information, defence information and armaments information should be equally close as they are between the United Kingdom and the United States.

Mr. SMITH (*Hastings-Frontenac*): I am not unhappy about the arrangement; indeed, I approve of it and endorse the special arrangements between the United Kingdom and the United States in this regard. I will be very interested, Mr. Chairman, if this committee advises the government that we should go into the field of development and manufacture of nuclear weapons.

Mr. PEARSON: That is not what I am suggesting. Nobody wants to get into the production of nuclear weapons and, as a matter of fact, we have made a proposal in the House which would prevent that; by every country that is not now producing them, making a self-denying resolution at the United Nations. But what I am suggesting is, will it not be ultimately an intolerable condition for a Canadian squadron to be serving in the same command as an American squadron, and the Canadian squadron having inferior weapons to the American squadron—inferior in the sense of not having nuclear components;—or at least they are not under Canadian control and cannot be brought under Canadian control except by decision of the United States government. That is the present situation. I am merely suggesting that perhaps the time has come to change that. Maybe that is what Mr. Pearkes is doing in Washington this week.

Mr. JONES: To keep the record straight, is not one of the significant advantages of this the fact that Britain is to have this information whereas previously she did not have it?

Mr. MARTIN (*Essex East*): I do think that there is a very important principle here, Mr. Chairman, that the minister possibly is not fully appreciating in the character of Mr. Pearson's question. As Mr. Pearson has just indicated, he has not been urging that Canada get into the production of these weapons, but that in view of the close defensive arrangements between the United States and Canada, we should share not less in this particular than the United Kingdom. He has invited the minister to comment on that. Does the minister not feel that that is a perfectly legitimate field of inquiry?

Mr. SMITH (*Hastings-Frontenac*): I just reiterate; I am not unhappy about the United Kingdom-United States arrangement.

Mr. PEARSON: We are not unhappy about it either; but that is not the point. The point is that surely the Americans can send us up a Bomarc for a

Canadian squadron, and say "fine; it is your own, if you pay for it". But when they send us up a nuclear warhead for the Bomarc for a Canadian squadron they say, "you can use it if we permit you to use it. You can store it on your station but you cannot use it until we permit you to use it."

Mr. SMITH (*Hastings-Frontenac*): There is no question about storing nuclear warheads in Canada.

Mr. KUCHEREPA: The crux of the matter lies in this: in regard to the production and development of these weapons the United Kingdom and the United States have these special arrangements, whereas we are not in this particular field or development and production and therefore we have very little need for this kind of information; would that be summarizing the situation fairly?

Mr. SMITH (*Hastings-Frontenac*): Yes, I would suggest that.

Mr. MARTIN (*Essex East*): Can we have an answer to that?

Mr. SMITH (*Hastings-Frontenac*): I am not treating it as a question. I treat it as an observation.

Mr. MACLELLAN: I wonder, Mr. Chairman, if the same argument could be used by France, and if the purpose of the amendment was not to limit the distribution of atomic weapons?

Mr. HERRIDGE: In following up what Mr. Pearson said, and I thought there was a great deal of validity in his view. In effect, the present proposals make our air force immobile and brings it completely under the command of the United States.

Mr. PEARSON: I did not say that.

Mr. SMITH (*Hastings-Frontenac*): As I suggest, when it comes down to the equipment of our military forces, and the air force, you should address these questions, as I said at the outset, to the Minister of National Defence.

Mr. DINSDALE: Could I ask this question by way of clarification to verify my own curiosity? I take it from this discussion that Canadian squadrons should not use atomic warheads until some special measure had been approved by Congress?

Mr. KUCHEREPA: No, NORAD covers that.

Mr. SMITH (*Hastings-Frontenac*): No, it is part of NORAD.

Mr. PEARSON: The approval has to be from Washington.

Mr. KUCHEREPA: It is still under NORAD.

Mr. DINSDALE: Not by a special measure from Congress.

Mr. SMITH (*Hastings-Frontenac*): No, not for the arming of NORAD.

Mr. DINSDALE: It would need a very quick decision.

Mr. SMITH (*Hastings-Frontenac*): Too quick, perhaps.

The CHAIRMAN: We will now ask the Under-Secretary to proceed.

Mr. MARTIN (*Essex East*): I have a question—and I am sorry I was not here last week. I do not know whether the minister dealt with a question of commissions in Indo-China. He has already announced that the international commission in Laos has adjourned *sine die* but that in Cambodia that has not yet been effected—although there is some indication that it may be.

Mr. SMITH (*Hastings-Frontenac*): The intention has been expressed.

Mr. MARTIN (*Essex East*): Well then, has there been any request made by any country not on those commissions that the commission in Cambodia should not adjourn *sine die*—or says it is an operation apart from any member of the commission. May I clarify my question? There was a suggestion, I understand, some time ago that the commission in Cambodia might be used to arbitrate boundary matters between Viet Nam and Cambodia.

Mr. SMITH (*Hastings-Frontenac*): We took the stand that that was not within the terms of reference or instructions.

Mr. MARTIN (*Essex East*): Yes, I agree, that the Canadian government took the position that the boundary disputes were not within the terms of the Geneva accord. But is there pressure now being exerted on Canada that she should not bring about an abandonment of the commission in Cambodia for the reason that it is now thought desirable that the commission should deal with such matters as boundary disputes between the two countries?

Mr. LEGER: Mr. Chairman, I wonder if the distinction could not be established between the pressure that may be exerted by the government of Cambodia and the pressure within the commission to stay or to leave. If Mr. Martin refers to pressure within the commission—

Mr. MARTIN (*Essex East*): I was referring to a request from outside the commission.

Mr. LEGER: Therefore, from the government of Cambodia.

Mr. MARTIN (*Essex East*): Not necessarily from the government of Cambodia—from other governments as well.

Mr. LEGER: I think I would like to refer back to the major reason why the government has decided to withdraw from the commission in Laos—and that was at the specific request of the government of Laos. If similar requests came from the government of Cambodia, naturally I would presume the government would also take that into consideration, and decide to press for withdrawal. That request from the government of Cambodia has not come—had not come, four or five days ago.

Mr. MARTIN (*Essex East*): I do not know whether I misunderstood what the Under-Secretary said—that the reason for the action taken at Laos was because of the request of the government of Laos.

Mr. LEGER: The main reason.

Mr. MARTIN (*Essex East*): The government of Laos now, for several years, has asked for the commission to get out of Laos.

Mr. SMITH (*Hastings-Frontenac*): As I said in the house, we regarded the task of the supervisory commission in Laos as completed after the supplementary elections on May 4.

Mr. MARTIN (*Essex East*): Yes. But what I really have in mind—I am not so much concerned about Laos. I think the course taken in Laos was correct. Our record on these commissions has been correct, and in accordance with the provisions of the Geneva conference, that I am sure we are all anxious to see that position maintained. But I have heard it suggested that, with regard to the Cambodian arrangement, consideration has been given to altering what seemed to be the decision we were about to make, because of the view urged upon us by other countries.

Mr. SMITH (*Hastings-Frontenac*): Mr. Chairman, I am trying to be helpful. If the countries could be identified it would enable us to answer the question more completely. But so far as I am concerned, as minister, I do not know what Mr. Martin is talking about.

Mr. MARTIN (*Essex East*): I do not want to go any further.

Mr. PEARSON: I do not mind going further. Is the United States trying to keep the Cambodian commission in existence or is India or any other government preventing us from withdrawing from it?

Mr. SMITH (*Hastings-Frontenac*): I am not conscious of any pressure from the United States in this regard.

Mr. HERRIDGE: No representations whatsoever?

Mr. SMITH (*Hastings-Frontenac*): Not to my knowledge.

Mr. MARTIN (*Essex East*): Is it thought, then, that the commission in Cambodia is likely to be disbanded in the way that action has been taken in Laos, within the foreseeable future?

Mr. SMITH (*Hastings-Frontenac*): Yes, in a few months Mr. Martin said in the house it was an ingenious device—and that is a fair description—the Poles on the commission did not move in favour of it. India and Canada took this stand bilaterally as a procedural matter.

Mr. MARTIN (*Essex East*): It was really a compromise arrangement between India and Canada, was it not?

Mr. SMITH (*Hastings-Frontenac*): It was.

Mr. MARTIN (*Essex East*): With regard to the situation in Viet Nam—that I take it is more indefinite—that the Canadian government regards the continuation of the commission there as desirable and in accordance with the provisions of the 1954 arrangement?

Mr. SMITH (*Hastings-Frontenac*): Oh, yes; we take that view. We cannot get out of Viet Nam yet—south and north.

Mr. MARTIN (*Essex East*): Is there any possibility when the time may be opportune for the holding of free elections which would make that possible?

Mr. LEGER: That would be one of the conditions of reunification naturally; and it would appear that that is neither for tomorrow nor next year—at the rate things are going.

Mr. SMITH (*Hastings-Frontenac*): Any inquiries I have made would not indicate that there is any *terminus ad quem* there in prospect.

Mr. PEARSON: I have a question I brought up the other day which the minister has perhaps overlooked. It was about the United Nations emergency force, which he mentioned in his first statement. Could he tell us what discussions took place at the last Assembly in regard to establishment of a permanent force, and the attitude adopted then? I am not sure whether it was discussed at the last Assembly or not.

Mr. SMITH (*Hastings-Frontenac*): Yes, it was, in one aspect. I have a document here which is long. I think it would take too much time to read it, but perhaps I could give a digest of it to the committee. I do recall that last week I talked about obstacles that the previous efforts to create a United Nations force had encountered. I did not mention all of them. I referred to them by name—the United Nations guard and the United Nations legion. This whole question has taken a long time and indeed my recitation of the past incidents would be distressing as well as long because this is an outstanding example of frustration and evasion and indeed of a kind that has worried the Canadian government. But I would point out, Mr. Chairman, that reasonable and sound objections have been put forward in earlier days. The Secretary-General has come into this picture, and to that extent one might say that there was consideration last autumn by the United Nations, but not a detailed discussion of it in any agencies of which I am aware. But when the Secretary-General presented his annual report of the work of the United Nations for 1956-57—that is a year ago—he introduced it with reference to an instrumentality of some kind set up by the United Nations. He indicated in that report—and that is how it was presented to the General Assembly—that the United Nations secretariat would be undertaking a study and analysis so there would be a sound foundation upon which the United Nations could build a standby plan for a police force. The police force he had in mind, in writing the introductory part of his report in 1957, was to build a standby plan for a police force which could be activated on short notice in a future emergency. He said, in his report to the General Assembly, that a study has been going on, and

he said recently that it helped considerably in the private conversations in setting up UNOGIL. I have in mind that out of the experience of UNEF, and out of the experience of setting up UNOGIL there will be valuable material which will enable the Secretary-General—one aspect, or one factor in the United Nations picture—to present a new concept of United Nations standby instrumentality. But I would point out in this context that UNOGIL was created under very different circumstances from those under which UNEF was set up. And I would make this further observation that it is a very useful sign. The Security Council created UNOGIL and that would indicate that in comparing it with UNEF that there can be a flexibility of approach—that is the creation of different United Nations instruments for the preservation of peace. I think we are moving towards a United Nations force slowly; I do think we are moving in that direction.

I want to emphasize something that I have already stated, and that is that we should not go too fast. We should take short steps and we should be careful to avoid creating the wrong impression of what we hope to achieve. We should be careful to avoid the use of such words as “police force”. I mentioned that in my observations before. I would not like, at this time, to say anything more because there are many aspects which must be considered.

I would say that this matter, in view of the setting up of UNOGIL, can be examined with more hope perhaps than we could have had in some of the earlier ventures in this regard. Canada will explore, within the United Nations, with the Secretary-General, and with other countries, possibilities. I did make a suggestion throughout that there might be hope in proceeding along the line of the Uniting for Peace resolution of the General Assembly in 1950 and that we might use the machinery that is contemplated in that resolution; but that would not be, necessarily, the only one that would be considered.

There are different functions. UNOGIL is an observation group; UNEF is a police endeavour. Then you could have an armed force. It was suggested in one of the earlier proposals that that would be under the direction of the Secretary-General by reason of the authority that has been given to him by the Assembly or by the Security Council.

It does seem to me that we must work hard and work strenuously towards the setting up of some instrumentality that would provide for the assembly of a group that could be moved very quickly. I come back again to the question of the functions of this instrumentality; whether it should be an armed force, whether it should be a police activity or whether it should be an observation group. To me at the moment in terms of taking short steps and doing more than has been done in the past, it seems to me that the peace observation group might be the first step which could be taken.

Mr. CRESTOHL: In speaking about the UNEF, has the Canadian government received an official report as to the death of Colonel Flint who was killed and information as to where the bullet came from?

Mr. SMITH (*Hastings-Frontenac*): Yes.

Mr. CRESTOHL: I am sure the committee would be interested in that.

Mr. LEGER: I think we could make available to the committee the reports which we received from the United Nations.

Mr. SMITH (*Hastings-Frontenac*): It was not made to us directly. It came to us from the Secretary-General.

The CHAIRMAN: Is it the wish of the committee that we have the report of the Secretary-General?

Mr. CRESTOHL: Unless the minister can give us a report in general.

Mr. SMITH (*Hastings-Frontenac*): I am a little worried about giving now the details.

Mr. LEGER: We could circulate the reports, but unfortunately we do not have them here this morning. We could have them this afternoon.

Mr. PEARSON: I listened with much interest to what the minister said and I agree with everything he said about the necessity for proceeding vigorously but carefully. He repeated what he said the other day about the possible disadvantages of calling any agency of this kind a United Nations police force. I do not think the name means very much. You can call it a firefighting committee if you like.

What worries me is the developing tendency in the United Nations in the last couple of years for the powers to say we have to do certain things but as soon as the United Nations can take over we will withdraw, or we would not have gone in if there had been a United Nations agency to have taken on the job.

I think we must try to make provision at the United Nations assembly for the permanent establishment of a permanent agency which could be on call. Some of these same powers find all sorts of reasons for not doing it, but it is becoming increasingly difficult for the United Nations at the same time to take on those responsibilities and be prevented from organizing the mechanisms to discharge them.

Mr. HERRIDGE: I think Mr. Pearson has a very good point there.

Mr. RICHARD (*Ottawa East*): On another subject, I would like to ask the minister if since he has assumed office he has had any request from the South American countries to join in any alliance, treaty, or economic development program to offset the present active Communist interests in South America. I am tempted to ask this question because our friend Mr. Dulles this week is in South America for the purpose. I understand that the interests of the United States in South America are larger than ours. I think I would be interested to know from the minister what is the information the department has as to the situation in South America and whether or not we can expect just as much trouble in the years to come in South America as we have had recently in what is called the Middle East?

Mr. SMITH (*Hastings-Frontenac*): In respect of the first part of the question and the statement, since I have taken over the portfolio I can say that we have had no representations made to us by any South American country nor have we received any invitation to join the Organization of American States. I make that as a positive statement. I do not think it will be proper and fitting for me to comment before the committee on the reactions which were set in motion by Mr. Nixon's visit.

Mr. RICHARD (*Ottawa East*): There has been no request to help in the development of trade of which your department is aware, or a necessity to assist?

Mr. SMITH (*Hastings-Frontenac*): No.

Mr. PEARSON: There is a proposal under discussion at the present time to call a conference at the level of the heads of government of all the American states to consider this whole question of development. Do I take it that Canada has not been approached to attend that conference.

Mr. SMITH (*Hastings-Frontenac*): No. At least there have been two proposals which have come out of certain countries in Latin America for a meeting—not under the O.A.S. I have a memorandum before me here which I will read. There have been several recent proposals for the calling of an inter-American conference at ministerial level or at the level of heads of government to discuss political and economic problems of this hemisphere. The tentative proposals have been put forward by Brazil and Columbia, and by the Rockefeller fund which has recently made public a report in this respect. There

also has been a resolution introduced into the United States Senate in respect of the type of inter-American conference. No such conference has yet been called, and consequently, the question of Canadian participation in it has not been raised formally. This has nothing to do with membership in the O.A.S. If an invitation were received, our decision would depend largely on the subject matter of the conference and whether it seemed likely that our contribution would contribute to its success.

The three main public proposals were in an exchange of letters between the presidents of Brazil and the United States in which the former suggests, that is, the president of Brazil, that the relations between the United States and Latin America should be the subject of an inter-American meeting at the level of the heads of state to be called without delay by the Organization of American States.

The Rockefeller fund report urged the calling, as soon as possible, of an inter-American economic conference to which Canada should be invited.

The resolution of the United States recommended that a meeting of foreign ministers, including Canada, be held to review policies of mutual understanding in the western hemisphere and it deemed advisable to place on the agenda an American hemisphere summit meeting.

I want to make it clear that there have been no formal invitations which have come out of any of these proposals yet.

Mr. CRESTOHL: We have embassies in most of the Latin American countries?

Mr. SMITH (*Hastings-Frontenac*): In nine out of the twenty.

Mr. CRESTOHL: When you say there is no official invitation, were there any unofficial communications delivered, or discussed, with our ambassadors in the South American countries.

Mr. SMITH (*Hastings-Frontenac*): We have instructed our ambassadors to find out as much as possible about these proposals.

Mr. PEARSON: I have two questions which have nothing to do with anything which has been discussed.

The CHAIRMAN: Are there any further questions relating to South American matters?

Mr. PEARSON: My first question is have any proposals been made or have any discussions been held within the NATO Council recently to the effect that NATO as such should now step in and see what it can do to settle the deplorable problem of Cyprus? I know, in the past, it was not done so for the very good reason that those most concerned did not want anything done in NATO. Has there been any change in the last few months?

Mr. SMITH (*Hastings-Frontenac*): My recollection, subject to correction by the Undersecretary, is that it has been discussed in the NATO Council for at least a year. My recollection is that when the proposal from the United Kingdom, or indeed before it was made public or before Mr. Macmillan gave it in the House of Commons, was made known to the representatives of the NATO countries and made known in a meeting of the Council, my understanding is that apart from the two countries involved, that is Turkey and Greece, the other representatives on the NATO council urged those two countries to look at the proposal carefully and, they hoped, sympathetically.

It has been under constant review. You will appreciate that the difference of opinion between the two members of NATO, Greece and Turkey, could weaken NATO.

Mr. PEARSON: I do not think that is—

Mr. SMITH (*Hastings-Frontenac*): I was going to say it is an understatement.

Mr. PEARSON: Has NATO given consideration to making proposals of its own in respect of this matter apart from considering the proposals made by individual members like the United Kingdom; in other words, is it considering stepping in and taking on direct responsibility?

Mr. SMITH (*Hastings-Frontenac*): No. They have not come up with any proposal.

Mr. RICHARD (*Ottawa East*): Has the government taken any definite stand or decision about entering into a world copyright treaty?

Mr. SMITH (*Hastings-Frontenac*): I take that as notice. I do not know.

Mr. PEARSON: Have there been any recent developments with reference to the Polish art treasures?

Mr. SMITH (*Hastings-Frontenac*): No.

Mr. PEARSON: In respect of the treasures in the Bank of Montreal?

Mr. SMITH (*Hastings-Frontenac*): Not at the moment. That problem is not as yet solved.

Mr. MARTIN (*Essex East*): The Prime Minister announced that we were going to establish new missions in the middle east. Is the minister able to say when those ministers will take over?

Mr. SMITH (*Hastings-Frontenac*): May I add a word in respect of the Polish treasures? The Polish government has been informed that we have no solution of the problem of the Polish art treasures at this time.

Mr. PEARSON: Has the Polish government made any recent moves?

Mr. SMITH (*Hastings-Frontenac*): We had a memorandum three months ago and we have intimated to them that we have not a proposal as yet. At the moment we have taken the view of the former government that this is a matter between the Bank of Montreal and the depositors of the treasures. I refer to a statement made in the House of Commons by the Right Honourable Mr. St. Laurent.

Mr. PEARSON: His position, I think, at that time was that if the Polish government wanted the treasures back perhaps they should go to law and claim them. Is this presented by the statute of limitations now?

Mr. SMITH (*Hastings-Frontenac*): I do not think it is clear that any statute of limitations or prescriptive rights have run against the depositor. That is a question of law. I have not studied it, but that is my own opinion at this moment.

I am sorry, I interrupted you, Mr. Martin.

Mr. PEARSON: Mr. St. Laurent said that as far as the Polish treasures in the Bank of Montreal were concerned, it is a matter between the Bank of Montreal and the depositors. However, what would happen if the depositors died?

Mr. SMITH (*Hastings-Frontenac*): Normally you would have them replaced. You would have to appoint a successor.

Mr. KUCHEREPA: Mr. Chairman, I would like to mention a situation that is perhaps similar to that problem which has been raised by Mr. Pearson.

Quite a number of Canadian citizens, formerly citizens of Poland, have had their property, and life savings, in some cases, expropriated in some way by the present Polish government and are unable to recover this money, homes, and that sort of thing because of the fact that the laws in Poland are such that they are not able to claim possession unless they go back to Poland, in which case they would probably be arrested for some reason or other.

These Canadian citizens of Polish ancestry find themselves in a hopeless position today in this regard.

Mr. HERRIDGE: Would the situation mentioned by the member provide a basis for negotiation in regard to the other treasures?

Mr. KUCHEREPA: I mention this situation as possibly the other side to the same question. If the Polish government is asking for the return of these treasures, perhaps that is the basis of negotiation in regard to these Canadian citizens who have properties in Poland which are now under the jurisdiction of the present Polish government, and cannot claim them.

Mr. MARTIN (*Essex East*): How many claims are there by Canadian citizens of Polish extraction who have property in Poland? I know there is one large case.

Mr. SMITH (*Hastings-Frontenac*): I can think of one large one.

Mr. MARTIN (*Essex East*): There is one large case which involves the hydroelectric ownership in Poland. That is a case which involves millions of dollars.

Mr. SMITH (*Hastings-Frontenac*): I can think of another case but I do not care to identify it at this time.

Mr. KUCHEREPA: I know of individual cases where people have lost their homes and that sort of thing—they were expropriated by the present Polish regime—and because of present Polish legislation these individuals are unable to recover anything. There are many such cases of this kind. I have no idea of the number.

Mr. SMITH (*Hastings-Frontenac*): I do not suppose that we would be able to find that number in our own files.

Mr. RICHARD (*Ottawa East*): I do think we are getting into a legal argument. I am not on the side of Poland, but I think the civil rights of a state are governed by the law of the country. In this case the treasures were removed from the country where they were. People who have property in Poland are governed in respect of those properties by the laws of that country just as people are governed by laws of other countries.

Some of our good friends from England cannot remove more than a certain amount of money from England. That situation applies to France as well as other countries. I would suggest that the civil rights are governed by the state where the property is located. This is a little different question. I do not think we can set off one situation against the other.

Mr. SMITH (*Hastings-Frontenac*): I do not think they are entirely unconnected.

Mr. MANDZIUK: I do not wish to prolong this question, but looking at this from strictly a legal point of view, I would be inclined to disagree with the minister when he says this is a matter between the Bank of Montreal and the depositors.

From a legal point of view these treasures belong to the Polish state and it is the Polish state that is entitled to them.

Therefore I would suggest that it is a subject of negotiation between our government and the present Polish government. The present Polish government has been recognized. I do not think that the depositors have any right to these treasures at all, unless they can claim succession or some such thing. I believe the treasures belong to the Polish people, and no matter what government the Polish people choose, that is the government which is entitled to these treasures.

Mr. SMITH (*Hastings-Frontenac*): Mr. Chairman, these treasures are not in the custody of the Canadian government. Let us start with that statement.

Mr. PEARSON: That is true.

Mr. MANDZIUK: I was thinking of the particular rights to these treasures.

Mr. SMITH (*Hastings-Frontenac*): I have struggled over this question but I am now clear. I am bound—I say this with a smile—to accept the view of the Rt. Hon. Mr. St. Laurent.

Mr. PEARSON: The minister is not bound to accept that.

Mr. HERRIDGE: You mean you are delighted to?

Mr. SMITH (*Hastings-Frontenac*): I am not. I wish we could legally return these treasures to Poland.

Mr. CRESTOHL: Mr. Chairman, a month or so ago I asked a question of the Prime Minister with respect to funds that are being held in connection with claims that have been made in Poland and in central Europe. The Prime Minister promised a reply to that question but as yet I have not received one. I am a little uncertain as to whether this falls under the Department of External Affairs, or the custodian of—

Mr. SMITH (*Hastings-Frontenac*): I can answer that question.

The custodian is in the Department of the Secretary of State.

Mr. CRESTOHL: The Secretary of State seems to feel that this is a matter for the Department of External Affairs.

Mr. SMITH (*Hastings-Frontenac*): Negotiation would be a matter for the Department of External Affairs, but the decision must be initiated by the Department of the Secretary of State.

Mr. CRESTOHL: I will look up the question which I put to the Prime Minister, but I do feel that this is something which would fall within the jurisdiction, certainly to a large extent, of the Department of External Affairs.

Mr. SMITH (*Hastings-Frontenac*): I say that is true as far as negotiations are concerned, but only that far.

Mr. MARTIN (*Essex East*): I would like to ask the Under-Secretary of State if he could indicate when the new missions will be established in the various countries designated by the Prime Minister, and when a minister will be appointed to Lebanon and particularly to Israel. I am going over there very soon and I would like some protection.

Mr. SMITH (*Hastings-Frontenac*): I discussed this with the Under-Secretary of State over the week-end and possibly he could answer that question.

Mr. MARTIN (*Essex East*): I do not suppose these new missions will be established before the end of this month?

Mr. LEGER: I think that we must establish a distinction between Lebanon and Israel. We now have a mission in Israel. We will have to make provisions for the new heads of missions, and that takes a little time. I hope it is not necessary to pin down the exact month.

Mr. MARTIN (*Essex East*): Oh no, I just wanted to get some information in that regard.

Mr. LEGER: Six or seven weeks would be closer than one month, following the procedure that we want to follow. However, the Chargés d'Affaires will be there to welcome Mr. Martin on his arrival.

Mr. PEARSON: Can Mr. Martin be assured of protection?

Mr. SMITH (*Hastings-Frontenac*): I do not think Mr. Martin needs any protection.

Mr. MARTIN (*Essex East*): What about the other countries where we do not have missions?

The CHAIRMAN: I would like to thank the committee members for maintaining order during all these meetings.

Is it agreeable to members of the committee that we adjourn now and meet again at four-thirty this afternoon?

Some Hon. MEMBERS: Agreed.

"APPENDIX A"

CANADIAN ECONOMIC ASSISTANCE TO LESS DEVELOPED
COUNTRIES: 1954-1958

(A memorandum prepared for inclusion in the Report of the Secretary-General of the United Nations to the Economic and Social Council on Economic Assistance to Less Developed Countries.)

1. This statement of Canadian aid, which is designed to show the direction and the amount of Canadian economic assistance during the fiscal years 1954-1955 to 1957-1958, has been requested by the Secretary-General of the United Nations, and will be included in his general Report on this matter to the 26th Session of the Economic and Social Council.

2. *Table I* shows the assistance which Canada has provided to a number of countries in terms of commitments and expenditures, grants and loans. *Expenditure* refers to the value of the assistance actually provided in grants and long-term loans, and includes the fulfilment of current and previous commitments. *Grants* refer to donations, including the value of technical assistance.

3. *Table II* shows these Commitments and Expenditures classified by recipient country and by purpose. *Economic Development Projects* refer to aid provided for specific projects contributing to the economic development of the country concerned. The section on *Relief* refers to aid given to alleviate temporary hardships such as crop failure or floods. *General Economic Aid* comprises all other aid provided for economic, as distinct from military, purposes.

4. *Table III* shows Canadian Expenditures classified by recipient country and by economic character. Commodity transfers are classified as "food and agricultural" items, or as "other", which comprises commodities such as industrial metals. *Technical Assistance* refers to the expenditures incurred by the direct provision of technical services to the recipient country, and to the award of training fellowships to its scholars, technicians and trainees. *Other and Mixed* include all other types of direct economic assistance and those of a mixed character which could not be resolved easily into the specified categories.

5. This survey does not include Canadian contributions to multilateral aid programs such as those of the United Nations.

Department of External Affairs, Ottawa, Canada.

16 May 1958.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE 1—COMMITMENTS AND EXPENDITURES BY COUNTRY

BRITISH WEST INDIES, INCLUDING WEST INDIES FEDERATION

| Fiscal Years Ending March 31 | Commitments | | | Expenditures | | |
|---------------------------------|-------------|-------|--------|--------------|-------|--------|
| | Grants | Loans | Total | Grants | Loans | Total |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| 1954-55..... | — | — | — | — | — | — |
| 1955-56..... | 50,000 | — | 50,000 | 49,999 | — | 49,999 |
| 1956-57..... | — | — | — | — | — | — |
| 1957-58..... | 4,034 | — | 4,034 | 4,034 | — | 4,034 |
| | 54,034 | — | 54,034 | 54,033 | — | 54,033 |

BURMA

| | | | | | | |
|--------------|---------|---|---------|---------|---|---------|
| 1954-55..... | 4,377 | — | 4,377 | 4,377 | — | 4,377 |
| 1955-56..... | 78,001 | — | 78,001 | 33,501 | — | 33,501 |
| 1956-57..... | 204,710 | — | 204,710 | 118,745 | — | 118,745 |
| 1957-58..... | 331,607 | — | 331,607 | 304,519 | — | 304,519 |
| | 618,695 | — | 618,695 | 461,142 | — | 461,142 |

CAMBODIA

| | | | | | | |
|--------------|--------|---|--------|--------|---|--------|
| 1954-55..... | 34,468 | — | 34,468 | 19,468 | — | 19,468 |
| 1955-56..... | 15,850 | — | 15,850 | 29,483 | — | 29,483 |
| 1956-57..... | 14,438 | — | 14,438 | 14,438 | — | 14,438 |
| 1957-58..... | 25,941 | — | 25,941 | 25,941 | — | 25,941 |
| | 90,697 | — | 90,697 | 89,330 | — | 89,330 |

CEYLON

| | | | | | | |
|--------------|------------|---|------------|-----------|---|-----------|
| 1954-55..... | 2,994,824 | — | 2,994,824 | 2,265,840 | — | 2,265,840 |
| 1955-56..... | 2,224,937 | — | 2,224,937 | 1,815,885 | — | 1,815,885 |
| 1956-57..... | 2,222,414 | — | 2,222,414 | 2,923,456 | — | 2,923,456 |
| 1957-58..... | 5,254,259 | — | 5,254,259 | 2,688,321 | — | 2,688,321 |
| | 12,696,434 | — | 12,696,434 | 9,693,502 | — | 9,693,502 |

HAITI

| | | | | | | |
|--------------|--------|---|--------|--------|---|--------|
| 1954-55..... | 25,000 | — | 25,000 | 24,988 | — | 24,988 |
| 1955-56..... | — | — | — | — | — | — |
| 1956-57..... | — | — | — | — | — | — |
| 1957-58..... | — | — | — | — | — | — |
| | 25,000 | — | 25,000 | 24,988 | — | 24,988 |

INDIA

| | | | | | | |
|--------------|------------|------------|------------|------------|------------|------------|
| 1954-55..... | 11,314,032 | — | 11,314,032 | 8,942,075 | — | 8,942,075 |
| 1955-56..... | 16,760,305 | — | 16,760,305 | 16,626,422 | — | 16,626,422 |
| 1956-57..... | 14,861,509 | — | 14,861,509 | 7,547,639 | — | 7,547,639 |
| 1957-58..... | 31,327,758 | 25,000,000 | 56,327,758 | 19,263,984 | 16,173,000 | 35,436,984 |
| | 74,263,604 | 25,000,000 | 99,263,604 | 52,380,120 | 16,173,000 | 68,553,120 |

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE 1—COMMITMENTS AND EXPENDITURES BY COUNTRY

INDONESIA

| Fiscal Years Ending March 31 | Commitments | | | Expenditures | | |
|---------------------------------|-------------|-------|---------|--------------|-------|---------|
| | Grants | Loans | Total | Grants | Loans | Total |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| 1954-55..... | 64,304 | — | 64,304 | 64,304 | — | 64,304 |
| 1955-56..... | 148,324 | — | 148,324 | 148,324 | — | 148,324 |
| 1956-57..... | 216,061 | — | 216,061 | 216,061 | — | 216,061 |
| 1957-58..... | 165,619 | — | 165,619 | 163,709 | — | 163,709 |
| | 594,308 | — | 594,308 | 592,398 | — | 592,398 |

KOREA

| | | | | | | |
|--------------|---------|---|---------|---------|---|---------|
| 1954-55..... | 750,000 | — | 750,000 | 745,421 | — | 745,421 |
| 1955-56..... | — | — | — | — | — | — |
| 1956-57..... | — | — | — | — | — | — |
| 1957-58..... | — | — | — | — | — | — |
| | 750,000 | — | 750,000 | 745,421 | — | 745,421 |

LAOS

| | | | | | | |
|--------------|--------|---|--------|--------|---|--------|
| 1954-55..... | — | — | — | — | — | — |
| 1955-56..... | — | — | — | — | — | — |
| 1956-57..... | 32,240 | — | 32,240 | 32,240 | — | 32,240 |
| 1957-58..... | 38,292 | — | 38,292 | 38,292 | — | 38,292 |
| | 70,532 | — | 70,532 | 70,532 | — | 70,532 |

MALAYA

| | | | | | | |
|--------------|---------|---|---------|---------|---|---------|
| 1954-55..... | 56,007 | — | 56,007 | 56,007 | — | 56,007 |
| 1955-56..... | 43,147 | — | 43,147 | 43,147 | — | 43,147 |
| 1956-57..... | 295,734 | — | 295,734 | 155,398 | — | 155,398 |
| 1957-58..... | 61,202 | — | 61,202 | 195,539 | — | 195,539 |
| | 456,090 | — | 456,090 | 450,091 | — | 450,091 |

NORTH BORNEO

| | | | | | | |
|--------------|--------|---|--------|--------|---|--------|
| 1954-55..... | 5,467 | — | 5,467 | 5,467 | — | 5,467 |
| 1955-56..... | 5,658 | — | 5,658 | 5,658 | — | 5,658 |
| 1956-57..... | 573 | — | 573 | 573 | — | 573 |
| 1957-58..... | 3,451 | — | 3,451 | 3,451 | — | 3,451 |
| | 15,149 | — | 15,149 | 15,149 | — | 15,149 |

PAKISTAN

| | | | | | | |
|--------------|------------|---|------------|------------|---|------------|
| 1954-55..... | 14,334,460 | — | 14,334,460 | 6,336,500 | — | 6,336,500 |
| 1955-56..... | 10,197,172 | — | 10,197,172 | 7,021,142 | — | 7,021,142 |
| 1956-57..... | 11,080,669 | — | 11,080,669 | 11,239,021 | — | 11,239,021 |
| 1957-58..... | 17,346,845 | — | 17,346,845 | 19,157,026 | — | 19,157,026 |
| | 52,959,146 | — | 52,959,146 | 43,753,689 | — | 43,753,689 |

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE 1—COMMITMENTS AND EXPENDITURES BY COUNTRY

| Fiscal Years Ending March 31 | Commitments | | | Expenditures | | |
|---------------------------------|-------------|-------|---------|--------------|-------|---------|
| | Grants | Loans | Total | Grants | Loans | Total |
| | \$ | \$ | \$ | \$ | \$ | \$ |
| SARAWAK | | | | | | |
| 1954-55..... | — | — | — | — | — | — |
| 1955-56..... | 1,671 | — | 1,671 | 1,671 | — | 1,671 |
| 1956-57..... | 2,746 | — | 2,746 | 2,746 | — | 2,746 |
| 1957-58..... | 30,058 | — | 30,058 | 30,058 | — | 30,058 |
| | 34,475 | — | 34,475 | 34,475 | — | 34,475 |
| SINGAPORE | | | | | | |
| 1954-55..... | 8,541 | — | 8,541 | 8,541 | — | 8,541 |
| 1955-56..... | 1,867 | — | 1,867 | 1,867 | — | 1,867 |
| 1956-57..... | 71,859 | — | 71,859 | 21,859 | — | 21,859 |
| 1957-58..... | 22,722 | — | 22,722 | 23,687 | — | 23,687 |
| | 104,989 | — | 104,989 | 55,954 | — | 55,954 |
| THAILAND | | | | | | |
| 1954-55..... | 2,845 | — | 2,845 | 2,845 | — | 2,845 |
| 1955-56..... | 534 | — | 534 | 534 | — | 534 |
| 1956-57..... | — | — | — | — | — | — |
| 1957-58..... | 15,616 | — | 15,616 | 15,616 | — | 15,616 |
| | 18,995 | — | 18,995 | 18,995 | — | 18,995 |
| VIETNAM | | | | | | |
| 1954-55..... | 4,313 | — | 4,313 | 4,313 | — | 4,313 |
| 1955-56..... | 1,361 | — | 1,361 | 1,361 | — | 1,361 |
| 1956-57..... | 138,137 | — | 138,137 | 138,137 | — | 138,137 |
| 1957-58..... | 37,347 | — | 37,347 | 37,347 | — | 37,347 |
| | 181,158 | — | 181,158 | 181,158 | — | 181,158 |

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE II—COMMITMENTS AND EXPENDITURES CLASSIFIED BY RECIPIENT COUNTRY AND BY PURPOSE
BRITISH WEST INDIES INCLUDING WEST INDIES FEDERATION

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|------------------------------|-------------------------------------|---------------|----------------------------|---------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMITMENTS | | | | |
| 195-55..... | — | — | — | — |
| 1955-56..... | — | 50,000 | — | 50,000 |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 4,034 | — | — | 4,034 |
| | <u>4,034</u> | <u>50,000</u> | <u>—</u> | <u>54,034</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | 49,999 | — | 49,999 |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 4,034 | — | — | 4,034 |
| | <u>4,034</u> | <u>49,999</u> | <u>—</u> | <u>54,033</u> |

BURMA

| | | | | |
|------------------------|----------------|----------|----------|----------------|
| A. COMMITMENTS | | | | |
| 1954-55..... | 4,377 | — | — | 4,377 |
| 1955-56..... | 78,001 | — | — | 78,001 |
| 1956-57..... | 204,710 | — | — | 204,710 |
| 1957-58..... | 331,607 | — | — | 331,607 |
| | <u>618,695</u> | <u>—</u> | <u>—</u> | <u>618,695</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 4,377 | — | — | 4,377 |
| 1955-56..... | 33,501 | — | — | 33,501 |
| 1956-57..... | 118,745 | — | — | 118,745 |
| 1957-58..... | 304,519 | — | — | 304,519 |
| | <u>461,142</u> | <u>—</u> | <u>—</u> | <u>461,142</u> |

CAMBODIA

| | | | | |
|------------------------|---------------|----------|----------|---------------|
| A. COMMITMENTS | | | | |
| 1954-55..... | 34,468 | — | — | 34,468 |
| 1955-56..... | 15,850 | — | — | 15,850 |
| 1956-57..... | 14,438 | — | — | 14,438 |
| 1957-58..... | 25,941 | — | — | 25,941 |
| | <u>90,697</u> | <u>—</u> | <u>—</u> | <u>90,697</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 19,468 | — | — | 19,468 |
| 1955-56..... | 29,483 | — | — | 29,483 |
| 1956-57..... | 14,438 | — | — | 14,438 |
| 1957-58..... | 25,941 | — | — | 25,941 |
| | <u>89,330</u> | <u>—</u> | <u>—</u> | <u>89,330</u> |

STANDING COMMITTEE

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE II—COMMITMENTS AND EXPENDITURES CLASSIFIED BY RECIPIENT COUNTRY AND BY PURPOSE

CEYLON

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|------------------------------|-------------------------------------|------------------|----------------------------|-------------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMITMENTS | | | | |
| 1954-55..... | 2,994,824 | — | — | 2,994,824 |
| 1955-56..... | 2,224,937 | — | — | 2,224,937 |
| 1956-57..... | 2,222,414 | — | — | 2,222,414 |
| 1957-58..... | 2,254,259 | 3,000,000 | — | 5,254,259 |
| | <u>9,696,437</u> | <u>3,000,000</u> | <u>—</u> | <u>12,696,437</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 2,265,840 | — | — | 2,265,840 |
| 1955-56..... | 1,815,885 | — | — | 1,815,885 |
| 1956-57..... | 2,923,456 | — | — | 2,923,456 |
| 1957-58..... | 2,688,321 | — | — | 2,688,321 |
| | <u>9,693,502</u> | <u>—</u> | <u>—</u> | <u>9,693,502</u> |

HAITI

| | | | | |
|------------------------|----------|---------------|----------|---------------|
| A. COMMITMENTS | | | | |
| 1954-55..... | — | 25,000 | — | 25,000 |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| | <u>—</u> | <u>25,000</u> | <u>—</u> | <u>25,000</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | — | 24,988 | — | 24,988 |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| | <u>—</u> | <u>24,988</u> | <u>—</u> | <u>24,988</u> |

INDIA

| | | | | |
|------------------------|-------------------|------------------|-------------------|-------------------|
| A. COMMITMENTS | | | | |
| 1954-55..... | 11,314,032 | — | — | 11,314,032 |
| 1955-56..... | 16,760,305 | — | — | 16,760,305 |
| 1956-57..... | 14,861,509 | — | — | 14,861,509 |
| 1957-58..... | 23,327,758 | 8,000,000 | 25,000,000 | 56,327,758 |
| | <u>66,263,604</u> | <u>8,000,000</u> | <u>25,000,000</u> | <u>99,263,604</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 8,942,075 | — | — | 8,942,075 |
| 1955-56..... | 16,626,422 | — | — | 16,626,422 |
| 1956-57..... | 7,547,639 | — | — | 7,547,639 |
| 1957-58..... | 19,263,984 | — | 16,173,000 | 35,436,984 |
| | <u>52,380,120</u> | <u>—</u> | <u>16,173,000</u> | <u>68,553,120</u> |

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE II—COMMITMENTS AND EXPENDITURES CLASSIFIED BY RECIPIENT COUNTRY AND BY PURPOSE

INDONESIA

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|------------------------------|-------------------------------------|----------|----------------------------|----------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMITMENTS | | | | |
| 1954-55..... | 64,304 | — | — | 64,304 |
| 1955-56..... | 148,324 | — | — | 148,324 |
| 1956-57..... | 216,061 | — | — | 216,061 |
| 1957-58..... | 165,619 | — | — | 165,619 |
| | <u>594,308</u> | <u>—</u> | <u>—</u> | <u>594,308</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 64,304 | — | — | 64,304 |
| 1955-56..... | 148,324 | — | — | 148,324 |
| 1956-57..... | 216,061 | — | — | 216,061 |
| 1957-58..... | 163,709 | — | — | 163,709 |
| | <u>592,398</u> | <u>—</u> | <u>—</u> | <u>592,398</u> |

KOREA

| | | | | |
|------------------------|----------------|----------|----------|----------------|
| A. COMMITMENTS | | | | |
| 1954-55..... | 750,000 | — | — | 750,000 |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| | <u>750,000</u> | <u>—</u> | <u>—</u> | <u>750,000</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 745,421 | — | — | 745,421 |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| | <u>745,421</u> | <u>—</u> | <u>—</u> | <u>745,421</u> |

LAOS

| | | | | |
|------------------------|---------------|----------|----------|---------------|
| A. COMMITMENTS | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | 32,240 | — | — | 32,240 |
| 1957-58..... | 38,292 | — | — | 38,292 |
| | <u>70,532</u> | <u>—</u> | <u>—</u> | <u>70,532</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | 32,240 | — | — | 32,240 |
| 1957-58..... | 38,292 | — | — | 38,292 |
| | <u>70,532</u> | <u>—</u> | <u>—</u> | <u>70,532</u> |

STANDING COMMITTEE

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE II—COMMITMENTS AND EXPENDITURES CLASSIFIED BY RECIPIENT COUNTRY AND BY PURPOSE

MALAYA

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|------------------------------|-------------------------------------|----------|----------------------------|----------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMITMENTS | | | | |
| 1954-55..... | 56,007 | — | — | 56,007 |
| 1955-56..... | 43,147 | — | — | 43,147 |
| 1956-57..... | 295,734 | — | — | 295,734 |
| 1957-58..... | 61,202 | — | — | 61,202 |
| | <u>456,090</u> | <u>—</u> | <u>—</u> | <u>456,090</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 56,007 | — | — | 56,007 |
| 1955-56..... | 43,147 | — | — | 43,147 |
| 1956-57..... | 155,398 | — | — | 155,398 |
| 1957-58..... | 195,539 | — | — | 195,539 |
| | <u>450,091</u> | <u>—</u> | <u>—</u> | <u>450,091</u> |

NORTH BORNEO

| | | | | |
|------------------------|---------------|----------|----------|---------------|
| A. COMMITMENTS | | | | |
| 1954-55..... | 5,467 | — | — | 5,467 |
| 1955-56..... | 5,658 | — | — | 5,658 |
| 1956-57..... | 573 | — | — | 573 |
| 1957-58..... | 3,451 | — | — | 3,451 |
| | <u>15,149</u> | <u>—</u> | <u>—</u> | <u>15,149</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 5,467 | — | — | 5,467 |
| 1955-56..... | 5,658 | — | — | 5,658 |
| 1956-57..... | 573 | — | — | 573 |
| 1957-58..... | 3,451 | — | — | 3,451 |
| | <u>15,149</u> | <u>—</u> | <u>—</u> | <u>15,149</u> |

PAKISTAN

| | | | | |
|------------------------|-------------------|------------------|----------|-------------------|
| A. COMMITMENTS | | | | |
| 1954-55..... | 14,334,460 | — | — | 14,334,460 |
| 1955-56..... | 10,197,172 | — | — | 10,197,172 |
| 1956-57..... | 9,580,669 | 1,500,000 | — | 11,080,669 |
| 1957-58..... | 13,346,845 | 4,000,000 | — | 17,346,845 |
| | <u>47,459,146</u> | <u>5,500,000</u> | <u>—</u> | <u>52,959,146</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 6,336,500 | — | — | 6,336,500 |
| 1955-56..... | 7,021,142 | — | — | 7,021,142 |
| 1956-57..... | 9,763,187 | 1,475,834 | — | 11,239,021 |
| 1957-58..... | 17,157,026 | 2,000,000 | — | 19,157,026 |
| | <u>40,277,855</u> | <u>3,475,834</u> | <u>—</u> | <u>43,753,689</u> |

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE II—COMMITMENTS AND EXPENDITURES CLASSIFIED BY RECIPIENT COUNTRY AND BY PURPOSE

SARAWAK

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|------------------------------|-------------------------------------|----------|----------------------------|---------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMITMENTS | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | 1,671 | — | — | 1,671 |
| 1956-57..... | 2,746 | — | — | 2,746 |
| 1957-58..... | 30,058 | — | — | 30,058 |
| | <u>34,475</u> | <u>—</u> | <u>—</u> | <u>34,475</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | 1,671 | — | — | 1,671 |
| 1956-57..... | 2,746 | — | — | 2,746 |
| 1957-58..... | 30,058 | — | — | 30,058 |
| | <u>34,475</u> | <u>—</u> | <u>—</u> | <u>34,475</u> |

SINGAPORE

| | | | | |
|------------------------|----------------|----------|----------|----------------|
| A. COMMITMENTS | | | | |
| 1954-55..... | 8,541 | — | — | 8,541 |
| 1955-56..... | 1,867 | — | — | 1,867 |
| 1956-57..... | 71,859 | — | — | 71,859 |
| 1957-58..... | 22,722 | — | — | 22,722 |
| | <u>104,989</u> | <u>—</u> | <u>—</u> | <u>104,989</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 8,541 | — | — | 8,541 |
| 1955-56..... | 1,867 | — | — | 1,867 |
| 1956-57..... | 21,859 | — | — | 21,859 |
| 1957-58..... | 23,687 | — | — | 23,687 |
| | <u>55,954</u> | <u>—</u> | <u>—</u> | <u>55,954</u> |

THAILAND

| | | | | |
|------------------------|---------------|----------|----------|---------------|
| A. COMMITMENTS | | | | |
| 1954-55..... | 2,845 | — | — | 2,845 |
| 1955-56..... | 534 | — | — | 534 |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 15,616 | — | — | 15,616 |
| | <u>18,995</u> | <u>—</u> | <u>—</u> | <u>18,995</u> |
| B. EXPENDITURES | | | | |
| 1954-55..... | 2,845 | — | — | 2,845 |
| 1955-56..... | 534 | — | — | 534 |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 15,616 | — | — | 15,616 |
| | <u>18,995</u> | <u>—</u> | <u>—</u> | <u>18,995</u> |

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE II—COMMITMENTS AND EXPENDITURES CLASSIFIED BY RECIPIENT COUNTRY AND BY PURPOSE

VIETNAM

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|------------------------------|-------------------------------------|----------|----------------------------|----------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMITMENTS | | | | |
| 1954-55..... | 4,313 | — | — | 4,313 |
| 1955-56..... | 1,361 | — | — | 1,361 |
| 1956-57..... | 138,137 | — | — | 138,137 |
| 1957-58..... | 37,347 | — | — | 37,347 |
| | <u>181,158</u> | <u>—</u> | <u>—</u> | <u>181,158</u> |
| B. EXPENDITURE | | | | |
| 1954-55..... | 4,313 | — | — | 4,313 |
| 1955-56..... | 1,361 | — | — | 1,361 |
| 1956-57..... | 138,137 | — | — | 138,137 |
| 1957-58..... | 37,347 | — | — | 37,347 |
| | <u>181,158</u> | <u>—</u> | <u>—</u> | <u>181,158</u> |

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

BRITISH WEST INDIES INCLUDING WEST INDIES FEDERATION

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|---------------|----------------------------|---------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES¹ | | | | |
| (a) Food and Agricultural Commodities.... | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | 49,999 | — | 49,999 |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS..... | — | — | — | — |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 4,034 | — | — | 4,034 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| D. OTHER AND MIXED¹ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| E. TOTAL | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | 49,999 | — | 49,999 |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 4,034 | — | — | 4,034 |
| | <u>4,034</u> | <u>49,999</u> | <u>—</u> | <u>54,033</u> |

NOTE¹:—All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

BURMA

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---------------------------------------|-------------------------------------|--------|----------------------------|---------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES¹ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS | | | | |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | 4,377 | — | — | 4,377 |
| 1955-56..... | 19,602 | — | — | 19,602 |
| 1956-57..... | 21,879 | — | — | 21,879 |
| 1957-58..... | 76,741 | — | — | 76,741 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | 12,886 | — | — | 12,886 |
| 1956-57..... | 57,831 | — | — | 57,831 |
| 1957-58..... | 112,772 | — | — | 112,772 |
| D. OTHER AND MIXED¹ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | 1,013 | — | — | 1,013 |
| 1956-57..... | 39,035 | — | — | 39,035 |
| 1957-58..... | 114,634 | — | — | 114,634 |
| E. TOTAL | | | | |
| 1954-55..... | 4,377 | — | — | 4,377 |
| 1955-56..... | 33,501 | — | — | 33,501 |
| 1956-57..... | 118,745 | — | — | 118,745 |
| 1957-58..... | 304,519 | — | — | 304,519 |
| | 461,142 | — | — | 461,142 |

NOTE¹:—All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

CAMBODIA

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|----------|----------------------------|---------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES⁽¹⁾ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS..... | — | — | — | — |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | 17,808 | — | — | 17,808 |
| 1955-56..... | 10,009 | — | — | 10,009 |
| 1956-57..... | 3,844 | — | — | 3,844 |
| 1957-58..... | 92 | — | — | 92 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | 1,660 | — | — | 1,660 |
| 1955-56..... | 5,840 | — | — | 5,840 |
| 1956-57..... | 10,594 | — | — | 10,594 |
| 1957-58..... | 25,849 | — | — | 25,849 |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | 13,634 | — | — | 13,634 |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| E. TOTAL | | | | |
| 1954-55..... | 19,468 | — | — | 19,468 |
| 1955-56..... | 29,483 | — | — | 29,483 |
| 1956-57..... | 14,438 | — | — | 14,438 |
| 1957-58..... | 25,941 | — | — | 25,941 |
| | <u>89,330</u> | <u>—</u> | <u>—</u> | <u>89,330</u> |

NOTE (1): All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

CEYLON

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|--------|----------------------------|-----------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES⁽¹⁾ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | 539,286 | — | — | 539,286 |
| 1955-56..... | 491,509 | — | — | 491,509 |
| 1956-57..... | 899,600 | — | — | 899,600 |
| 1957-58..... | 1,639,185 | — | — | 1,639,185 |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS..... | | | | |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | 131,033 | — | — | 131,033 |
| 1955-56..... | 144,738 | — | — | 144,738 |
| 1956-57..... | 162,271 | — | — | 162,271 |
| 1957-58..... | 198,808 | — | — | 198,808 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | 32,833 | — | — | 32,833 |
| 1955-56..... | 79,199 | — | — | 79,199 |
| 1956-57..... | 51,433 | — | — | 51,433 |
| 1957-58..... | 44,486 | — | — | 44,486 |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | 1,562,688 | — | — | 1,562,688 |
| 1955-56..... | 1,100,439 | — | — | 1,100,439 |
| 1956-57..... | 1,810,152 | — | — | 1,810,152 |
| 1957-58..... | 805,842 | — | — | 805,842 |
| E. TOTAL | | | | |
| 1954-55..... | 2,265,840 | — | — | 2,265,840 |
| 1955-56..... | 1,815,885 | — | — | 1,815,885 |
| 1956-57..... | 2,923,456 | — | — | 2,923,456 |
| 1957-58..... | 2,688,321 | — | — | 2,688,321 |
| | 9,693,502 | — | — | 9,693,502 |

NOTE (1): All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

HAITI

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|--------|----------------------------|--------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES⁽¹⁾ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | 24,988 | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS..... | — | — | — | — |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| E. TOTAL | | | | |
| 1954-55..... | — | 24,988 | — | 24,988 |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| | — | 24,988 | — | 24,988 |

Note (1): All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

INDIA

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|--------|----------------------------|------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES⁽¹⁾ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 7,000,000 | — | 16,173,000 | 23,173,000 |
| (b) Other | | | | |
| 1954-55..... | 1,805,062 | — | — | 1,805,062 |
| 1955-56..... | 1,374,777 | — | — | 1,374,777 |
| 1956-57..... | 1,246,459 | — | — | 1,246,459 |
| 1957-58..... | 328,043 | — | — | 328,043 |
| B. CASH TRANSFERS..... | — | — | — | — |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | 17,694 | — | — | 17,694 |
| 1955-56..... | 37,024 | — | — | 37,024 |
| 1956-57..... | 102,365 | — | — | 102,365 |
| 1957-58..... | 60,860 | — | — | 60,860 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | 96,339 | — | — | 96,339 |
| 1955-56..... | 188,281 | — | — | 188,281 |
| 1956-57..... | 258,868 | — | — | 258,868 |
| 1957-58..... | 266,899 | — | — | 266,899 |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | 7,022,980 | — | — | 7,022,980 |
| 1955-56..... | 15,026,340 | — | — | 15,026,340 |
| 1956-57..... | 5,939,946 | — | — | 5,939,946 |
| 1957-58..... | 11,608,183 | — | — | 11,608,183 |
| E. TOTAL | | | | |
| 1954-55..... | 8,942,075 | — | — | 8,942,075 |
| 1955-56..... | 16,626,422 | — | — | 16,626,422 |
| 1956-57..... | 7,547,639 | — | — | 7,547,639 |
| 1957-58..... | 19,263,984 | — | 16,173,000 | 35,436,984 |
| | 52,380,120 | — | 16,173,000 | 68,553,120 |

NOTE (1):—All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

INDONESIA

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---------------------------------------|-------------------------------------|--------|----------------------------|---------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES (1) | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-67..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS..... | | | | |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | 9,762 | — | — | 9,762 |
| 1955-56..... | 25,558 | — | — | 25,558 |
| 1956-57..... | 22,200 | — | — | 22,200 |
| 1957-58..... | 32,681 | — | — | 32,681 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | 54,542 | — | — | 54,542 |
| 1955-56..... | 122,766 | — | — | 122,766 |
| 1956-57..... | 193,861 | — | — | 193,861 |
| 1957-58..... | 131,028 | — | — | 131,028 |
| D. OTHER AND MIXED | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| E. TOTAL | | | | |
| 1954-55..... | 64,304 | — | — | 64,304 |
| 1955-56..... | 148,324 | — | — | 148,324 |
| 1956-57..... | 216,061 | — | — | 216,061 |
| 1957-58..... | 163,709 | — | — | 163,709 |
| | 592,398 | — | — | 592,398 |

NOTE (1): All goods are F.A.S. or F.Q.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

KOREA

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|---------|----------------------------|---------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES⁽¹⁾ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | 745,421 | — | 745,421 |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS | | | | |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| E. TOTAL | | | | |
| 1954-55..... | — | 745,421 | — | 745,421 |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| | — | 745,421 | — | 745,421 |

NOTE (1): All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

LAOS

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---------------------------------------|-------------------------------------|--------|----------------------------|---------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES (1) | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS | | | | |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | 4,957 | — | — | 4,957 |
| 1957-58..... | 3,019 | — | — | 3,019 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | 27,283 | — | — | 27,283 |
| 1957-58..... | 35,273 | — | — | 35,273 |
| | <u>70,532</u> | | | <u>70,532</u> |
| D. OTHER AND MIXED (1) | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| E. TOTAL | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | 32,240 | — | — | 32,240 |
| 1957-58..... | 35,292 | — | — | 35,292 |
| | <u>70,532</u> | | | <u>70,532</u> |

NOTE: (1): All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

MALAYA

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|----------|----------------------------|----------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS | | | | |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | 54,428 | — | — | 54,428 |
| 1955-56..... | 40,825 | — | — | 40,825 |
| 1956-57..... | 78,768 | — | — | 78,768 |
| 1957-58..... | 44,501 | — | — | 44,501 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | 1,579 | — | — | 1,579 |
| 1955-56..... | 2,322 | — | — | 2,322 |
| 1956-57..... | 15,966 | — | — | 15,966 |
| 1957-58..... | 8,101 | — | — | 8,101 |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | 60,664 | — | — | 60,664 |
| 1957-58..... | 142,937 | — | — | 142,937 |
| | <u>450,091</u> | <u>—</u> | <u>—</u> | <u>450,091</u> |
| E. TOTAL | | | | |
| 1954-55..... | 56,007 | — | — | 56,007 |
| 1955-56..... | 43,147 | — | — | 43,147 |
| 1956-57..... | 155,398 | — | — | 155,398 |
| 1957-58..... | 195,539 | — | — | 195,539 |
| | <u>450,091</u> | <u>—</u> | <u>—</u> | <u>450,091</u> |

NOTE (1):—All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

NORTH BORNEO

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|----------|----------------------------|---------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES⁽¹⁾ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS..... | — | — | — | — |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | 5,467 | — | — | 5,467 |
| 1955-56..... | 5,658 | — | — | 5,658 |
| 1956-57..... | 573 | — | — | 573 |
| 1957-58..... | — | — | — | — |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 3,451 | — | — | 3,451 |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| E. TOTAL | | | | |
| 1954-55..... | 5,467 | — | — | 5,467 |
| 1955-56..... | 5,658 | — | — | 5,658 |
| 1956-57..... | 573 | — | — | 573 |
| 1957-58..... | 3,451 | — | — | 3,451 |
| | <u>15,149</u> | <u>—</u> | <u>—</u> | <u>15,149</u> |

NOTE(1):—All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

PAKISTAN

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|-----------|----------------------------|------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES⁽¹⁾ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | 1,475,834 | — | 1,475,834 |
| 1957-58..... | 2,000,000 | 2,000,000 | — | 4,000,000 |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | 285,600 | — | — | 285,600 |
| 1956-57..... | 314,496 | — | — | 314,496 |
| 1957-58..... | 258,822 | — | — | 258,822 |
| B. CASH TRANSFERS..... | | | | |
| — | | | | |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | 65,583 | — | — | 65,583 |
| 1955-56..... | 39,364 | — | — | 39,364 |
| 1956-57..... | 28,243 | — | — | 28,243 |
| 1957-58..... | 19,913 | — | — | 19,913 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | 141,290 | — | — | 141,290 |
| 1955-56..... | 157,808 | — | — | 157,808 |
| 1956-57..... | 167,236 | — | — | 167,236 |
| 1957-58..... | 222,532 | — | — | 222,532 |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | 6,129,627 | — | — | 6,129,628 |
| 1955-56..... | 6,538,370 | — | — | 6,538,370 |
| 1956-57..... | 9,253,212 | — | — | 9,253,212 |
| 1957-58..... | 14,655,759 | — | — | 14,653,759 |
| E. TOTAL | | | | |
| 1954-55..... | 6,336,500 | — | — | 6,336,500 |
| 1955-56..... | 7,021,142 | — | — | 7,021,142 |
| 1956-57..... | 9,763,187 | 1,475,834 | — | 11,239,021 |
| 1957-58..... | 17,157,026 | 2,000,000 | — | 19,157,026 |
| | 40,277,855 | 3,475,834 | — | 43,753,689 |

NOTE ⁽¹⁾: All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

SARAWAK

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|----------|----------------------------|---------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES⁽¹⁾ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Industrial Goods and Equipment | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS..... | — | — | — | — |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 23,355 | — | — | 23,355 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | 1,671 | — | — | 1,671 |
| 1956-57..... | 2,746 | — | — | 2,746 |
| 1957-58..... | 6,703 | — | — | 6,703 |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| E. TOTAL | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | 1,671 | — | — | 1,671 |
| 1956-57..... | 2,746 | — | — | 2,746 |
| 1957-58..... | 30,058 | — | — | 30,058 |
| | 34,475 | — | — | 34,475 |

NOTE⁽¹⁾: All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

SINGAPORE

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|----------|----------------------------|---------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES⁽¹⁾ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS..... | — | — | — | — |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | 12,106 | — | — | 12,106 |
| 1957-58..... | 14,999 | — | — | 14,999 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | 8,541 | — | — | 8,541 |
| 1955-56..... | 1,867 | — | — | 1,867 |
| 1956-57..... | 9,753 | — | — | 9,753 |
| 1957-58..... | 7,723 | — | — | 7,723 |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 965 | — | — | 965 |
| E. TOTAL | | | | |
| 1954-55..... | 8,541 | — | — | 8,541 |
| 1955-56..... | 1,867 | — | — | 1,867 |
| 1956-57..... | 21,859 | — | — | 21,859 |
| 1957-58..... | 23,687 | — | — | 23,687 |
| | <u>55,954</u> | <u>—</u> | <u>—</u> | <u>55,954</u> |

NOTE (1): All goods are F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

THAILAND

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---------------------------------------|-------------------------------------|----------|----------------------------|---------------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES¹ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS | | | | |
| — | — | — | — | — |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 7,512 | — | — | 7,512 |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | 2,845 | — | — | 2,845 |
| 1955-56..... | 534 | — | — | 534 |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 8,104 | — | — | 8,104 |
| D. OTHER AND MIXED¹ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| E. TOTAL | | | | |
| 1954-55..... | 2,845 | — | — | 2,845 |
| 1955-56..... | 534 | — | — | 534 |
| 1956-57..... | — | — | — | — |
| 1957-58..... | 15,616 | — | — | 15,616 |
| | <u>18,995</u> | <u>—</u> | <u>—</u> | <u>18,995</u> |

NOTE (1): All goods F.A.S. or F.O.B. a Canadian port.

CANADIAN ECONOMIC ASSISTANCE—1954-58

TABLE III—EXPENDITURE CLASSIFIED BY RECIPIENT COUNTRY AND BY ECONOMIC CHARACTER

VIETNAM

| Fiscal Years Ending March 31 | Economic Development Projects | Relief | General Economic Aid | Total |
|---|-------------------------------------|--------|----------------------------|---------|
| | (Canadian Dollars) | | | |
| | \$ | \$ | \$ | \$ |
| A. COMMODITIES⁽¹⁾ | | | | |
| (a) Food and Agricultural Commodities | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Other | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| B. CASH TRANSFERS..... | — | — | — | — |
| C. TECHNICAL ASSISTANCE | | | | |
| (a) Experts | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| (b) Fellowships, Trainees, etc. | | | | |
| 1954-55..... | 4,313 | — | — | 4,313 |
| 1955-56..... | 1,361 | — | — | 1,361 |
| 1956-57..... | 138,137 | — | — | 138,137 |
| 1957-58..... | 37,347 | — | — | 37,347 |
| D. OTHER AND MIXED⁽¹⁾ | | | | |
| 1954-55..... | — | — | — | — |
| 1955-56..... | — | — | — | — |
| 1956-57..... | — | — | — | — |
| 1957-58..... | — | — | — | — |
| E. TOTAL | | | | |
| 1955-54..... | 4,313 | — | — | 4,313 |
| 1955-56..... | 1,361 | — | — | 1,361 |
| 1956-57..... | 138,137 | — | — | 138,137 |
| 1957-58..... | 37,347 | — | — | 37,347 |
| | 181,158 | — | — | 181,158 |

NOTE (1): All goods are F.A.S. or F.O.B. a Canadian port.

HOUSE OF COMMONS

First Session—Twenty-fourth Parliament

1958

STANDING COMMITTEE

ON

EXTERNAL AFFAIRS

Chairman: H. O. WHITE, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 4

WEDNESDAY, AUGUST 6, 1958



MAIN AND SUPPLEMENTARY ESTIMATES OF THE
DEPARTMENT OF EXTERNAL AFFAIRS—1958-59

WITNESSES

Messrs. Jules Leger, Under-Secretary of State for External Affairs; and
W. D. Matthews, Assistant Under-Secretary of State for External
Affairs; R. Grey, Economic Division.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1958

STANDING COMMITTEE ON EXTERNAL AFFAIRS

Chairman: H. O. White, Esq.

and Messrs.

Aitken, Miss,
Argue,
Brassard (*Lapointe*),
Cardin,
Crestohl,
Deschatelets,
Dinsdale,
Dorion,
Fairfield,
Garland,
Herridge,
Jones,

Jung,
Kucherepa,
Lafrenière,
Lennard,
MacLellan,
Macnaughton,
Mandziuk,
Martin (*Essex East*),
McCleave,
McFarlane,
McGee,
McGrath,

Nugent,
Paul,
Pearson,
Pratt,
Richard (*Ottawa East*),
Smith (*Calgary South*),
Stinson,
Valade,
Van Horne,
Vivian—35.

J. E. O'Connor,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

WEDNESDAY, August 6, 1958.

The Standing Committee on External Affairs met at 3:35 p.m. this day. The Chairman, Mr. H. O. White, presided.

Members present: Messrs. Argue, Crestohl, Dinsdale, Herridge, Jones, Jung, Kucherepa, Lafreniere, Lennard, Macnaughton, Martin (*Essex East*), Mandziuk, McGee, Paul, Richard (*Ottawa East*), Stinson, Vivian and White.—(18)

In attendance: Messrs. Jules Leger, Under-Secretary of State for External Affairs; W. D. Matthews, Assistant Under-Secretary; H. F. Clark, Director, Finance Division; R. Grey, Economic Division; M. Grant, Director, Supplies and Properties Division; d'I. Fortier, Economic Division; H. J. Armstrong, Financial Adviser to the Department; W. T. Delworth, Private Secretary to the Minister; H. Best, Executive Assistant to the Minister; H. B. Stewart, Finance Division.

The Chairman observed the presence of quorum and obtained agreement that the reading of Mr. Leger's prepared statement be dispensed with, but incorporated in the Committee's printed record.

Following the tabling of a document entitled "Department of External Affairs Main Estimates 1958-59 compared with 1957-58" and the agreement of the Committee to print it as an appendix to this day's proceedings, Mr. Leger was called upon to answer certain questions asked at previous meetings.

Messrs. Leger, Matthews and Grey were questioned concerning the operations of the Department, and the following Items were individually called, discussed and adopted:

Item 85—Departmental Administration (including former Passport Office Administration);

Item 86—Representation Abroad—Operational;

Item 87—Representation Abroad—Capital;

Item 88—Official Hospitality;

Item 89—Relief and Repatriation of Distressed Canadians;

Item 90—Representation at International Conferences;

Item 91—Grant to the United Nations Association in Canada;

Item 92—Grant to the International Red Cross;

Item 93—Grant to the Canadian Atlantic Co-ordinating Committee;

Item 94—Fellowships and Scholarships;

Item 95—Assessment in International Organizations;

Item 96—United Nations Expanded Program for Technical Assistance;

Item 97—United Nations Children's Fund;

Item 98—North Atlantic Treaty Organization Staff Assignment;

Item 99—North Atlantic Treaty Organization Headquarters Building;

Item 100—International Civil Aviation Organization Rental Assistance;

Item 101—International Civil Aviation Organization Tax Assistance;

Item 105—Inter-Governmental Committee for European Migration;

Item 106—Grant to United Nations Refugee Fund;

Item 107—Canadian Participation—European Productivity Agency—Organization for European Economic Co-operation.

Item 108—Grant to United Nations Relief and Works Agency Near East.

Item 109—International Commissions Indo-China.

Item 110—Technical Assistance to The West Indies and Ghana.

Item 111—Wheat and Flour for India, Pakistan and Ceylon.

Item 502—Special Loans to Colombo Plan Countries;

Item 542—Departmental Administration—Further amount required;

Item 543—Representation Abroad—Operational—Further amount required;

Item 545—To provide for the purchase of wheat and flour to be given to India, Pakistan and Ceylon to relieve food shortages—Further amount required.

Item 546—To provide for the purchase of flour to be given to the United Nations Relief and Works Agency for Palestine Refugees in the Near East.

Item 547—To provide for a contribution to the 1958 Fellowship Fund of the International Atomic Energy Agency.

Item 548—To provide for the expenses of the Commonwealth Trade and Economic Conference.

Item 549—West Indies Assistance Program.

Item 655—To authorize...Special Loans to Colombo Plan Countries to finance the purchase of wheat and flour from Canada.

On Item 91, documents entitled "United Nations Association in Canada—Statement of General Fund for year ended March 31, 1958" and "United Nations Association in Canada—Balance Sheet as at March 31, 1958" were ordered printed in the record of this day's proceedings.

On Item 93, certain documents relating to the Canadian Atlantic Coordinating Committee were ordered to be printed in the record of this day's proceedings.

At 5:55 p.m. the Committee adjourned to meet again on Thursday, August 7, 1958.

J. E. O'Connor,
Clerk of the Committee.

EVIDENCE

WEDNESDAY, August 6, 1958.

3:30 p.m.

The CHAIRMAN: Gentlemen, we have a quorum, and we will come to order.

The first item I wish to bring to your attention is the statement by the Under-Secretary of State for External Affairs which was circulated on Monday. I would suggest that we take the statement as read.

Agreed.

The CHAIRMAN: The next order of business relates to some questions which arose out of the discussions at previous meetings which the under-secretary will now answer.

Mr. Jules LEGER (*Under-Secretary of State for External Affairs*): Thank you, Mr. Chairman. We have circulated at earlier meetings the following documents: a brief tabulation of the total flow of Canadian assistance, a compilation of aid to various countries since 1944, and also a draft statement which I was to read and which I understand is to be considered as read.

The statement is as follows:

Mr. Chairman and Members of the committee,

In your consideration of this department's main and supplementary estimates it might be helpful if I were to comment generally on the more significant administrative and financial aspects which find expression in these estimates. To assist you in your examination of the Estimates I have had prepared, for distribution to the members of the committee, comparative statements, providing more detail than that appearing in the blue book of estimates, which will show how these figures are established and explain, in summary, the increases and decreases over the estimates submitted for 1957-58.

I should like first to comment briefly on votes 85, 86 and 87 which concern the administrative costs of the department and which account for about one-fifth of the total estimates, and then to discuss in general those other votes which relate to the various forms of foreign aid. As to those votes which concern the Colombo plan and the International Joint Commission, as in past years, I shall leave discussion of those items to the officers administering them who will appear before the committee later on in your proceedings.

In regard to votes 85, 86 and 87, I shall not attempt to enlarge on the particulars of the changes in these votes over the last fiscal year since those details are already provided in the mimeographed material before you, which may serve as a basis for your questions in respect of the various items contained in the votes.

Briefly, however, the increases in votes 85 and 86 arise chiefly from greater volume of activity abroad in consequence of the creation of new posts. Within the last fiscal year two additional posts were established in Ghana and Malaya and a Canadian commissioner has been appointed to the federation of the West Indies.

In establishing the main and supplementary estimates, the department met these new staff commitments by the transfer of existing positions. The

remaining essential staff was provided by requiring some posts and divisions of the department to operate with reduced staff.

There has not, accordingly, been a substantial change in the personnel establishment situation in the department, the department's increased responsibilities being met by a re-adjustment of staff arrangements at home and abroad.

I might observe here that when we speak of the establishment of a department, we refer to its framework in terms of positions. The personnel complement of a department is, therefore, dependent on the number of positions approved for the department. We have in the Department of External Affairs a total of 1,923 positions. These positions are of various classifications. In the main, however, there are five categories as follows:

Foreign service officers, of which we have 338 positions
 External Affairs officers, of which we have 70 positions
 Administrative officers, of which we have 6 positions
 Foreign service employees, of which we have 1,007 positions
 Locally-engaged staff, of which we have 495 positions

In addition to these categories we have 7 positions of a miscellaneous character.

As you probably know, locally-engaged personnel are those employees who are hired by our missions abroad. They are generally nationals of the country in which the mission is located. They may be required to do any number of different tasks, ranging from gardening to consular work.

The foreign service officers of the department after they have acquired some experience in their trade may become what is commonly known as "Diplomats". More often than not they are performing tasks at Ottawa similar to those of other civil servants. Essentially, a foreign service officer is expected to work in the broad field of international relations in political, economic, cultural and trade relations.

The External Affairs officers of the department are in a sense a rather specialized group in that they may do information and consular work. On occasion, some may do political work. By and large, however, the majority of our External Affairs officers are charged with the administrative work of the Department and of our missions abroad.

The majority of the External Affairs officers in the department have been drawn from our foreign service employees. The establishment of the External Affairs officer class has permitted the department to provide a promotion ladder for our senior, competent, and experienced clerical personnel.

I turn now to the foreign service employees of the department. In a sense, they are the backbone of the department since in this group one finds all our stenographers and clerks. At missions abroad, employees in this classification may be asked to do a great variety of tasks, some of which are of real interest, whereas others are, as is inevitable in any large organization, somewhat routine. They are the people who staff our registries, despatch our telegrams and reports, perform consular duties and assist in the dissemination of Canadian information abroad.

At the present time, the strength of the Department in terms of personnel is as follows:

| | |
|------------------------------------|-----|
| Foreign Service Officers | 308 |
| External Affairs Officers | 61 |
| Administrative Officers | 9 |
| Miscellaneous classification | 5 |
| Foreign Service Employees | 985 |
| Locally-engaged Staff | 493 |

It might be useful if I were to make some general remarks about the problems which face us whenever a new mission is opened. Normally, when a decision is taken by the Government to open a new mission, a decision should also be taken to establish the required number of positions of the various categories mentioned earlier. For example, I think it reasonably accurate to say that the minimum number of employees required at a small mission is—a head of mission, a foreign service officer, an External Affairs officer, and three foreign service employees, two of whom may be stenographers and one a clerk. To this complement of Ottawa-based personnel, we should add six locally-engaged personnel, three of whom are in a sense household servants (chauffeur, senior servant, and gardener), the remaining three being messenger, receptionist and general duties clerk—depending on the language of the country, there may be a need for an additional employee in the form of a translator-interpreter.

As a mission grows in importance, it is inevitable that there will be some increase in its personnel complement. As an example of what I mean, there is our mission in Cairo which, when it opened in 1954, consisted of 14 persons, of whom 2 were foreign service officers, 5 foreign service employees and 6 locally-engaged staff. The Suez crisis in 1956 and the establishment of the United Nations Emergency Force with a strong Canadian component placed a great strain on the personnel resources of the Cairo mission. To meet the demands that were made on the mission, it was necessary for us to seek approval for an increase in its establishment to provide for additional staff. The present establishment of this mission is 4 officers, 12 foreign service employees and 9 locally-engaged staff. I could take other examples of missions which have grown in importance since they were first opened. On the other hand some missions may decrease in importance and a downward re-adjustment is made in the establishment.

I do not think that the department is prodigal in the deployment of its personnel resources. We try very hard to relate any increase in personnel to new responsibilities. There has been in the last twenty years considerable expansion in the personnel strength of the department which, I think, reflects the increased responsibilities which have been laid upon it.

To satisfy ourselves that we are economical in our deployment of personnel and that our establishment is not excessive, we established in 1954 an inspection unit under the direction of a senior departmental officer who had had considerable experience in the personnel, financial and administrative work of the department. It has been the responsibility of this officer to visit Canadian missions abroad, to review the work of these missions, and to make recommendations about the adequacy or otherwise of their approved establishments. I can assure you that the inspection unit has made many recommendations which have lead to reductions in establishment. In a sense, the reason why the department has been able to take on so many additional responsibilities in recent years is that we have contracted our activities at some posts to provide positions and personnel from our own resources for other posts and for these new responsibilities.

Vote 85, departmental administration, now includes the administrative costs of the passport office which, in the last fiscal year, was shown as a separate vote in the main estimates. In this connection I might observe that the volume of business in the passport office has shown a steady increase in the past few years. Issuance of passports has increased by 55 per cent over the past seven years. In the calendar year 1957 the passport office issued 97,804 passports and receipts amounted to \$542,311. Administrative costs were about half the total of revenue received. A further increase in volume is reflected in the figures for 1958. During the first five months of the present year over

52,500 passports were issued compared with 48,700 during the similar period in 1957. It is anticipated that there will be an increase of from 7 per cent to 10 per cent in the number of passports issued in the present calendar year.

Other consular responsibilities of the department have also continued to increase in volume. More Canadian travelled abroad than in previous years and, in consequence, there was a greater measure of consular assistance of various kinds afforded by officers abroad. Progress was made in facilitating travel of Canadian citizens abroad by the completion of visa agreements with various countries, the most recent of which, with Portugal, came into effect last February. Canadians may now temporarily enter sixteen countries without the prior necessity of obtaining visas.

At the present time negotiations toward visa agreements are proceeding with Spain and Finland and there is also consideration being given to initiating similar procedures with other countries.

Entry restrictions amongst the countries of the world constitute a development which found its origin chiefly in World War I. With the years, the practice has become solidly and widely established and it is only through bilateral visa agreements between countries that the transit of their respective borders by their nationals can be made with relative ease. It is the policy of the department, therefore, to seek relief from this inhibition to the free movement of Canadians across frontiers, by attempting to enlarge wherever possible by visa agreements those areas abroad where unrestricted temporary entry can be assured for Canadians.

In regard to vote 87, which concerns our properties operations abroad, it might place this subject in better perspective if I were to remark generally upon the considerations which guide the department's activities in this connection.

The advantages of owning our own chanceries and official residences—and also staff quarters at a number of difficult locations—are obvious. At the present time, the department owns 12 chanceries of the 59 it occupies around the world and 15 of its 53 official residences. The department also owns 15 staff quarters and has acquired 6 building sites. These properties, in the main, have been obtained during the past ten years. The trend toward owning our own premises abroad has been dictated by the following considerations:

- (a) renter properties, with very few exceptions, seldom meet our requirements notwithstanding the fact that rentals and alteration costs are exceedingly high;
- (b) tenure is uncertain;
- (c) rented premises do not provide protection for classified material and cypher equipment, making it extremely difficult, if not impossible to introduce essential security safeguards;
- (d) the carrying out of furnishing schemes in official residences occupied by heads of post on a rental basis involves additional expense. Furniture, curtains, etc. are frequently surplus or unsuitable, following a move to new premises on termination of a lease, the cost of which is in addition to the substantial recurring removal expense;
- (e) it is undignified for a country to change business addresses in a capital every so often.

In order to provide satisfactory accommodation for both residences of heads of post and for chanceries, therefore, it will be necessary during the years to come to continue our programme to purchase or build premises at a number of posts abroad.

There are at the moment several locations at which we have most pressing accommodation problems. For example, the properties occupied as both residence and chancery in Ankara are inadequate and the duration of our leases is uncertain. The Turkish government donated a parcel of land on which we can build and it is felt that during the current fiscal year, building plans should be developed and, if possible construction commenced. Recently, the department purchased land in New Delhi for a chancery. The chancery's space is entirely inadequate and, owing to the climatic conditions the Canadian personnel serving at this Post should not be asked to remain in these quarters for any extended period of time. Here, too, it is hoped that building plans can be got under way this fiscal year. In addition, we have building sites in Brussels, Rome, and Canberra where early plans should be made to develop these sites.

Until now, building purchases and construction projects have been handled within the staff resources of the department, using locally selected architects and technical experts as and when needed. Some of this work can still be done by members of the department but it would not be desirable from financial and other points of view to maintain on our permanent staff sufficient personnel and, particularly, architects capable of handling all this work. We have discussed the problem with the Department of Public Works and have been advised that the architectural staff of that department would not be able to undertake the work on our behalf, although Public Works could provide, on occasions, the services of one of its technical officers to supervise construction.

In order that the program of construction or purchase can be carried out in widely dispersed areas throughout the world, the Department has been giving careful thought to ways and means by which this objective could be achieved. After consultation with the Department of Public Works and the royal architectural institute of Canada it has been recommended that a Board be established consisting of a senior officer of this department as chairman, the chief architect of Public Works and three architects nominated by the royal architectural Institute of Canada whose functions would be:

- (a) to provide the department with the names of one or more Canadian architects who, in the board's opinion, are considered best qualified to design a particular building abroad;
- (b) to review and advise on the architectural quality, fitness and merit of the designs and plans prepared for each building project;
- (c) to submit its reports and recommendations to the Under-Secretary of State for External Affairs. Where unanimity is lacking, to report both majority and minority views for consideration by the department.

I should like to take this opportunity publicly to thank the royal architectural institute for their most generous cooperation.

In supplying paintings to posts abroad the Department of External Affairs has obtained the cooperation of the National Gallery of Canada in holding a private exhibition of the work of some sixty Canadian painters from whom a selection of suitable works can be purchased for placing in the residence of Canadian embassies abroad. These are painters from coast to coast whose studios it is impossible, because of the distances involved, to visit individually in order to make preliminary selections. Hence the idea of inviting the artists concerned to send in paintings for consideration in Ottawa.

The final list of artists was approved jointly by the Department of External Affairs and the national gallery of Canada. The artists, in the letters of invitation, have been told that the department wishes to select and buy paintings interpretative of Canadian life and the Canadian scene in the following categories: landscapes, street scenes, interiors, still lifes, genre paintings of all kinds.

All paintings must reach the national gallery by October 10, 1958. Decision as to purchase will be made by the end of October.

Before passing on to some general observations on foreign aid, I should like to preface the subject by referring in particular to a matter in this connection regarding which the committee last year showed considerable interest. You may recall that, in discussing the Canadian contribution to the United Nations refugee fund, the committee was concerned about the progress being made in reducing the number of refugees who still remained in camps in Europe. The latest reports are more encouraging than the information which you received last year and, accordingly, you may wish to hear of the most recent developments toward solving this long-standing problem.

The program of the United Nations refugee fund, or UNREF, as it is usually called, was instituted by a resolution of the United Nations general assembly in 1954 for a four-year period. It authorized the United Nations high commissioner for refugees to seek funds for the purpose of arranging permanent solutions for refugee cases coming within his mandate. At that time the post-war figure of close to 2.2 million refugees in Europe had been reduced either by emigration, re-establishment in the country of asylum, or voluntary return to original homes, to about 350,000, of whom 87,000 were still living in camps. The international refugee organization, a specialized agency established in 1946 to deal with refugee problems had been disbanded in 1952.

Now, after four years of the UNREF program, the camp population has been reduced to 30,000. It is estimated that, on December 31, 1958 when the present UNREF program is due to expire, there will still be some 17,600 refugees in camps who are not yet settled. This group will include many aged, sick or "hard core" refugees for whom it is difficult to make permanent arrangements.

This figure does not include the recent refugees from Hungary, who are dealt with as a separate problem. Of the 183,000 refugees who fled from Hungary in the fall of 1956, some 19,000 still remain in Austria, of whom, perhaps 10,000 can be integrated into that country. Another 1,200 non-settled Hungarian refugees remain in Italy. In addition to the \$1,000,000 which the Canadian parliament voted for Hungarian relief, Canada has contributed to this program by accepting over 36,000 Hungarian refugees. A recent decision by Canada to accept a further 700 Hungarian refugees from Yugoslavia was helpful in effecting a complete solution of the Hungarian refugee problem in that country.

With reference to the regular refugee programme, Canada contributed \$18.8 million to the international refugee organization (IRO) before it was disbanded, and a further \$610,000 to the UNREF program from 1954 to 1958. In November of last year, Canada announced its intention, subject to parliamentary approval, of contributing a further \$200,000 to the UNREF program in 1958; and this sum is included in the main estimates. Contributions totalling approximately \$3.3 million have been pledged for 1958 by twelve governments.

In view of the impending termination of the UNREF program, the general assembly at its last session adopted a resolution (cosponsored by Canada) requesting the high commissioner to intensify his efforts under the UNREF program to achieve permanent solutions for the maximum number of refugees remaining in camps, to complete the projects which he has now under way and authorizing him to appeal to governments for the additional funds needed for closing the refugee camps.

The high commissioner has estimated that the funds still required to carry out the requirements of this resolution would be \$7.5 million. He hopes that, if governments meet his request for increased contributions in the near future, these camps can be closed once and for all by the end of 1960, thus terminating one of the most urgent and costly aspects of his mandate.

In my observations upon the external aid activities which are carried on under various votes of the Department of External Affairs I should first comment on Canada's contribution to UN assistance activities. While a certain amount of what may be classified as aid is carried on by each of the specialized agencies of the United Nations, paid for out of their own budgets (to which Canada contributes) the most important aid activities of the United Nations are carried on under what is called the expanded technical assistance program. This is a program financed by voluntary annual contributions by member governments, as opposed to assessed contributions to annual budgets. Canada is the second highest per capita contributor to EPTA, exceeded only by Denmark. The Canadian contribution for the current year is provided by vote 96—\$2 million (U.S.).

I might explain that this so-called expanded program is directed and coordinated by the technical assistance board. This board allocates the sums voluntarily contributed by governments—which is now about \$30 million a year—to the various assistance programs put forward by different countries and carried out by the various specialized agencies within their particular fields of competence. The function of the Board is to ensure that there will not be duplication and overlapping of the assistance activities of the different agencies. This makes it possible to use the funds that are contributed by member governments to meet the highest priority needs of each of the recipient governments.

I should also remind the committee that two years ago the Canadian delegation to the general assembly was authorized to indicate that if the program continued to operate on a satisfactory basis, the United Nations could expect a contribution by Canada of the same order as was being contributed for that year, namely \$2 million. Last year, during the twelfth general assembly, \$2 million was pledged for the forthcoming fiscal year. Vote 96 is designed to seek the authority of Parliament for honouring that pledge given by the Canadian delegation. I do not think I need to emphasize to this committee the usefulness and value of the United Nations technical assistance programs. That it is making an important contribution to international welfare and to raising the standards of living in the under-developed countries, is widely known and accepted.

Before I leave this subject of the technical assistance activities of the United Nations, I would like to mention the proposal to establish a special fund in the UN, to expand the assistance activities of the United Nations. I should point out that the decision to establish this fund was taken by the twelfth general assembly. As explained during the last series of meetings of this committee, during the twelfth general assembly the Canadian representative indicated that if the organizational and administrative arrangements for the fund were satisfactory, and if the proposals, as finally accepted by the United Nations, were broadly supported in the international community, Canada would consider making an appropriate contribution. When the resolution establishing the fund was passed, it was, of course, supported by Canada. A preparatory committee was established to draw up recommendations for the organizational and financial arrangements for the special fund, and to define precisely its sphere of activity.

Canada was appointed a member of that committee; the committee met for a period of five weeks in March and April of this year, and prepared a report to the United Nations. This report is being considered in the 26 session of the economic and social council, now meeting in Geneva. The economic and social council will put its views on the work of the preparatory committee to the thirteenth general assembly next autumn; it is likely that at that time Canada will have to give a precise indication of the size of any

Canadian contribution. I merely make this explanation, Mr. Chairman, so that the members of the committee who expressed some interest in this matter at the last series of meetings in the committee, will understand why there is no need yet for an item to appear in the estimates for this purpose. We would expect that if a Canadian contribution is decided upon, it will appear in the main estimates for the next fiscal year.

If I may now turn, Mr. Chairman, to the aid activities which Canada carries on, other than in the United Nations context; there are a number of items in the estimates which relate to these activities. Vote 104 seeks authority to make a further contribution of \$35 million to the Canadian Colombo plan fund. Vote 110 seeks authority for the provision of \$135,000 to provide technical assistance to the West Indies and Ghana. Vote 111 seeks authority for \$10 million to provide for the purchase of wheat and flour to be given to India, Pakistan and Ceylon, to relieve food shortages. Vote 502 (under loans, investments and advances, which will be found on page 89 of the main estimates) seeks authority for the provision of special loans to Colombo plan countries to finance the purchase of wheat and flour from Canada to supplement the economic assistance given under the Colombo plan. In the supplementary estimates vote 549 seeks authority to provide \$1,475,000 for the West Indies assistance program, and 545 asks \$3 million to be re-authorized for the provision of wheat and flour to India, Pakistan and Ceylon, to relieve food shortages.

The members of the committee will see from this tabulation that the Canadian assistance program is being broadened to include two new countries, Ghana and the West Indies, and that steps are being taken to provide certain amounts of Canadian wheat and flour to Colombo plan countries, as either loans or grants, to assist them in meeting their immediate needs. I might comment briefly on each of these various programs.

The Colombo plan program during the past year was mainly concerned with the carrying forward of a number of substantial long-term projects in which we are engaged in a number of countries, particularly India, Pakistan and Ceylon and to which the bulk of Canadian Colombo plan aid is assigned. In the case of India, the provision of industrial metals, wheat, and railroad ties, which helps to keep the Indian economy operating, and which gives immediate assistance to India in meeting its foreign exchange charges, is now a major feature of the program. The broad outlines of our Colombo plan program were established fairly early in the history of the plan, when we decided to undertake a number of projects in different countries, such as extensive aerial survey operations in Ceylon, the building of steam electric and hydroelectric plants and transmission lines in Pakistan and India, and assistance to transportation. Most of these projects take a considerable period to finish, and while some of the projects have been completed and turned over formally to the recipient countries, our main efforts and the bulk of the money made available must still be devoted to finishing the major projects which we have undertaken.

At the same time our technical assistance program that is, the program under which we provide experts to the under-developed countries and training of their personnel in Canada, which is also financed out of this Colombo plan vote, has continued to grow until during the past year, and has accounted for about \$1½ million of the expenditures out of the fund.

Mr. Chairman, there have been a number of statements by the Prime Minister, the minister and by the acting minister of the department, as to the allocation by the Canadian government of Colombo plan funds to particular projects and purchases in the Colombo plan area. As agreements have been reached over the past year with recipient governments on major projects and proposals, these have been brought to the attention of the house. There is, perhaps, little point of my recapitulating the information that has already

been given. Nor am I in a position to comment in any detail at this time on the allocation to the various Colombo plan countries of the \$35 million sum which appears in the vote. This depends, of course, on the proposals which are put before us by the recipient governments; discussions are now underway between ourselves, our missions abroad, and officials in the recipient governments, as to how the monies available might be spent. Until these discussions have progressed somewhat further, it would hardly be appropriate for me to elaborate.

It has been the custom in the past, Mr. Chairman, for the committee to ask representatives of the Department of Trade and Commerce, who are responsible for the detailed administration of the projects being carried out under our Colombo plan, to give more detailed information on the actual projects. Mr. Rosenthal, the acting administrator of the international economic and technical co-operation division of the Department of Trade and Commerce, is available if the committee wishes to have such information.

I now turn to the various votes for the provision of wheat and flour to Colombo plan countries. These have previously been described in considerable detail in the house. Perhaps all I need mention at this point is that the amounts shown in the main estimates and the supplementary estimates are the balance of funds which were not used in the last fiscal year. It was proposed last year that \$15 million should be allocated to India, Pakistan and Ceylon for grants of wheat and flour to relieve food shortages. Not all of this \$15 million worth of wheat and flour could actually be shipped during the fiscal year, and therefore, the estimates this year seek authority for the balance of that \$15 million. As for the \$10 million item available for loans for the purchase of wheat and flour, the members of the committee will recall that the Minister of Trade and Commerce made a statement in the house on January 8 last, indicating that the government was prepared to make loans to Colombo plan countries up to a total of \$35 million. Subsequently agreement was reached with India to take up \$25 million of this line of credit. The item in the main estimates for \$10 million is the balance of the \$35 million for which the government proposed to seek authority. Obviously it would not be appropriate for me to comment as to any negotiation which might be going on between Canada and other countries at this time as to the taking up of all or a portion of the \$10 million balance of the line of credit. Should agreement be reached with our Colombo plan friends for the use of these funds, I would expect that the minister would wish to draw the attention of the House of Commons to such arrangements.

Turning now to the West Indies and Ghana, there is little I can add to the information which has not already been given on a variety of occasions to members in the house. Last year authority was sought for the setting up of interim arrangements for technical assistance to Ghana and the West Indies. These two countries appeared to have a particular claim on Canadian resources. Ghana is a new country in the commonwealth and the first non-white independent commonwealth country to emerge in Africa. The West Indian federation, while still a colony, has taken the first step towards full independent status. This step appeared to be an appropriate occasion to put in hand arrangements for the provision of some assistance to the people of a group of islands who have developed close ties with Canada. These interim arrangements enabled us to meet some immediate requests for Canadian experts for these two countries, and we are now in the process of putting these assistance arrangements on a more permanent basis.

The \$135,000 item for technical assistance for the West Indies and Ghana is, of course, the balance of the amount which was not required in 1957-1958. It will be recalled by members of the committee that it was fairly late in the

financial year when this program was first put in hand, and in fact, very few expenditures were feasible. I would expect that during the current year the bulk of this money under this interim arrangement will, in fact, be required for expenditures for Ghana, and that the growing volume of our commitments in the West Indies federation would be met out of the vote for the West Indies alone. The members of the committee will note that in the details of the estimates it is made clear that the vote of \$1,475,000 is intended to cover commitments during the current year for three separate purposes; first, to get an economic or capital assistance program underway—the major part of this is, of course, for a ship for the inter-island shipping service; second, to meet the cost of technical assistance, that is, the provision of Canadian experts, and the training of West Indians in Canada; and third, to help the West Indies to meet the cost of the film about federation, which was produced at their request by our National Film Board. These items are relatively self-explanatory, Mr. Chairman, but perhaps I might draw members' attention to the fact that the minister made a detailed statement on the present status of a proposal to give a ship to the West Indies in an answer to a question asked by the member for Montreal-Laurier. The answer appears in *Hansard* for June 17. The detailed work involved in this project, as honourable members are no doubt aware, will be carried out by the Department of Transport, under the general administrative guidance of the International and Technical Co-operation Division of the Department of Trade and Commerce, which is charged with the administration of all our aid projects.

Mr. Chairman, I have tried to indicate briefly the main lines of Canada's aid activities as this matter relates to the items in the estimates of my department. Officials of the department of Trade and Commerce and of the Department of External Affairs, will, of course, be available to the committee to answer questions on any of these matters, and particularly on any of the projects in different countries in which members may be particularly interested. I would conclude, Mr. Chairman, by offering to make available to the committee two documents which summarize the volume and direction of Canadian aid. The first is a brief tabulation of the total flow of Canadian assistance in every form since the end of World War II. The second is a compilation of aid to various countries since 1954, prepared for submission to the United Nations. This is a revised version of a paper which was made available to the committee last year. Sufficient copies are available for all members of the committee.

In order to complete the documentation in respect of the main estimates, I should like to circulate a further document giving information prepared for members of this committee. This material is in two parts: a comparison of the 1958-59 estimates with those of 1957-58 with an explanation of all substantial changes, and a series of appendices comparing the 1958-59 estimates with the estimated expenditures for 1957-58 and the actual expenditures for 1956-57.

The CHAIRMAN: Is it agreed that this be printed as an appendix to today's proceedings.

Agreed.

(See Appendix A)

Mr. CRESTOHL: While the documents are being circulated, if I remember correctly there was also to have been distributed by the department the report covering Colonel Flint's death.

Mr. LEGER: Yes. As you have suggested, Mr. Chairman, there were a few questions which remain unanswered from the last meeting, among which is the question referred to by Mr. Crestohl. If I may, I could make the statements on those questions which remain unanswered.

The first was a question asked by Doctor Vivian as to what are the financial considerations in establishing a new post at Teheran and appointing heads of post to Tel Aviv and Beirut.

As a result of the Prime Minister's recent announcement that a diplomatic mission will be established in Teheran and that heads of post will be appointed to Beirut and Tel Aviv at which hitherto Canada has been represented by means of the double accreditation of our ambassadors in Cairo and Athens respectively, further financial requirements for the remainder of this fiscal year and in the fiscal year 1959-60 will arise. On the basis of these additional commitments which are beyond the extent of the financial and staff planning contained within the estimates now under consideration, our costs in operations abroad will increase by the following amounts:

| | |
|-------------------|----------------------------------|
| Operational | \$190,585 annually |
| Capital | \$ 66,025 during first full year |

For the remainder of the fiscal year the increased expenditures are estimated to be

| | |
|-------------------|----------|
| Operational | \$79,400 |
| Capital | \$40,000 |

Of these estimated costs the new post at Teheran would account for, on an annual basis, \$130,000 in operational costs and \$30,000 in capital. The immediate requirements, until the end of the present fiscal year, in establishing this post, are estimated to be, operational \$54,100, capital \$25,000. There will also be reflected in the departmental administration vote an increase annually of \$35,000 in relation to the opening of the new mission, which amount consists mainly of expenditures for communications, courier service, travelling and removal expenses. For the remainder of the fiscal year the departmental administration vote would be obliged to absorb about \$20,000 in consequence of the opening of this new post.

These figures in respect to Teheran represent a rather general approximation since that portion of the estimated costs which concern accommodation and furnishings is difficult to establish until the advance party which we are to send very shortly has arrived at the mission.

There was a further question on Palestine refugees to which I made reference. The question was as to whether the resettlement of Palestine refugees in Syria had been affected by the union of Syria with Egypt in the United Arab republic because economic factors and a comparatively low density of local population, the 92,000 refugees in Syria have been able to be assimilated into their surroundings to a greater extent than those in Lebanon, Jordan and the Gaza strip; in Jordan and Gaza in particular, the refugee population is so large in relation to the local population that almost no progress has been made. The official policy of all four "host governments", however, has been the same towards the refugees, except that in Jordan they have been granted Jordanian citizenship.

In all four regions, as the Director of UNRWA said in his last report, "the desire of the refugees for repatriation and their opposition to permanent resettlement continue unabated." According to our information the formation of the UAR has brought no change in the status of the refugees in either Syrian or Egyptian-controlled territory.

The third question refers to the Indo-China Commission. I think the question was asked by Mr. Martin. Developments in Indo-China during the past year have permitted the three international commissions to effect a certain reduction in personnel. The number of Canadian personnel now stationed in the area now totals 94, comprising 75 service personnel and 19 external affairs personnel.

The Vietnam Commission employs the major proportion of the Canadian contingent. This consists of 63 service personnel and 14 from External Affairs.

In Laos the entire Canadian delegation will be able to withdraw in the very near future.

No teams are stationed outside the capital of Phnom Penh. The current Canadian strength is 7, comprising 4 service personnel and 3 External Affairs. It is our hope that the Laotian adjournment formula will become applicable to the Cambodian Commission.

If withdrawal from the both Laos and Cambodia is effected this will bring about a Canadian reduction in the Indo-China delegations of 17 personnel. It is also possible that although the Vietnam Commission will remain, further reductions may be achieved there if the situation does not deteriorate.

A further question was asked by Mr. Richard on the World Copyright Convention. I think the question was: has the government taken any stand or position about the World Copyright Treaty.

I assume that what Mr. Richard had in mind was the universal copyright convention which was signed on September 6, 1952 at Geneva.

Although one of the 86 countries signing the convention in 1952, Canada has not taken action to ratify it pending the findings of the Royal Commission on Patents, Copyrights, Trademarks and Industrial Designs.

As you know, the Commission's report on copyright has been presented to Parliament and will, in due course, come up for consideration. Since any implementing action would rest with the Secretary of State, perhaps if there are further questions on this subject, they might be directed to him.

There was also a series of questions on Canadian claims in Poland, and on any Polish estates, held by the Canadian custodian.

According to our files we have 200 claims for residents of Canada amounting to approximately \$22 million, generally resulting from nationalization measures enacted after World War II. Among those claimants, many of them, however, do not qualify for the Canadian government espousing their claim under relevant provisions of international law, since they were not Canadian citizens at the time of the loss of or damage to their property.

According to international law the state is entitled to make diplomatic representations with regard to the claims of only those persons who were inhabitants, both at the date of the injury to or loss of their property and at the date of their presentation of the claim.

With respect to those claims the Polish government had suggested that a settlement of the claims for expropriation of the property could be guaranteed only if the Canadian government were prepared to enter with them into bilateral trade agreements providing for specified levels of trade in both directions.

In 1956 it was decided that Canada should not enter into agreements of this nature because such an arrangement would be contrary to Canada's trade policy.

Then, I come to the question of Colonel Flint asked by Mr. Crestohl. There have been two reports of the United Nations Truce Supervision Organization on the circumstances of the death of Colonel Flint on May 26. The first of these documents (S4030) was circulated by the Secretary General on June 17, 1958, and the second addendum, document S4030 (Addendum 1) circulated on July 28.

The main report discussed the actual details of the incident in which Colonel Flint lost his life, and also describes the background of the incident. The

three main conclusions of this bulky document might be briefly summarized as follows:

- (a) Colonel Flint "was probably shot by a bullet fired from Jordanian controlled territory", although there was a remote possibility that there might have been a ricochet.
- (b) Patrolling by the Israeli police in areas of Mount Scopus inhabited or cultivated by the Arabs has resulted in contacts and conflicts which could be avoided.
- (c) If each side were to refrain from working or developing disputed areas on Mount Scopus—Colonel Flint was killed in a disputed area—claims of sovereignty could be left in abeyance for the time being and tension might be diminished.

This is, of course, only an approximate summary, and members of the Committee might wish to read the document in full in order to have an accurate idea of the situation and the conclusions of UNTSO.

The addendum of July 28 is divided into two parts. The first states that, according to a ballistic test, "the bullet which killed Colonel Flint was a direct shot", and not a ricochet, so that it is "to be considered as established that Lt. Col. Flint was shot by a bullet fired from Jordanian controlled territory".

The second part concerns efforts by U.N. representatives to obtain the reopening of the "only reasonable road available" to the Arab village of Issawiya in the Mount Scopus area, the road having been closed by the Israeli authorities on June 1 (after the incident in which Colonel Flint was killed); this step, according to the report, "added gravely to an already explosive situation and required immediate rectification". The road was re-opened for daylight use from June 23; Mr. Hammarskjöld has since brought to the attention of the Government of Israel the view of U.N. representatives that "the implied prohibition of night use carried with it possibilities of further incidents and aggravations".

The first of these two documents in particular is of considerable length (some 48-double-spaced typed pages), and I do not mean to suggest that they be printed in the official record, but I shall leave them here in case members wish to consult them at their discretion.

The CHAIRMAN: What is the wish of the committee regarding this bulky report that the Under-Secretary has referred to?

Mr. CRESTOHL: That we comply with the suggestion of the Under-Secretary.

The CHAIRMAN: Does that meet with the wishes of the committee?

(Agreed)

The CHAIRMAN: I am sure we are all very much indebted to the under-secretary for the full explanation he has given of the various questions that arose out of previous meetings.

Thank you.

Mr. LEGER: We are now at the disposal of the committee, Mr. Chairman, to try to answer any questions.

Mr. CRESTOHL: Mr. Chairman, I think there is one more question I had raised. I put the question to the Prime Minister during the session. I did not have a copy of Hansard with me and for clarification I would like to repeat the question, because there was some doubts as to whether the answer fell under the jurisdiction of the Department of External Affairs or the Secretary of State.

Mr. JONES: Mr. Chairman, this is a question that was asked of the Prime Minister.

Mr. CRESTOHL: It was a question I asked of the Prime Minister.

Mr. JONES: Did he answer it?

Mr. CRESTOHL: He said he would give us an answer at a later date.

Mr. JONES: Has he answered it yet?

Mr. CRESTOHL: No, not yet.

Mr. JONES: Then I suggest, Mr. Chairman, that this is not a matter that should be brought before this committee, but should be dealt with in the house on orders of the day in the usual way.

Mr. CRESTOHL: I am afraid the honourable gentleman has not understood the purpose of my question. I wanted to ascertain whether this falls within the jurisdiction of External Affairs or the Secretary of State.

Mr. JONES: But the question has already been put to the Prime Minister and I presume in the ordinary course of events he will answer it. The appropriate place to have it answered is on orders of the day in the usual manner and not in the committee on External Affairs.

The CHAIRMAN: I think all that Mr. Crestohl wants to clear up is whether it falls within the jurisdiction of External Affairs or the Secretary of State. Such being the case I think that is quite appropriate; but if he is going to ask for an answer before the Prime Minister answers the question, then I would say it is out of order.

Mr. CRESTOHL: I am not going to ask for an answer. I do not know to which department I should address myself.

Mr. JONES: You have already said you have put the question to the Prime Minister and in such case as that a question addressed to the Prime Minister can be answered by him, whether it falls under any one of the particular departments, unless one of the cabinet ministers involved wishes to answer the question. I do not think this committee should be substituted for orders of the day.

Mr. CRESTOHL: Well, Mr. Chairman, I will put the question to the under-secretary. Could he tell me whether a question such as this would fall under the jurisdiction of his department? I will put the question.

Mr. JONES: I still submit, Mr. Chairman, this is an improper question.

Mr. CRESTOHL: Mr. Chairman, a member has the right to ask questions. There are many questions asked here which have been previously asked on orders of the day.

Mr. JONES: Well, what is the question?

Mr. CRESTOHL: I am going to read it.

Mr. JONES: Well, read it.

Mr. CRESTOHL: I was about to read it when I was interrupted.

Mr. Chairman, the question is this: Has any further consideration been given to establishing a release policy with regard to Hungarian, Polish and Roumanian assets listed in the custodian similar to the so-called victims policy applicable to German assets, whereby individuals who prove that they themselves were subject to nazi persecution can have their property rights restored?

Mr. VIVIAN: Mr. Chairman, inasmuch as this is a question of policy, is this a question that should be asked of the Secretary of State?

The CHAIRMAN: I am inclined to agree with the view expressed by Dr. Vivian.

Mr. MARTIN: But it could depend on whether the government has declared its policy. If the government has declared the policy, then it could be

answered. Perhaps it could be answered as to whether there has been a declaration of policy along those lines yet.

Mr. LEGER: The answer to that question is no; I do not know.

Mr. CRESTOHL: You do not know if there has been a declaration of policy dealing with what is held by the custodian under these circumstances?

The CHAIRMAN: Gentlemen, I think with respect to the question which Mr. Crestohl has addressed to the Prime Minister—the answer that the Prime Minister will give will designate the policy.

Mr. JONES: The question he is now asking is entirely different from the one he claimed he was going to ask a moment ago. He now asks about a policy matter. I think if we pursue this matter it will only serve to waste the time of the committee. I submit this is not the proper place to deal with this question.

The CHAIRMAN: I think we should take notice of the fact that the under secretary has stated that he has no knowledge of the policy and consequently he has no answer.

Mr. CRESTOHL: That is an answer.

Mr. MCGEE: According to my understanding of the orders of the day as expressed frequently by the speaker, it is that any member may ask a question, but he is not entitled to receive an answer. This is the very same situation. But when estimates come before a committee, the committee may insist on receiving an answer before they pass those estimates.

Mr. CRESTOHL: Here was a question which I put to the Prime Minister and which is yet unanswered. Therefore a reply from the under secretary might, in some form, impede the Prime Minister in giving an answer. I understand the objection that has been taken and I think it has been properly taken. All I am trying to do is to seek information as to whom I may address this question.

Mr. JONES: Mr. Chairman, I suggest that this is out of order. What Mr. Crestohl is asking for in effect is for a reply to a question he has asked in the house. Let him get up tomorrow on the orders of the day and ask for an answer.

Mr. CRESTOHL: I put my question on June 18, and there has been no reply as yet. I wish to avoid embarrassment.

The CHAIRMAN: I think the matter has been disposed of. Are there any further questions?

Mr. HERRIDGE: Are you dealing with the general question of administration?

The CHAIRMAN: Yes, and with the statement that was taken as read and tabled by the under secretary on Monday.

Mr. HERRIDGE: Are all the officials and employees of your department in Canada, Canadian citizens?

Mr. LEGER: I am sure, Mr. Chairman, that all employees who have access to confidential information are Canadian.

Mr. HERRIDGE: With respect to other employees, does your department give effect to the veteran's preference in the Civil Service Act?

Mr. LEGER: The answer is yes.

Mr. HERRIDGE: I notice a reference here to residences in chanceries—in some cases in the same building, which serves both purposes. At what point is it decided to have both buildings, in view of the size of the establishment?

Mr. LEGER: I think generally the question is: that you would rather have your chanceries in the centre of a town particularly for the purposes of trade

and contact with the foreign office and with other chanceries which are usually in the centre of a town—as is the case here in Ottawa.

But when your residence is—let us say—on the equivalent of the Island Park Drive here in Ottawa, it would not be necessarily satisfactory if the chanceries were also located there. Moreover if there were businessmen coming in and living in hotels in the centre of the town, they would have to go so far away.

Another inconvenience would be in the case of visa applicants who might need a visa in a hurry. If our offices were located away out, it would complicate their lives somewhat. So usually we try to have our offices—and therefore the chancery—in the centre of the town.

Mr. HERRIDGE: I note the very interesting memo with respect to the advisory committee of architects which advises concerning buildings and design. Who has the final say as to the size of the building that will be built, and the design?

Mr. LEGER: May I ask Mr. Matthews to answer the second part of your question?

With respect to the first part, as to size, I think the final authority is the treasury board.

Mr. HERRIDGE: It is limited by the treasury board because they have the funds, I presume?

Mr. W. D. MATTHEWS (*Assistant Under-Secretary of State for External Affairs*): As the under secretary's statement pointed out, this was a matter which was being recommended by the department. It is under consideration now.

I am happy to say that the first reaction to it is that something along this line was desirable.

But the official composition of the committee—the relationship of this committee to the treasury aspects of it, which is so important in any building, has not yet been decided, so it is impossible to say who will have the final decision.

But the recommendation which went forward from our department was that the committee should be composed partly of government officials and partly of representatives of the architectural institute; and that the committee would do two things; one, to nominate an architect where it was needed to obtain an architect outside the government service; and two, to pass on the architectural quality of the design.

I think something of this nature will materialize, but it will be a month or two yet.

Mr. HERRIDGE: Just a couple of other questions: with respect to the vehicles which are used overseas. What arrangements are made? Does the department own the vehicle, or does it pay so much a mile for the use of a vehicle owned by a member of the staff?

Mr. MATTHEWS: A departmentally-owned car is provided for the head of the mission. In almost all cases too, there is a utility car—very often a station wagon—which can do light trucking jobs as well as major jobs. These are owned by the department and the operating expenses are paid for. It is very unusual that we pay mileage rates for the use of a personally-owned car. Certainly lots of our officers may have their own cars, but they do not charge us mileage on them.

Mr. HERRIDGE: One more question. I notice on page 17, of the under secretary's statement, the following reference:

...It is estimated that, on December 31, 1958 when the present UNREF program is due to expire, there will still be some 17,600 refugees

in camps, who are not yet settled. This group will include many aged, sick or 'hard core' refugees for whom it is difficult to make permanent arrangements.

Having in mind that we have had that "hard core" of aged and sick and other refugees brought to Canada in the last two years, I could never see why these poor people are allowed to remain in those camps and why we cannot take our percentage of those aged and sick persons.

I think we have a primary responsibility to them, after their being in these camps for so many years. If we refuse them on these grounds, I think it is very unsound.

Mr. LEGER: This is indeed a tragic situation. I would not dare to give an answer to the question as such. It seems to me that the only point I would make is that on the whole the Canadian government has been indeed forthcoming in accepting immigrants and refugees, but we are still left with that "hard core" that is an international responsibility.

Mr. JONES: What discussions have taken place in the United Nations with regard to the relief of these 30,000 refugees?

Mr. LEGER: The High Commissioner is very active in regard to refugees. Indeed, I think he or his representative will be here in a very short period of time to discuss this and related matters. This subject is permanently under discussion.

Mr. DINSDALE: Referring back to the Under Secretary's answer in regard to Arab refugees, I understood him to say that there is still a high degree of resistance on the part of refugees themselves to resettlement. That being so, how many of these Arab refugees have successfully been resettled during the past few years? Is that information available?

Mr. LEGER: I am afraid that my notes have been taken away from me.

Proportionately, the answer to your question is that there is a very low proportion of Arab refugees who have been actually resettled. There were close to 900,000 when the operation started and there are over 900,000 left. I should guess that there might be between 50,000 and 100,000 that have been resettled.

Mr. DINSDALE: Would that number represent volunteers for resettlement, or would they have been resettled under persuasion?

Mr. LEGER: I should think that they would be volunteers.

Mr. DINSDALE: I noticed a comment recently that financial support for these Arab refugees from nations participating in the United Nations is diminishing. I think the contributions now stand at \$7 million and the actual cost is \$15 million. In view of that financial problem, is it possible to say that the United Nations is moving forward vigorously to help persuade these refugees resettle and to help assist these refugees in resettlement, or is it a situation that is more or less stagnant?

Mr. LEGER: Mr. Chairman, this situation is somewhat stagnant. It seems to me that the difficulty, which was explained to us last year by the director general of that agency, Mr. Labouisse, was that countries would be quite willing to participate in schemes of permanent resettlement, and even possibly increase their contributions if the results were resettlement.

What has happened over the years because of certain political factors is that some countries have contributed—Canada is among them—but it has been for relief throughout. The resettlement element is proportionately so small that no progress is made in regard to resettlement.

Mr. DINSDALE: A few years ago there was a resettlement project in Greece. Was that successful, do you know?

Mr. LEGER: I am sorry, I do not recall that. We could find out, but I just have no information available.

Mr. MARTIN (*Essex East*): Very likely you are referring to the work of the International Refugee Organization.

Mr. DINSDALE: There was a resettlement project in regard to Arab refugees in Greece.

Mr. KUCHEREPA: Going back to page 17 of your report, I would like to ask several questions regarding the statement: "This group will include many aged, sick or 'hard core' refugees for whom it is difficult to make permanent arrangements". What does the word "sick" refer to here? Does it refer probably to tuberculosis for the most part?

Mr. LEGER: I should think that the word is used in its Canadian context.

Mr. KUCHEREPA: The phrase "hard core" used in this quotation refers to what group or category?

Mr. LEGER: That I believe would refer to incurable diseases.

Mr. KUCHEREPA: The phrase "hard core" does not refer to political affiliations?

Mr. LEGER: No, not in this context at all.

Mr. KUCHEREPA: On page 3, the last paragraph says "As you probably know, locally-engaged personnel are those employees who are hired by our missions abroad. They are generally nationals of the country in which the mission is located. They may be required to do any number of different tasks, ranging from gardening to consular work." Just what kind of consular work would these employees be called upon to do?

Mr. LEGER: I should think, Mr. Chairman, I might illustrate that by an example.

We may have a British subject in a country such as Mexico who would like to work for us and whose first job might be a telephone operator. Having been in the Canadian mission for two or three years, and knowing what the public—Canadians—in Mexico come for, the Department of External Affairs would decide to use that employee to receive Canadians wishing to obtain visas, for example. There is nothing confidential in that work and, therefore, that person would prepare the documentation to be submitted to the vice-consul or a consul who would naturally be a Canadian.

Mr. KUCHEREPA: Mr. Chairman, it has been suggested to me, specifically relevant to Poland, that there are employees doing consular work who are Polish nationals and who, in effect, affect some decisions which are made by our consulate in that centre.

I am just wondering whether the responsibilities which these nationals of these countries have could influence our decisions in those centres.

Mr. LEGER: I should think, Mr. Chairman, while not being able to answer that question directly, it may be a question of translation. If our consular officer does not know the Polish language, and if someone came in without knowledge of either English or French and asked for some consular work to be done, then a Polish translator might be used. Whether that Polish translator, in the course of the conversation, could influence the Canadian or not, I do not know. I hope not.

If there is any case that is brought to our attention, we would look into it immediately.

Mr. KUCHEREPA: On the whole you feel the responsibilities enjoyed by these nationals in these countries would not, in a marked way, affect the administration of our posts?

Mr. LEGER: I should not think so, Mr. Chairman.

Mr. MCGEE: Mr. Chairman, I notice on page 8, the statement concerning the passport office. It says that in the calender year 1957 the passport office issued 97,804 passports and receipts amounted to \$542,311. It seems to me that we should not make money on the operations of services we provide to the public. It is the intention of the Department of External Affairs to reduce the cost of passports?

Mr. LEGER: I must say, Mr. Chairman, we have not given any thought to that problem as of late. Nor, in my experience, has there been any request from any quarter that such reduction be made. I would doubt that our passports—although it is not a kind of vegetable—are any more expensive than those of any other country. We will look into that situation to see how our passports stand.

As the members of the committee will appreciate, this is the most valuable travel document in the world.

Mr. KUCHEREPA: On page 10, Mr. Chairman, regarding the paragraph at the bottom having to do with the advantages of owning our own chanceries and official residences, I certainly agree that for purposes of conducting business it is satisfactory to have a permanent address in regard to these places. The interesting feature of the report is that we own more residences than we have chanceries. I would think that the natural evolution would be that we would first own the chancery and then look forward to acquiring residences when the situation became suitable, and when we required a more definite type of organization in a given place. Is there any explanation for having more official residences in our possession than chanceries at this time?

Mr. LEGER: I think, Mr. Chairman, that there is no particular reason for it. In tropical countries for example, I should think most of our chanceries are air-conditioned, while very few of our residences are, it is easier to rent an air-conditioned chancery than to build one. However, that is only a partial answer to your question.

Mr. HERRIDGE: Has the department any pictures of these chanceries and residences so that the members could see what the government is getting for its money abroad?

Mr. LEGER: Yes. Mr. Chairman, at the next meeting, if it is the wish of the committee, we could come with a pitcure gallery.

Mr. RICHARD (*Ottawa East*): I am sorry, Mr. Chairman, to go from one page to another, but we seem to be jumping back and forth. It might be better if we start at page 1 and worked our way through. I am back at page 5 now. I would like to ask the Under-Secretary of State if the size of the staff has increased in recent years. Has this year's staff increased?

Mr. MATTHEWS: The actual establishment has not gone up for the last year. The figures in the estimate book will show an increase and that took place at the time of the supplementary estimates a little over a year ago, so that the number of the authorized positions has not increased during the past year. We have however been able to catch up a little with the backlog, as we have fewer vacant positions than we had before. The total increase of personnel working is up very slightly because we have a lower level of vacant positions.

Mr. RICHARD (*Ottawa East*): I know we have quite a large number of locally-engaged staff; what is the policy of the department in regard to locally-engaged staff? We hear all kinds of stories from time to time. I remember one story about our chauffeurs in Russia and how much they cost a month. What is our policy in regard to this? Is it a good policy to hire

these people in these positions or could we not find Canadians that would occupy these positions ?

Mr. MATTHEWS: There are two real difficulties about sending Canadians to a good many countries. One is that people who would take the type of job as a chauffeur or caretaker—

Mr. RICHARD (*Ottawa East*): Even at that price?

Mr. MATTHEWS: I will come to the price later, but it is difficult to get people who will go there. You cannot get people who know the language and the kind of home life that they could make would be pretty grim. Therefore, it would be a real recruiting problem.

As far as price is concerned, I think in every case it costs us more and in almost all cases a great deal more to send a Canadian. You have not only your salary and the cost of living allowance, but you have a very heavy cost in removal. In regard to the U.S.S.R., to which you were referring, we have a two-year posting. If you send a person into the U.S.S.R. with all their clothing and effects and two years later bring them out, you have incurred a pretty substantial expenditure, so that the additional cost of filling these posts with Canadians, even if we could find them, would be a very, very substantial amount.

Mr. RICHARD (*Ottawa East*): Does the security angle not enter into it?

Mr. MATTHEWS: That is the one point we do insist on. We insist that any person who has access to classified material shall be a Canadian recruited in Canada.

Mr. RICHARD (*Ottawa East*): Can you tell me more about these chauffeurs in Russia?

Mr. LENNARD: There was only one there.

Mr. MATTHEWS: There are more than one there, because it is almost impossible for a Canadian to get a driver's licence there; so our people have to be provided with transportation.

Mr. RICHARD (*Ottawa East*): I thought the rate was pretty high for a chauffeur.

Mr. MATTHEWS: I would be glad at the next meeting to let you know what we pay our chauffeurs there. It is far less than if we had to send a Canadian, taking into consideration all his incidental expenses.

Mr. KUCHEREPA: Is it a fact that chauffeurs now employed by other embassies in Ottawa have to have Ontario drivers' licences?

Mr. MATTHEWS: Yes, I think they would.

Mr. KUCHEREPA: All of them?

Mr. MATTHEWS: We do not look after that, but I think they would all have Ontario licences.

Mr. RICHARD (*Ottawa East*): I would like to ask a further question and direct it to the Under-Secretary. Has the amount given to the corporation of the city of Ottawa in lieu of taxes been substantially increased over the last year for the embassies, or how is it based?

Mr. MATTHEWS: The amount is based upon the taxes that would be paid on that property if it were owned by an ordinary citizen. There was a substantial increase one year ago in that, up until that time it was only the general tax rates that were paid. One year ago we also started for the first time paying the school rates.

Mr. RICHARD (*Ottawa East*): Could you give me the total?

Mr. MATTHEWS: Yes, the amount in this year's estimates, the ones that are now under consideration, is \$137,500. Last year it was \$125,000 and that

results from an increase in the number of properties owned by foreigner governments. In regard to the year before, I have not got all the figures, it would be lower because it did not include school taxes before the 1957-58 year.

Mr. RICHARD (*Ottawa East*): Could I direct this question to the Under-Secretary of State? I am always puzzled a bit by the diplomatic—but not humidity—but immunity.

The CHAIRMAN: That is a good word.

Mr. RICHARD (*Ottawa East*): And I wonder to what level it goes and if our people at all the same levels have the same immunity from proceedings in the different countries of the world where we are attending?

Mr. LEGER: The answer is yes, diplomatic immunity is generally recognized throughout the world. There may be differences in interpretation now and then, as the committee knows. Our diplomats in Moscow are only allowed to travel after having obtained permission and it may be that during a trip they make that some inconvenience might be created by the municipal authorities. But generally when, in cases like that, the officer in question can submit his credentials, which really is his diplomatic passport, he has little difficulty, or is released, if such is the case.

Mr. RICHARD (*Ottawa East*): Does the recognition still exist, or was it a regulation at one time, that certain members of the diplomatic corps from Europe could not travel through Canada a further distance than thirty miles from Ottawa without a permit?

Mr. LEGER: That regulation still stands. We did not start that. It was merely because we had so much difficulty in the Soviet Union and the satellite countries that we had to impose travel regulations here also, which were imposed in 1952. They were retaliatory and they were introduced in concert with most of our NATO partners after the Soviet government made substantial additions in 1952 to its list of areas which were prohibited to foreign diplomats.

Originally we required notification from the Soviet Embassy as to any of their members who desire to travel beyond 25 miles from the city limits. In 1953 we extended that to 75 miles.

However, I should like to make a more general observation on this. When our colleagues in Moscow ask in advance to travel to a given region which is not prohibited, they do get the permission of the Soviet authorities. I think one of the differences is that here an ambassador or his secretary can jump in a car, take a train or a plane, and a few hours later land in Vancouver and the government will never know about it; whereas since travel is a government agency in the Soviet Union you cannot even go from Moscow to Leningrad without buying a ticket at a government agency, being on a government-controlled train, and eventually landing at a government-controlled station at the other end.

I do not like to give the impression that the movements of our personnel are too limited in the Soviet Union; it is not true. But there are certain limits, less so than in 1952 or 1953.

Mr. RICHARD (*Ottawa East*): Does it apply to the servants and the other people who are employed by the Russians who are brought over here to work for them?

Mr. LEGER: It applies to all personnel.

Mr. RICHARD (*Ottawa East*): Is there a limit on the number of persons to whom we give diplomatic recognition or immunity in any of our embassies? Can the embassies bring in as many people as they want, for instance 200 or 300, whereas we might have only three or four in that country?

Mr. LEGER: There is a ceiling applied to certain embassies in Ottawa.

Mr. CRESTOHL: Could the Under-secretary tell us whether there have been many requests for asylum in Canada for political refugees?

Mr. LEGER: I cannot give you the answer offhand. We will look into it. May I ask for clarification; is it in respect of people who have actually landed in Canada?

Mr. CRESTOHL: No. In respect of people who have run away, to use simple language, from countries behind the iron curtain and who have sought refuge or asylum in Canada. To illustrate it more clearly, we read a few weeks ago, I think, of some refugees who jumped a boat somewhere north of Scotland, swam ashore, and sought refuge there.

Mr. LEGER: We will look into that.

Mr. DINSDALE: Does the problem of East Germans coming into West Germany still continue and does that constitute a part of the U.N. refugee problem.

Mr. LEGER: Much less so than three or four years ago when it was very intense. I do not have the latest figures, but I do not think we can call it a problem of refugees now. I think it is under control.

Mr. DINSDALE: Does that suggest that the West Germans absorb many of these people who move from East Germany?

Mr. LEGER: Yes.

Mr. DINSDALE: They do not add to the sum total of the refugee population?

Mr. LEGER: No.

Mr. JUNG: Having just returned from there, while I was there I was briefed by the minister of German affairs and I was told that there are still over 7,000 refugees coming in from East Berlin each week. They are received in refugee depots where they are processed and after the processing which takes from four weeks up to three months, they are then cleared and given status as a refugee and the West Berlin government flies them out from Berlin into free Germany and gives them a financial grant which helps them on their way. When they are not given refugee status they stay within the confines of the refugee camp. Out of a total of some twelve million refugees since 1949, there are some 80,000 who are still not cleared. But there is not one case where a refugee has been sent back to East Berlin. These people voluntarily report to the refugee camp and are free to leave at any time.

The CHAIRMAN: That is a very interesting observation.

Mr. JUNG: There is one question which I would like to raise. Are there any provisions for extending, shall we say, pension privileges to any of the employees whom we hire overseas? I am thinking, particularly, of some of the chauffeurs who have given us long service. I was speaking to one in England who has been a chauffeur for fourteen years and another in Denmark who has been a chauffeur for twelve years. While they are appreciative of the high rate of pay which they receive, they would like, by virtue of their long service, to feel that this would be considered even if they have to contribute to it. Has the department ever given any consideration to that?

Mr. LEGER: I will ask Mr. Matthews to answer the second part of your question. To revert to the refugee problem we are glad to have the information which you have given us. The comments which I was making applied to those refugees with whom we are concerned who are referred to on page 16 of this statement, the UN refugees as such, Refugees going into West Germany do not necessarily become UN refugees and are not ones about whom we are concerned.

Mr. JUNG: I appreciate that.

Mr. MATTHEWS: The problem of the pensions for our regularly engaged staff is a problem which we have been trying for many years to solve. It is a very complicated problem because these people are paid at going rates in the country where they are employed in the currency of that country; so that you cannot set up a pension in terms of Canadian dollars and you could not make your contributions at a set rate in Canadian dollars. The value of their income would fluctuate with the exchange rates. In most of the countries there would not be local companies which could handle the pensions. This is a subject which is under study by our department, the Department of Trade and Commerce, and the people in the Department of Finance who are experts in these matters, and no world-wide solution has been made.

Where people have given a long and faithful service and are retired on account of health reasons or because of age, we have been able to obtain individual authority to give some of these persons assistance either in the form of a lump sum payment or in the form of a small annuity. We have worked out pension schemes now for our local employees in the United Kingdom and in the United States and we hope eventually to make this world-wide.

Mr. JUNG: Thank you very much.

Mr. CRESTOHL: Mr. Chairman, may I ask another question? Have we established in Canada in some form a school or university for training our foreign service, like they have in France—a diplomatic school?

Mr. LEGER: Mr. Chairman, the answer is no. The department as such, has no training school. There are certain universities which have faculties and the department naturally has no responsibility there.

The way we try to train our foreign service officers is, that during the first year they are in the department they are not attached to a division as such for that full year. We try to organize their work so that they pass to three or four divisions during that year to get a general view of the sort of work that they will expected to do.

Furthermore, we have special lectures for them, given by some senior members of the staff. We also have French classes that they can follow, if they are not too fluent in French and, lastly, we bring officials of other departments, Trade and Commerce, Finance and the Bank of Canada, who come to spend an hour or two with those juniors to bring them up to date on what goes on in other government departments.

It is an ad hoc way to look at the problem of training; but on the whole, bearing in mind that there is seldom if ever more than 20 new foreign service officers in any given year, we do not think it would be appropriate to set up too elaborate a school of, shall we say, diplomacy.

Mr. KUCHEREPA: You might say they are graduates of the hard school of experience, like politicians.

Mr. LEGER: Yes.

Mr. HERRIDGE: Those who become foreign officers or somewhat senior officials have some sort of academic qualifications?

Mr. LEGER: We require university graduates in all cases.

Mr. JONES: I wonder, Mr. Chairman, whether it would facilitate our control of the various matters with which we have to deal if we could proceed through the report of the under-secretary and complete our discussion on that in a more or less orderly fashion, taking pages and topics in sequence as they are arranged there?

Then, perhaps, we could have a discussion on any other matters of a general nature which arise on the first item of the estimates, and then continue through the estimates and have them dealt with in sequence.

I suggest that, not only for assisting us here during these particular deliberations, but also for the future when we would like to refer back to the record of this committee. It would make it much more simple to find the discussions on these problems if they are dealt with in an orderly sequence.

The CHAIRMAN: I would like to comment on Mr. Jones' suggestion. I think it is a good one. I think the experience of the committee is this, that when the administrative item has been pretty well covered and the questions answered, then when we get down to the details of the estimates they do not take a great deal of time. I was of the opinion that we were just about reaching that point now. However, if it is the wish of the committee that we deal with this statement page by page, I am quite prepared to do so.

Mr. JONES: I think we have covered most of it already.

Mr. KUCHEREPA: I think now we are probably in a position to enter into the main estimates and make referrals, if necessary, back to the points which members of the committee have already read and made comments on.

The CHAIRMAN: Are there then any specific questions arising out of the under-secretary's report?

Mr. DINSDALE: With reference to the Colombo plan, Mr. Chairman, I take it that any assistance to the new commonwealth state of Ghana is outside the terms of reference of the Colombo plan?

The CHAIRMAN: Before the under-secretary answers that question, I would like to draw the attention of the committee to the fact that Colombo plan officials will be, we hope, with us tomorrow, if we proceed far enough along today.

Mr. DINSDALE: I will not be able to be with you in the morning, Mr. Chairman.

Mr. LEGER: I can, Mr. Chairman, try to give a much more unsatisfactory answer than the one that would be filled in tomorrow.

As far as the votes are concerned, the assistance to Ghana and to the West Indies comes under a different vote from the Colombo plan. As far as the discussions leading to mutually satisfactory projects are concerned, those discussions are conducted by the Colombo plan administrators in the Department of Trade and Commerce together with our experts in the Department of External Affairs. So it is the same machinery, but it is a separate vote.

Mr. DINSDALE: So the total assistance available for Ghana would be this small amount—I cannot put my finger on it at the moment—oh yes, \$135,000 for Ghana and the West Indies as compared with \$35 million for the Colombo plan nations?

Mr. LEGER: I am told that the \$135,000 will go to Ghana, close to its entirety, and that the West Indies vote in the supplementary estimate is \$1,475,000 which will be the West Indies assistance program.

Mr. DINSDALE: This is policy, of course. Is there any thought of expanding the Colombo plan scheme to a commonwealth country like Ghana?

Mr. LEGER: Well, Mr. Chairman, the commonwealth scheme is a joint scheme. Canada alone cannot decide to extend the Colombo plan umbrella over the West Indies and Ghana. It would have to consult with the other Colombo plan partners.

As the committee is aware, this is a new venture. Assistance to the West Indies and Ghana is just starting and I presume that the government in due course will see whether the present ad hoc arrangement is satisfactory or whether they would like to use the Colombo plan umbrella over those new developments.

Mr. DINSDALE: This sounds like a matter which could be discussed by a commonwealth conference.

The CHAIRMAN: Gentlemen, I was wondering if I could ask a question of the under-secretary along the lines Mr. Dinsdale has asked; and this is going to be a beginning: I would like to know where this is all leading and where it is going to end.

An hon. MEMBER: The "gimnee" club.

The CHAIRMAN: After all, I think we should keep in mind that we are 17 million people, and if that is so—

Mr. DINSDALE: Are you advocating retrenching now, Mr. Chairman?

The CHAIRMAN: No sir, I just want the committee to be realistic.

Mr. RICHARD (*Ottawa East*): Charity sometimes begins at home.

Mr. DINSDALE: I was not advocating increasing the expenditure; I was just asking if the Colombo plan—

The CHAIRMAN: Are you retrenching now?

Mr. DINSDALE: Not at all, I was just asking if the Colombo plan applied to the West Indies and Ghana, and I think I have received a satisfactory answer.

The CHAIRMAN: Are there any further questions concerning the Under-secretary's statement?

I appreciate very much the cooperation of the committee but we are still dealing with Item 85. Shall Item 85 carry?

Mr. HERRIDGE: Just before it does, Mr. Chairman, I want to make an observation. I was very surprised when one of my colleagues who belongs to a different party from me objected to this department making a profit. I did not quite follow his philosophy. I have found from experience the officials are most courteous. I had to see officials and in every case the amount charged was never thought of as far as I was concerned,—I was so delighted to get the passport and get things fixed up. I was quite delighted in every case. I do hope there is no suggestion of removing this one branch which does make a profit.

The CHAIRMAN: I think we do appreciate the comments of the member.

Mr. KUCHEREPA: On page 3, Mr. Chairman, of the estimates under 85, Section 4, could we have some comment on this problem?

Mr. MATTHEWS: That is the main item, that is the increase in the sub-heading professional and special services. Those include legal fees, press services, tuition and examination fees. We give tuition in foreign languages and we examine our people to see if they are qualified for a language allowance. We also include professional services and we pay the Department of Veterans Affairs for the use of their hollerith machine; and there is a medical scheme for people who are coming back from postings at unhealthy posts.

The main increase is in relation to legal fees which will be payable when the international arbitration tribunal is set up for claims arising from the Gut Dam.

I do not know if members of the committee are familiar with the Gut Dam; it was a dam built across a channel in the St. Lawrence river in the Thousand Islands Section some 60 years ago.

The people on the southern shore of Lake Ontario claimed that this dam having been erected by Canada, and having resulted—as they claimed—in higher water levels than would otherwise have existed, demanded compensation from Canada.

In connection with the probable arbitration of these claims, we shall have to pay legal fees.

Mr. KUCHEREPA: Thank you.

Mr. JONES: With respect to item 85, I wonder if some extension of the remarks that have been made in connection with the inspection service might be given. The inspection unit, I take it, is a group of efficiency experts within the department. What is the size of the staff employed by them? And perhaps the Under secretary could give us a general idea of their operations.

Mr. MATTHEWS: If I may be permitted to answer that question, the inspection service was established just about two years ago. It consists of two officers of the department and one stenographer.

We hope to add to it because it has proved to be a very useful and valuable operation.

Their responsibility to date has been inspecting missions abroad. We hope that all our missions will be covered in three year cycles.

Mr. Hemsley has been in charge of that service and he has covered some 40 odd missions in the last two years.

He examines the operation in all fields at each of these posts. Before going abroad he receives reports from the political division, and from the economic division to see if what is coming in is correct.

He checks on our financial division to see if their accounting procedures are satisfactory. He goes to each division here and examines each phase of activity of the posts abroad. He comes back with a recommendation on whether the office premises are suitable, or whether the staff is adequate or too great; he comes back to let us know about all their problems.

We hope to add to that service and we hope it will be able to take some responsibility for examining the efficiency of operations of the divisions in Ottawa.

Mr. JONES: Further to that: do the efficiency experts maintain liaison with similar units in other departments?

Mr. MATTHEWS: Yes. There is a unit in the Civil Service Commission, in the establishment and organization branch, which does unit surveys of different parts of government departments. We quite frequently ask them to come in—or they may suggest that they come in themselves, if we say that we need more staff. They want to see how we are organized.

There have been many of these unit surveys made over the past few years, of the operations of our department in Ottawa.

Mr. JONES: My point was whether or not there was a continuing liaison between the unit survey group or the unit inspection group within the department itself in order to achieve an overall measure of efficiency.

Mr. MATTHEWS: Up to date our own inspection service has confined its activities almost wholly to the missions abroad.

The Civil Service Commission had never done a survey of our missions abroad. They have been looking at the Ottawa operations. So there has been no overlapping or lack of liaison.

Certainly when our inspection people begin to look at our divisions in Ottawa we will make sure there is proper liaison.

Mr. JONES: You think that there is liaison?

Mr. MATTHEWS: I am sure of it, yes.

Mr. HERRIDGE: Based on items 9 and 10 on page 4, I have a question concerning the publication of department reports and other material, display of films and other national publicity.

Is this work coordinated with the Department of Citizenship and Immigration, and the Department of Trade and Commerce, so that there is no overlapping of publicity work in this respect?

Mr. LEGER: Yes. There is an interdepartmental committee on information on which all departments are represented. A pamphlet like the one referred to in item 95 is discussed in preliminary form at meetings of that

interdepartmental committee, and if any department has any special idea to put across, or any picture to put in, then it is taken into consideration.

Mr. HERRIDGE: Thank you.

The CHAIRMAN: Are there any other questions?

Mr. JUNG: With respect to item 85-5 on page 3, "Courier service—increase \$30,000. This increase is due to the opening of courier service London to Cairo, and the provision of first class, rather than tourist air travel Ottawa-Paris (via London), necessitated by security requirements".

Why does "security requirement" necessitate the provision for first class?

Mr. MATTHEWS: With respect to the courier service, in order to be secure, the courier must be the last man on the plane, having seen all the bags go into the luggage compartment, and he must be the first person off the plane when they open up the luggage compartment. He has to be right there.

We tried one on the tourist flight, but we could not make arrangements with the air line for our people to be the last on or the first off unless they were listed as first class passengers.

There is a certain amount of saving, because a first class passenger is allowed to carry more weight without having to pay for excess baggage. But the main reason was that of security.

Mr. JONES: In that connection, is the luggage required to be carried by such a courier of such a size that it needs to be carried in the luggage compartment?

Mr. MATTHEWS: Frequently there are shipments in regard to NATO matters or things of that kind which are very bulky as baggage—comprising confidential material; and another thing is: there are also kinds of communications supplies which have to go by courier which are very bulky, so that the weight carried is sometimes very large indeed.

Item agreed to.

Supplementary item 542 agreed to.

Item 86 agreed to.

Item No. 87—Representation Abroad—Construction, acquisition or improvement of buildings, works, land, equipment and furnishings, and to the extent that blocked funds are available for these expenditures, to provide for payment from these foreign currencies owned by Canada and provided only for governmental or other limited purposes \$1,412,688

Mr. KUCHEREPA: Do we purchase vehicles in other countries or do we take them over from Canada for use in this service?

Mr. MATTHEWS: Wherever we can get a Canadian vehicle, we do so.

Mr. JUNG: Am I to take it that the permanent delegation to the United States is located in its new quarters?

Mr. MATTHEWS: Yes, it moved in in June.

Mr. JUNG: Members who are going down there this fall will be quartered in the new quarters, will they?

Mr. MATTHEWS: The central office for the delegation will be in the new quarters on Third Avenue.

Mr. JUNG: On Third Avenue, yes.

Mr. RICHARD (*Ottawa East*): Are there many vacancies open for ambassadors or representatives? I see there are two vacancies here. Are there many posts open?

Mr. LEGER: I think there is one open in Rome; there is one in Mexico; there is one in Denmark. There will be one open in Iran when we advance the team. There will be a few other posts in capitals that I am sure would not be of interest to Mr. Richard in the context in which the question was asked.

Mr. RICHARD (*Ottawa East*): This item does not include consular representatives, does it?

Mr. LEGER: Yes, this vote does include that.

Mr. RICHARD (*Ottawa East*): I notice we have a standing representative here sitting in front of me from San Francisco, Mr. Dolan. I wonder if I could get a fine post like that myself. I suppose there is no vacancy available.

Mr. LEGER: I will have to speak to Mr. Dolan about that.

Mr. VIVIAN: What has been the practical effect of the establishment of trade missions in London by the various provinces in regard to Canada House? Has this saved Canada House anything substantial or do they simply increase the trade? Does the establishment of the provincial houses increase the interest in trade between the United Kingdom and various provinces?

Mr. LEGER: I think, Mr. Chairman, that the decision to open an office is generally a provincial one. Therefore there is no comment I would dare make except to say that I am sure that the cooperation between the provincial offices and Canada House is extremely good. Indeed the provincial offices do help Canada House in its own work.

I was reading a letter from Mr. Drew the other day referring to 80,000 Canadians that he expected would be going through London this year. If those 80,000 people were to go to Canada House it would create a serious problem.

I think that those provincial houses are very helpful for our purposes although I cannot comment in respect of their own purposes.

Mr. VIVIAN: Mr. Chairman, I should like to make the purpose of my question quite clear. I was referring to a matter of money and not a matter of policy in regard to whether or not there had been a savings to Canada House. Your answer gives me the answer to that question.

Item agreed to.

Item No. 543—Representation Abroad—Operational—Further amount required \$170,530

Mr. RICHARD (*Ottawa East*): Does this represent an increase in the representation abroad, Mr. Leger?

Mr. LEGER: Yes.

Mr. RICHARD (*Ottawa East*): Are there any new consular appointments to be made?

Mr. LEGER: There are no new consulates to be opened that I am aware of. Supplementary item agreed to.

Mr. HERRIDGE: I notice there is a decrease of \$31,877 in regard to basic household equipment and furnishings for staff abroad. Has the Department of External Affairs decided to do without some things here?

Mr. MATTHEWS: I think this program has been fairly well completed in places where we have staff premises. There is not as much left to be done this year. We have not closed anything. This represents the equipping of the new ones, and the rate of expansion has slowed down.

Mr. JONES: This item shows decreases mostly.

Mr. MATTHEWS: Yes.

Mr. JONES: Almost every item in 87 shows a decrease. In some cases it is rather a substantial decrease.

Item No. 88—To provide for official hospitality \$40,000

Mr. KUCHEREPA: There is no change in our official hospitality for this year, is there?

Mr. LEGER: No.

Item 88 agreed to.

Item No. 89—To provide for relief and repatriation of distressed Canadian citizens abroad and their dependents and for the reimbursement of the United Kingdom for relief expenditures incurred by its Diplomatic and Consular Posts on Canadian account (part recoverable) \$15,000

Mr. KUCHEREPA: How does the \$15,000 stand at the present time?

Mr. MATTHEWS: You are referring to the \$40,000?

Mr. KUCHEREPA: No, in regard to item 89—to provide for relief and repatriation of distressed Canadian citizens abroad... etc.

Mr. MATTHEWS: In regard to that fund, when we recover money that we have advanced we have to put it back into the fund, so this is a revolving fund.

Mr. KUCHEREPA: I realize that it is a revolving fund, but how does it stand at the present time?

Mr. MATTHEWS: We have never run out yet.

Item No. 89 agreed to.

Item No. 90 agreed to.

Item No. 91—Grant to the United Nations Association in Canada \$11,000

Mr. JONES: In connection with this item has there been any consideration given to the thought of increasing the amount of the grant? As I understand it there is a wide increase in the interest of Canadians in the United Nations Associations.

Mr. LEGER: I am not aware that any thought has been given to increasing that grant, no.

Mr. JONES: Have you received any representations with regard to increasing that grant?

Mr. LEGER: I cannot answer that question off-hand, but I doubt it.

I should like to make a more general comment in this regard.

As members of this committee are aware, the United Nations Association in Canada has, as its primary objective, the dissemination of full and accurate information about the United Nations and special agencies and the encouragement of public interest in this field. We find the association helps us a great deal in the Department of External Affairs in informing the Canadian public on Canadian policy in this field, and accordingly we desire to encourage its efforts.

A new undertaking started in 1955 with the establishment, at the request of UNICEF, of a National United Nations Children's Fund Committee which devotes itself to stimulating public interest in the work of UNICEF.

This committee increased its activities in 1956 and 1957 and is continuing this year. So, on the whole, it is not a large vote, but we in the department find it extremely helpful.

Mr. VIVIAN: Is this money given to the volunteer organization?

Mr. LEGER: Yes, to the U.N. Association.

Mr. VIVIAN: Does this volunteer organization also take on other tasks of this nature in publicizing various international organizations?

Mr. LEGER: There is nothing that would prevent it from doing so.

Mr. VIVIAN: Would there be any figures on the amount of money here represented in terms of the total take of such an organization if it was in existence?

Mr. LEGER: We could look into that for you. We have here a statement of the general fund of the U.N. Association in Canada. Possibly we could table it.

The CHAIRMAN: Is it the wish of the committee that the report of the United Nations Association in Canada be tabled and printed in the report of the committee's proceedings this date?

Agreed.

The CHAIRMAN: I might say that following my visit to the United Nations last session I received requests from school teachers for information regarding that organization. I referred them to the United Nations Canadian organization here in Ottawa. The necessary information and the information that was asked for by the school teachers was forwarded directly to the individuals who were asking for the information.

Item No. 92. Grant to the International Committee of the Red Cross..... \$15,000

Item agreed to.

Item No. 93. Grant to the Canadian Atlantic Co-ordinating Committee \$ 2,500

Mr. VIVIAN: What is this, Mr. Chairman?

The CHAIRMAN: \$2,500.

Mr. LEGER: It is a grant that was given to the newly established committee two years ago. The purpose of this association is to educate and inform the public about NATO, to conduct research into its various activities and purposes and to promote the solidarity of the people of the North Atlantic area.

Mr. VIVIAN: Is it a long statement; is there an annual report?

Mr. MATTHEWS: They have submitted to us a financial statement. We have not the formal printed report, but we have a list of the officers and a statement of what they do.

The CHAIRMAN: Not a financial statement?

Mr. MATTHEWS: There is a financial statement also.

Mr. VIVIAN: Would it be possible to have a copy of this and have it form part of the proceedings?

The CHAIRMAN: Yes. This would give members of the committee a chance to check into it more carefully.

Is it agreed that this be included in the report?

Agreed.

Mr. HERRIDGE: Is the NATO parliamentary association another term for this body?

Mr. MATTHEWS: No.

Item agreed to.

Item No. 94—To authorize and provide for the payment of fellowships and scholarships and travelling expenses to enable Canadians to study overseas, and to the extent that blocked funds are available for these expenditures, to provide for payment from these foreign currencies owned by Canada and provided only for governmental or other limited purposes, and for payment to the Royal Society of Canada of amounts not to exceed \$10,000 in all to meet travelling and other administrative costs incurred by the Society to those it may designate to act on its behalf in selecting persons to receive fellowships and scholarships \$42,700

Mr. KUCHEREPA: Would someone explain why there has been such a great decrease in this item?

Mr. MATTHEWS: In item 94?

Mr. KUCHEREPA: Yes.

Mr. MATTHEWS: Yes. We in previous years had a scholarship program. That has now been taken over by the Canada Council, and what we have in this year's estimates is just for those scholars who have not yet completed their tour of study. This is the last year it will appear.

Mr. JUNG: How does one apply for these things, and where do they apply if they are overseas?

Mr. MATTHEWS: This was for Canadians going abroad.

Mr. JUNG: Where does one apply overseas when he wishes to get a scholarship from the fund, from the Canada Council?

Mr. MATTHEWS: To the Canada Council.

Mr. JUNG: Do they have an office overseas?

Mr. LEGER: Our missions abroad are provided with whatever literature is required.

Item agreed to.

Item No. 95—To provide for the Canadian Government's Assessment for Membership in International (including Commonwealth) Organizations, as detailed in the Estimates, including authority to pay the amounts specified in the currencies of the countries indicated, notwithstanding that the payments may exceed or fall short of the equivalent in Canadian dollars, estimated as of January, 1958, which is \$3,549,055

Mr. RICHARD (*Ottawa East*): How does that compare with the other nations; who is the biggest contributor to it—the United States?

Mr. LEGER: Yes.

Mr. RICHARD (*Ottawa East*): And then—

Mr. LEGER: The United Kingdom. In percentages it goes as follows, from 1957: United States 33.33 per cent, U.S.S.R. 13.96 per cent, United Kingdom 7.81 per cent, France 5.70 per cent, China 5.14 per cent, Canada 3.15 per cent. Now that does not mean that Canada is sixth—I am sorry, we are the seventh largest contributor.

Mr. JONES: The figures you gave indicated that the United States percentage was 33 and the U.S.S.R. is 13.

Mr. LEGER: Yes.

Mr. RICHARD (*Ottawa East*): Are there any countries in arrears of contributions?

Mr. LEGER: I think we would have to try to explain the word "arrears". They have, I think, as long as two years to pay. There are two cases of which I am aware that have arisen over the years. One I think is Bolivia, which has been more than two years in arrears. I would have to check on China—yes, China is in arrears.

Mr. KUCHEREPA: You are specifically referring to the United Nations?

Mr. LEGER: Yes.

Mr. KUCHEREPA: And not to the various organizations to which we are contributing?

Mr. LEGER: No.

Mr. JONES: Can you give us a general basis as to how they arrive at these contributions, the basis for arriving at the assessment.

Mr. MATTHEWS: There is a most complicated formula, but fundamentally it is based on national income with special adjustments downwards in the case of those countries that have a very low per capita income; otherwise a country like India, would be paying a very large sum in proportion to its means.

Mr. HERRIDGE: I would just like to ask one question of the secretary, in regard to this item "International Labour Organization". Due to the fact that some years ago Canada sent as the representatives of the employers and the employees United States citizens, has it been possible since to find qualified Canadian citizens to represent Canada?

Mr. LEGER: I will have to take that question as notice as I am not familiar with the problem.

Mr. JONES: In connection with the contributions, is the disparity in the contributions between the U.S.S.R. and the U.S.A. apt to be a reflection of the relative lack of prosperity in Russia, or do they merely refuse to pay their share.

Mr. LEGER: We think, over the years, that the U.S.S.R. have not easily agreed to an increase in their quota. I also think if it were put in that way that we might get more cooperation out of them. We might try that one next time.

Item agreed to.

Item No. 96—To provide for the Canadian Government's Contribution to the United Nations Expanded Program for Technical Assistance to Under-Developed Countries in an amount of \$2,000,000 U.S., notwithstanding that payment may exceed or fall short of the equivalent in Canadian dollars, estimated as of January, 1958, which is \$1,976,975

Mr. CHAIRMAN: Would it be proper for the under-secretary to comment on the success, or lack of success of this endeavour?

Mr. LEGER: I would ask Mr. Grey to comment on that.

Mr. R. GREY (*Economic Division, Department of External Affairs*): Mr. Chairman, in the under-secretary's statement there was a brief reference to the fact that the success of the United Nations program was well recognized. I draw the committee's attention to one event of importance. A number of years ago when it was decided to expand all the programs of technical assistance of the United Nations the decision had to be taken whether Canada and the other countries would contribute to each of the agencies, or would make one contribution. This is the one contribution we make.

Machinery was set up within the United Nations to judge between the various proposals from the different countries and it was thought that by this technique we would ensure efficient control of operations. That is what the United Nations Technical Assistance Board does. It allocates funds to the different agencies on the merits of their programs. That machinery has been remarkably successful, and I would say it has been a very efficient program.

Item agreed to.

Item No. 97—Contribution to the United Nations Children's Fund \$650,000

Mr. KUCHERPA: What is that money used for?

Mr. LEGER: This fund has now been in operation for several years, and I think it is one of the most successful ventures of the United Nations in what we might term a non-contentious field. It was created in 1947. The fund has been shifting the emphasis on its activities from emergency relief operations, as was the case in 1947, to long-range projects. Assistance is now being given for the following purposes: the building up of the countries' child health and welfare services, or their child feeding and other related undertakings.

At present the fund is conducting operations mainly in underdeveloped countries in Asia, Africa, the Middle East and Latin America. 319 UNICEF aid programs are currently in operation in 102 countries and territories. The countries receiving aid must equal or better the contribution allocated to them.

Members of the committee might be interested in the governmental contribution to the fund. The United States government gave 55 per cent of the total at the maximum of their contribution. The government contribution by years was: 1950, \$3 million, 1951, \$4 million, 1952, \$4 million, 1953, \$4,500,000, 1954, \$5 million, 1955, \$6,500,000, and 1956, \$7,800,000—I am sorry. Our figures are wrong.

Mr. VIVIAN: What is the relationship between this organization and WHO?

Mr. LEGER: I would like to give a considered answer to that question. We will bring it forward at the next meeting.

The CHAIRMAN: Are there any further questions?

Mr. DINSDALE: Could the Under-Secretary indicate how much is raised in Canada under this UNICEF Hallowe'en appeal?

Mr. LEGER: I do not think we have here the amount of the government's contribution.

Mr. DINSDALE: I imagine that will be in the financial statement from the United Nations association.

Mr. LEGER: Yes. But we must have it somewhere and we will bring it forward.

Item agreed to.

Item No. 98—To provide, subject to the approval of the Governor in Council and notwithstanding the Civil Service Act, for special administrative expenses, including payment of remuneration, in connection with the assignment by the Canadian Government of Canadians to the international staff of the North Atlantic Treaty Organization (part recoverable from the North Atlantic Treaty Organization) \$51,109

Mr. MACNAUGHTON: Does that concern the staff in Paris?

Mr. MATTHEWS: This is the Canadian staff supplied for the NATO headquarters at Paris.

Item agreed to.

Item No. 99—To provide for a further contribution by the Canadian Government towards the cost of constructing the North Atlantic Treaty Organization Permanent Headquarters in an amount of 121,800,000 French francs, notwithstanding that payment may exceed or fall short of the equivalent in Canadian dollars, estimated as of January, 1958, which is \$286,247

Mr. MACNAUGHTON: What does this item mean? Is that the Canadian contribution?

Mr. MATTHEWS: Yes, There is a building being erected in Paris and all the members of NATO contribute their share of the cost. This is our share.

Item No. 100—To provide the International Civil Aviation Organization with office accommodation at less than commercial rates \$214,971

Mr. MACNAUGHTON: Do I take it that this refers to the assistance which is given to the ICAO headquarters at Montreal?

Mr. LEGER: Yes.

Mr. MACNAUGHTON: Have their difficulties been more or less settled? Have they decided to remain in Montreal?

Mr. MATTHEWS: They expressed satisfaction with the arrangements which have been made.

Item agreed to.

Item No. 101—To provide for a payment to the International Civil Aviation Organization in part reimbursement of compensation paid to its Canadian Employees for Quebec income tax for the 1957 taxation year \$7,500

Mr. MACNAUGHTON: What does this item mean?

Mr. MATTHEWS: This is one of the problems which we had in connection with the employees there who were not granted exemption from the Quebec income tax. The organization felt that they had to reimburse them for it and we in turn reimburse the organization.

Item agreed to.

The CHAIRMAN: Item 102 deals with the International Joint Commission. We will have the representatives of that commission before us at a later date.

Item No. 105—To provide for the Canadian Government's Assessment for Membership in the Inter-Governmental Committee for European Migration in an amount of \$261,238 U.S., notwithstanding that payment may exceed or fall short of the equivalent in Canadian dollars, estimated as of January, 1958, which is..... \$258,218

Mr. KUCHEREPA: What is this?

Mr. LEGER: This committee came into being in 1951 to assist the movement to new homes overseas of migrants and those refugees who can meet immigration requirements. The budget for ICEM is made up as follows: the administrative budget financed by assessment of member states; a separate fund financed by reimbursements from governments for services rendered to them by the program.

Mr. KUCHEREPA: Would you give us an example of what you mean by overseas movements? From where to where?

Mr. LEGER: I think that ICEM has handled almost the whole movement to Canada of the Hungarian refugees. This is perhaps the best Canadian example which I could give you. They have facilitated the movement of ships and air transport. Really during that crisis they have been most helpful in providing transportation for those refugees to Canada.

Mr. HERRIDGE: Is this in addition to votes put through the Department of Citizenship and Immigration for the migration of Hungarian refugees to Canada?

Mr. LEGER: Yes; but it does not apply only to the movement of Hungarian refugees.

Item agreed to.

Item No. 106—To provide for a grant by the Canadian Government to the United Nations Refugee Fund \$200,000

Mr. MACNAUGHTON: Would this cover the Gaza strip situation, or does that come in later?

Mr. LEGER: It is a different grant.

The CHAIRMAN: We discussed it earlier.

Item agreed to.

Item No. 107—Canadian participation in the work of the European Productivity Agency of the Organization for European Economic Co-operation \$20,000

Mr. KUCHEREPA: Could we have a report on this?

Mr. LEGER: The European productivity agency is a subsidiary of OEEC. As such it prepares, coordinates, and disseminates information on technical education and methods, with a view to improving and making more efficient the industrial practices within member countries. Canada did not play an active role in the agency at the time it was established in 1953, but has recently taken a somewhat greater interest in the EPA work, due to Canada's increased interest in U.N. commercial and economic affairs and agencies.

In respect of the program for the forthcoming fiscal year, it is expected that Canada's participation will be to provide experts who may be required by other countries. It may also assist in establishing certain industrial projects and obtaining statistical data for use by Canadian industry.

Item agreed to.

Item 108 agreed to.

The CHAIRMAN: Now, gentlemen, I will ask you to turn to the supplementary estimates.

Item No. 546—To provide for the purchase of flour to be given to the United Nations Relief and Works Agency for Palestine Refugees in the Near East \$1,500,000

Mr. MACNAUGHTON: Is that the item I referred to, Mr. Chairman? Have we discussed that?

The CHAIRMAN: No.

Mr. MACNAUGHTON: This is a contribution to the refugees in Palestine?

The CHAIRMAN: Only in flour. This is only the flour item.

Mr. MACNAUGHTON: \$500,000?

The CHAIRMAN: \$1,500,000. Does the item carry?
Item agreed to.

Item No. 109—To provide for the cost of Canada's civilian participation as a member of the International Commissions for Supervision and Control in Indo-China including authority, notwithstanding the Civil Service Act, for the appointment and fixing of salary rates of Commissioners, Secretaries and staff by the Governor in Council \$389,489

Mr. VIVIAN: Is this likely to be a reducing commitment?

Mr. LEGER: Yes.

The CHAIRMAN: Does the item carry?
Item agreed to.

Item No. 110—To provide for Technical Assistance to The West Indies and to Ghana \$135,000

Mr. DRYSDALE: Mr. Chairman, on this item, perhaps I should have asked the question under 104, but I presume that Canada has a fairly large number of technicians and experts of various kinds working abroad. Is there any figure as to the number of Canadians involved in this type of work?

Mr. LEGER: Yes indeed, Mr. Chairman, we can get it. It may take a little time because they do not all work for the same agencies, but we can get that information for you.

Mr. DINSDALE: Fine.

The CHAIRMAN: Now then, Item 110 in the regular estimates on page 20 is the one we are dealing with and I ask you now to turn to page 3 of the supplementary estimates, item 549.

Item No. 549—West Indies Assistance Program \$1,475,000

Mr. JONES: Has it been recorded that we carried 110?

The CHAIRMAN: I think the Under-secretary will give us a few words of explanation on this item.

Mr. JONES: Is it recorded that we carried 110 and we are now going on to this?

The CHAIRMAN: No, I did not ask for 110 to carry because these two items are related and I thought we would then carry them both, after there had been a discussion.

Mr. GREY: Mr. Chairman, perhaps if I could explain the relationship between these two items. Some time ago it was announced in the house that we were instituting an interim program for the West Indies and Ghana. Subsequently it was decided to set up a more substantial program for the West Indies. Therefore, the sum of \$135,000 is available entirely for the provision of technical assistance under the program for Ghana. Details of the West Indies program are set out in the supplementary estimates.

The beginning of the capital assistance program, as the government has announced, the first item of this will be the provision of a ship for inter-island service and a more substantial program.

Mr. VIVIAN: May I have that repeated, this provision of a ship?

Mr. GREY: I think some months ago, Mr. Chairman, the Prime Minister announced about the time of the West Indies independence celebration that the first major item of the Canadian assistance program for the West Indies would be a ship. I think it was stated at that time our approximate figure of the cost of the ship would be in the order of \$2½ million. The figure in the estimates is accordingly to make available funds, as are required for contracts for this ship when the contract is made.

I might explain, Mr. Chairman, by saying that the Canadian experts who have just visited the West Indies or a preliminary round of technical consultations have just come back to Canada and their report is just being considered.

The CHAIRMAN: Any further questions on this item? Do items 110 and 549 of the supplementaries carry?

Items agreed to.

Item No. 111—To provide for the purchase of wheat and flour to be given to India, Pakistan and Ceylon to relieve food shortages \$10,000,000

Mr. MACNAUGHTON: Mr. Chairman, when was the original amount of \$15 million agreed upon?

Mr. GREY: It was announced in the house on January 14th this year.

Mr. MACNAUGHTON: It is a new provision this year?

Mr. GREY: No, this is the balance of money that was not spent in the last fiscal year, which was required to implement the \$15 million program this year. Shipments are still going on. It was not possible for the wheat physically to leave Canada during the last year.

The CHAIRMAN: Does item 111 carry?

Mr. KUCHEREPA: Mr. Chairman, would you explain the last statement "appropriations not required for 1958-59"? What does that constitute?

Mr. HERRIDGE: I think, Mr. Chairman, when we have got this information, you have lost enough weight for this afternoon.

Mr. MACNAUGHTON: Does it not appear on page 13 of this memorandum?

Mr. MATHEWS: Oh yes. Yes, you are quite right, Mr. Macnaughton. There was an appropriation last year for the flour to be given to the agency in Palestine. That was not included in the main estimates this year, because we thought we could spend it last year; but as we were unable to procure the flour in time it appears again on the supplementary estimates. That is the \$1,500,000. The balance of it, \$909,000 is the amount that was included in last year's supplementaries as the Canadian contribution towards the expenses of the UNEF.

We have not yet had any indication as to what may be required for the coming year. This will carry up the expense to the end of 1958. We probably will have a supplementary at the end of this year for any contribution we can make for the 1959 expense of UNEF, if UNEF is still going on at that time.

The CHAIRMAN: Shall the item carry?

Item agreed to.

Item 545 agreed to.

Item No. 547—To provide for a contribution to the 1958 Fellowship Fund of the International Atomic Energy Agency \$25,000

Mr. KUCHEREPA: Could we have some explanation of this item?

Mr. LEGER: Mr. Chairman, the international atomic energy agency was set up last year, and the board of governors have announced their intention of establishing a fellowship fund of \$250,000 to encourage peaceful atomic development, the fund to be financed through voluntary contributions from member governments.

It is planned that these fellowships will go into operation immediately for further studies during the present academic year. In order that this objective may be met it is desirable a contribution should be made to the fund as soon as possible.

The United States has offered up to \$125,000 on a matching basis, and the United Kingdom, \$25,000 outright.

We are not aware of the answers to be given by the other countries although some have made known their intention to contribute.

It was thought that if Canada was to contribute on a scale commensurate with her present status and initial role, that a contribution matching that of the United Kingdom would be appropriate.

This is an entirely new vote.

Mr. KUCHEREPA: How are the selections made for these fellowships?

Mr. LEGER: I think that the selections will be made by the board of governors of the agency.

Mr. KUCHEREPA: Are we represented on that board?

Mr. LEGER: Yes indeed.

The CHAIRMAN: How many representatives do we have?

Mr. LEGER: Our representative is Mr. Werschof.

Mr. MATTHEWS: He is a delegate to the atomic energy agency.

Mr. LEGER: He wears two hats. For this purpose he is a delegate to the International Atomic Energy Agency, but he is permanently stationed in Geneva.

Mr. MATTHEWS: He is our delegate to the European office of the United Nations.

Mr. VIVIAN: What are his qualifications in the field of nuclear physics?

Mr. LEGER: Mr. Werschof is a member of the Department of External Affairs. As the committee is aware, this agency has been set up in Vienna. We have on the staff of our embassy in Vienna an expert who is very well versed in these matters and who attends all the meetings, and provides assistance to Mr. Werschof.

Mr. HERRIDGE: He is a Canadian citizen as well, I take it?

Mr. LEGER: Yes indeed.

The CHAIRMAN: Item agreed to.

Supplementary item 548 agreed to.

Item 502 on page 89 of the estimates.

Item No. 502—External Affairs. To authorize, for the purpose of supplementing Economic Assistance given under the Colombo Plan, Special Loans to Colombo Plan Countries to finance the purchase of wheat and flour from Canada, subject to such terms and conditions and at such rates of interest as the Governor in Council prescribes \$10,000,000

Mr. RICHARD (*Ottawa East*): Are we going to have people appear before us to speak on the Colombo Plan?

The CHAIRMAN: Yes.

Mr. RICHARD (*Ottawa East*): Would it not be a good idea to take these items together for that purpose?

The CHAIRMAN: I owe an explanation to the committee. I shall complete the reading of the item—"to finance the purchase of wheat and flour from Canada, subject to such terms and conditions and at such rates of interest as the governor in council prescribes".

This, I am told, is not exactly relevant to the testimony we will receive to-morrow regarding the Colombo plan so I shall ask Mr. Grey to explain to the committee the ramifications of this vote.

Mr. GREY: I think the reason for considering this item separately is that the Colombo Plan Administration is not involved in the procurement or arrangements on this particular project.

A major loan was made to India last year in the amount of \$25 million, and that government undertook the procurement. The only transaction taking place is a financial transaction between Canada and India.

Under the program initially announced, the Indian government has agreed to take up \$25 million; last week the Secretary of State for External Affairs announced that Ceylon had agreed to a loan of \$2 million.

These are really entirely financial transactions to supplement the Colombo plan vote.

Mr. RICHARD (*Ottawa East*): We shall be able to refer to them when the people are discussing the Colombo plan?

The CHAIRMAN: Exactly.

Mr. MACNAUGHTON: Is this to validate arrangements which have been completed, or will there be further or future projects?

Mr. GREY: In effect this item provides that there shall be a \$10 million loan or line of credit available, out of a total sum available for these countries; and out of this \$10 million, Ceylon has undertaken to take up \$2 million. In fact, there is still \$8 million available for purchases of wheat and flour by Colombo plan countries.

The CHAIRMAN: Item agreed to.

Now, look at the supplementary estimates on page 14, item 655.

Item agreed to.

The CHAIRMAN: Gentlemen, before we adjourn I have one or two announcements I should like to make.

I would appreciate it if each member of the committee would send me a note or memo regarding the activities of this committee and the information presented to us. I should like to have your opinions so that when we prepare the report to the house it will include the ideas of the various members,—not necessarily in the whole, but at least in part. There may be many suggestions which are duplicates, but I think it would help us in the compilation of our report. We would be able to note some of the highlights, as suggested by the members, of this committee's meetings as well as some of the outstanding contributions which have been made by the civil servants who have appeared before us.

Tomorrow we plan to meet at 10.00 a.m. and at 3.30 p.m. At the time we will consider the item relating to the Colombo Plan. We intend to have as our witness Mr. Rosenthal, the acting administrator of this program.

Mr. RICHARD (*Ottawa East*): Is it intended that we should consider the International Joint Commission?

The CHAIRMAN: We will consider that later, yes.

Mr. JONES: We still have to consider items 102, 103 and 104, is that correct?

The CHAIRMAN: Yes, plus one supplementary item.

Information material prepared for Members of the 1958 Standing Committee on External Affairs.

This material is in two main parts, viz., comparison of the 1958-59 Estimates with those of 1957-58 with explanations of all substantial changes, and a series of Appendices comparing the 1958-59 Estimates the estimated expenditures of 1957-58 and the actual expenditures of 1956-57.

MAIN ESTIMATES 1958-59 COMPARED WITH 1957-58

| No. of Vote | Service | 1958-59 \$ | 1957-58 \$ | Increase \$ | Decrease \$ | No. of Vote |
|----------------|---|---------------|---------------|----------------|----------------|----------------|
| | Totals..... | 69,503,173 | 65,876,702 | 3,626,471 | | |
| (S) | Minister's Salary and Motor Car Allowance.. | 17,000 | 17,000 | | | (S) |

EXTERNAL AFFAIRS

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MAIN ESTIMATES 1958-59 COMPARED WITH 1957-58—*Con.*

| No. of Vote | Service | 1958-59 \$ | 1957-58 \$ | Increase \$ | Decrease \$ | No. of Vote |
|----------------------------------|--|---------------|---------------|----------------|----------------|----------------|
| A—DEPARTMENT AND MISSIONS ABROAD | | | | | | |
| 85 | Departmental Admin. (incl. former Passport Office Admin.) | 5,533,081 | 5,228,750 | 304,331 | | 85 |
| 86 | Representation Abroad—Operational | 8,576,875 | 8,338,253 | 238,622 | | 86 |
| 87 | Representation Abroad—Capital | 1,414,688 | 1,805,275 | | 392,587 | 87 |
| 88 | Official Hospitality | 40,000 | 40,000 | | | 88 |
| 89 | Relief and Repat. of Distressed Canadians | 15,000 | 15,000 | | | 89 |
| 90 | Representation at International Conferences | 243,000 | 249,000 | | 6,000 | 90 |
| 91 | Grant to U.N. Assoc. in Canada | 11,000 | 11,000 | | | 91 |
| 92 | Grant to Int. Red Cross | 15,000 | 15,000 | | | 92 |
| 93 | Grant to Can. Atl. Co-ord. Committee | 2,500 | 2,500 | | | 93 |
| 94 | Fellowships and Scholarships | 42,700 | 120,000 | | 77,300 | 94 |
| | A—Sub-total | 15,891,844 | 15,824,778 | 67,966 | | |
| | A—Total Department and Missions Abroad | 15,908,844 | 15,841,778 | 67,066 | | |
| B—GENERAL | | | | | | |
| 95 | Assessment in Int. Organizations | 3,549,055 | 3,303,102 | 245,953 | | 95 |
| 96 | U.N. Exp. Prog. for Tech. Assist. | 1,976,875 | 1,927,500 | 49,375 | | 96 |
| 97 | U.N. Children's Fund | 650,000 | 650,000 | | | 97 |
| | B—Sub-total | 6,175,930 | 5,880,602 | 295,328 | | |
| 98 | NATO Staff Assignment | 51,109 | 44,338 | 6,771 | | 98 |
| 99 | NATO Headquarters Bldg. | 286,247 | 167,444 | 118,803 | | 99 |
| | B—Sub-total | 337,356 | 211,782 | 125,574 | | |
| 100 | ICAO Rental Assistance | 214,971 | 208,035 | 6,936 | | 100 |
| 101 | ICAO Income Tax assist. | 7,500 | 7,500 | | | 101 |
| | B—Sub-total | 222,471 | 215,535 | 6,936 | | |
| | Annuity to Mrs. H. Y. Roy | 1,667 | 1,667 | | | |
| | B—Sub-total | 1,667 | 1,667 | | | |
| 102 | I.J.C. Salaries and Expenses | 109,248 | 106,563 | 2,685 | | 102 |
| 103 | I.J.C. Studies and Surveys | 244,950 | 194,106 | 50,844 | | 103 |
| | B—Sub-total | 354,198 | 300,669 | 53,529 | | |
| 104 | Colombo Plan | 35,000,000 | 34,400,000 | 600,000 | | 104 |
| 105 | Assessment for Membership in I.C.E.M. | 258,218 | 203,155 | 55,063 | | 105 |
| 106 | Grant to U.N. Refugee Fund | 200,000 | 200,000 | | | 106 |
| 107 | Canadian Participation—European Productivity Agency—O.E.E.C. | 20,000 | 20,000 | | | 107 |
| 108 | Grant to UNRWA Near East | 500,000 | 750,000 | | 250,000 | 108 |
| 109 | International Commissions Indo-China | 389,489 | 426,930 | | 37,441 | 109 |
| 110 | Tech. Assist. to the West Indies and Ghana | 135,000 | 15,000 | 120,000 | | 110 |
| 111 | Wheat and Flour for India, Pakistan and Ceylon | 10,000,000 | 5,000,000 | 5,000,000 | | 111 |
| | Appropriations not required for 1958-59 | | 2,409,584 | | 2,409,584 | |
| | B—Sub-total | 46,502,707 | 43,424,669 | 3,078,038 | | |
| | B—TOTAL, GENERAL | 53,594,329 | 50,034,924 | 3,559,405 | | |
| SUMMARY | | | | | | |
| | To be voted | 69,484,506 | 65,858,035 | 3,626,471 | | |
| | Authorized by Statute | 18,667 | 18,667 | | | |
| | TOTAL ESTIMATES | 69,503,173 | 65,876,702 | 3,626,471 | | |

REFERENCES

85—DEPARTMENTAL ADMINISTRATION—INCREASE \$304,331

| | Increase \$ | Decrease \$ |
|--|----------------|----------------|
| (1) Salaries | 74,908 | — |
| (4) Professional and Special Services | 4,880 | — |
| (5) Courier Service | 30,000 | — |
| (5) Removal and Home Leave Expenses .. | — | — |
| (5) Other Travelling Expenses | 5,000 | — |
| (6) Freight, Express and Cartage | — | 2,000 |
| (7) Postage | — | — |
| (8) Carriage of Diplomatic Mail | — | 25,000 |
| (8) Telephones, Telegrams and Other Communication Services | 181,453 | — |
| (9) Publication of Departmental Reports and Other Material | 27,000 | — |
| (10) Displays, Films and Other Information Publicity | 9,000 | — |
| (11) Microfilming, Supplies and Equipment | 1,800 | — |
| (11) Office Stationery, Supplies and Equipment | — | 5,875 |
| (12) Purchase of Publications for Distribution | 1,000 | — |
| (12) Materials and Supplies | 750 | — |
| (16) Acquisition of Equipment | — | 23,810 |
| (17) Repairs and Upkeep of Equipment .. | 3,000 | — |
| (19) Taxes on Diplomatic Properties in Ottawa Area | 12,500 | — |
| (22) Compensation to Employees for Loss of Effects | — | — |
| (22) Sundries | 9,725 | — |
| Total Increase | 304,331 | — |

85—(1) Salaries—Increase \$74,908

This increase arises mainly from the last salaries revision and a reclassification of positions.

85—(4) Professional and Special Services—Increase \$4,880

This increase results from added requirements for Legal Fees in connection with the proposed International Arbitration Tribunal to hear and dispose of the Gut Dam claims.

85—(5) Courier Service—Increase \$30,000

This increase is due to the opening of Courier Service London to Cairo and the provision of First Class rather than Tourist Air Travel Ottawa-Paris (via London), necessitated by security requirements.

85—(5) Other Travelling Expenses—Increase \$5,000

This increase is to cover the additional travel requirements anticipated for this year.

85—(6) Freight, Express and Cartage—Decrease \$2,000

This decrease results from a re-estimation of the amount required to bring it into line with the current rates of costs.

85—(8) Carriage of Diplomatic Mail—Decrease \$25,000

This decrease is accounted for by the proposed introduction of the Ottawa-Paris (via London) courier service.

85—(8) Telephones, Telegrams and Other Communication Services—Increase \$181,453

This increase is due mainly to an augmentation of the Grant to the National Research Council and increased rental of teletype circuits and equipment.

85—(9) Publication of Departmental Reports and Other Material—Increase \$27,000

This increase arises mainly from provision being made for the publication "Canada in Pictures", a 24 page pamphlet in five language editions designed to meet the greater mass of general enquiries about Canada.

85—(10) Displays of Films and Other Informational Publicity—Increase \$9,000

This increase is to cover an expanded programme of special showings of Canadian films in the United States, Commonwealth countries and South America.

85—(11) Microfilming Supplies and Equipment—Increase \$1,800

This increase is a result of a carry forward of the task of microfilming the 1956 files. This project could not be completed last fiscal year.

85—(11) Office Stationery, Supplies and Equipment—Decrease \$5,875

This decrease is to bring the amount required in line with past expenditure and anticipated costs for this year.

85—(12) Purchase of Publications for Distribution—Increase \$1,000

In addition to the distribution of Canada 1958 in the French and English editions it is planned to produce a German edition. Accordingly, the increase in this item covers part of the cost of this project.

85—(12) Materials and Supplies—Increase \$750

This small increase is to cover power and hand tools to improve the tooling of the communications workshops.

85—(16) Acquisition of Equipment—Decrease \$23,810

The decrease results from a lowered requirement for communications equipment.

85—(17) Repairs and Upkeep of Equipment—Increase \$3,000

This increase arises from the requirement of additional spare parts for cypher equipment.

85—(19) Taxes on Diplomatic Properties in the Ottawa Area—Increase \$12,500

This amount is based on estimates received from the Director of Municipal Grants, Public Works Division, Department of Finance. This expenditure was underestimated by approximately this amount last year.

85—(22) Sundries—Increase \$9,725

This item was underestimated last year by approximately \$9,800.

86—REPRESENTATION ABROAD—OPERATIONAL—INCREASE \$238,622

| | Increase | Decrease |
|--|----------|----------|
| | \$ | \$ |
| (1) Salaries | 186,185 | — |
| (1) Overtime | 28,900 | — |
| (2) Allowances | 4,326 | — |
| (4) Professional and Special Services | 29,660 | — |
| (5) Travelling Expenses | 4,670 | — |

| | Increase | Decrease |
|--|----------|----------|
| | \$ | \$ |
| (6) Freight, Express and Cartage | 4,445 | — |
| (7) Postage | 13,335 | — |
| (8) Telephones, Telegrams and Other Communication Services | 22,876 | — |
| (11) Office Stationery, Supplies and Repairs to Office Equipment | 9,460 | — |
| (12) Fuel for Heating and Other Materials and Supplies | 26,361 | — |
| (14) Repairs and Upkeep of Buildings and Works | — | 98,700 |
| (15) Rentals of Land, Buildings and Works | 25,708 | — |
| (17) Repairs and Upkeep of Equipment ... | — | 5,655 |
| (18) Rental of Equipment | 4,685 | — |
| (19) Municipal and Public Utility Services | — | 16,540 |
| (21) Benefits in Consideration of Personal Services | — | 3,204 |
| (22) Sundries | 2,110 | — |
| Total Increase | 238,622 | |

86—(1) Salaries—Increase \$186,185

This increase arises mainly from the enlargement of the establishment by 42 positions and from the last general salaries revision.

86—(1) Overtime—Increase \$28,900

This amount in previous years was included in the item for salaries.

86—(2) Allowances—Increase \$4,326

This increase results principally from increased expenditures on rental allowances and board and subsistence allowances.

86—(4) Professional and Special Services—Increase \$29,660

This increase is to cover the cost of fees to local governmental agencies in connection with acquiring additional staff accommodation in Moscow and Warsaw and removal costs of the Permanent Delegation and Consulate, New York to new quarters.

86—(5) Travelling Expenses—Increase \$4,670

The opening of additional posts and a consular conference in Washington mainly account for this increase.

86—(6) Freight, Express and Cartage—Increase \$4,445

This additional anticipated expenditure arises from greater volume of traffic caused by opening of new posts.

86—(7) Postage—Increase \$13,335

This increase is mainly the result of increased postal rates in various countries and a rise in the volume of mail being despatched.

86—(8) Telephones, Telegrams and Other Communication Services—Increase \$22,876

This increase is to cover the rental of equipment for the installation of telex in Paris, France and Tokyo, Japan.

86—(11) Office Stationery, Supplies and Repairs to Office Equipment—Increase \$9,460

The increase here results mainly from the additional amount required for servicing three new posts.

86—(12) Fuel for Heating and Other Materials and Supplies—Increase \$26,361

The expansion in the amount of accommodation abroad, augmented motor vehicle fuel requirements, and the stocking of new posts account largely for this increase.

86—(14) Repairs and Upkeep of Buildings and Works—Decrease \$98,700

An amount of \$103,000 was included in the 1957-58 estimates for installation costs at Canada House, New York. The cost of this project is not included in this estimate which accounts for the decrease. Provision for this work has been made in the Supplementary Estimates.

86—(15) Rentals of Land, Buildings and Works—Increase \$25,708

The increase is due mainly to the opening of new posts and the increase in rentals at some other posts.

86—(17) Repairs and Upkeep of Equipment—Decrease \$5,655

The decrease results from a modified re-furnishing programme as compared with the previous year.

86—(18) Rental of Equipment—Increase \$4,685

This item was underestimated for 1957-58. There is no increase in operations over the previous fiscal year in respect of this item.

86—(19) Municipal and Public Utility Services—Decrease \$16,540

This decrease is mainly the result of decreased dollar payments in Moscow, Warsaw and Prague arising from a devaluation of the rouble, zloty and kroner.

86—(21) Benefits in Consideration of Personal Services—Decrease \$3,204

This estimate is based on employment benefits in accordance with the local legislation in various countries. It is, therefore, difficult to estimate this expenditure from year to year.

86—(22) Sundries—Increase \$2,110

The increase volume of Departmental business, caused by the opening of new posts, accounts for the increase.

87—REPRESENTATION ABROAD—CAPITAL—DECREASE \$392,587

| | Increase \$ | Decrease \$ |
|---|----------------|----------------|
| (11) Office Furnishings and Equipment ... | — | 96,148 |
| (13) Acquisition, Construction and Improvement of Properties for Office and Residences Abroad, including land | — | 232,325 |
| (16) Acquisition of Teletype Equipment .. | 1,983 | — |
| (16) Furniture and Furnishings for Residences Abroad | — | 60,245 |
| (16) Procurement of Motor Vehicles and Other Equipment | 26,025 | — |
| (16) Basic Household Equipment and Furnishings for Staff Abroad | — | 31,877 |
| Total Decrease | — | 392,587 |

87—(11) Office Furnishings and Equipment—Decrease \$96,148

The heavier expenditures necessary during the fiscal years 1956-57 and 1957-58 have resulted in a levelling off of requirements for 1958-59.

87—(13) Acquisition, Construction and Improvement of Properties for Offices and Residences Abroad including Land—Decrease \$232,325

This decrease is caused mainly by a reduction in the programme for acquisition of properties.

87—(16) Acquisition of Teletype Equipment—Increase \$1,983

This increase arises from the necessity of improving the standard of communications installations in London, Paris, The Hague, Brussels and Rome.

87—(16) Acquisition of Furniture and Furnishings for Residences Abroad—Decrease \$60,245

A curtailment in furnishings programme has resulted in this decrease.

87—(16) Procurement of Motor Vehicles and Other Equipment—Increase \$26,025

An increase of 13 motor vehicles, as compared with the replacement programme last year, accounts for the additional anticipated expenditure.

87—(16) Basic Household Equipment and Furnishings for Staff Abroad—Decrease \$31,877

Curtailement in the programme of equipping and furnishing staff premises has resulted in a decrease over last year's operations.

90—REPRESENTATION AT INTERNATIONAL CONFERENCES—DECREASE \$6,000

| | Increase \$ | Decrease \$ |
|---|----------------|----------------|
| (4) Professional and Special Services | — | 1,000 |
| (5) Travelling Expenses | — | — |
| (8) Telephones and Telegrams | — | 200 |
| (15) Rentals | — | 4,250 |
| (22) Entertainment | — | 1,450 |
| (22) Sundries | 900 | — |
| Total Decrease | — | 6,000 |

90—(4) Professional and Special Services—Decrease \$1,000

An amount of \$1,000 was provided in last year's estimates to cover payment to Professor Curtis while he was a member of the Canadian Delegation to the International Conference on the Law of the Sea. No expenditures are anticipated under this object for 1958-59.

90—(8) Telephones and Telegrams—Decrease \$200

This decrease is based on last year's expenditure and anticipated costs for this year.

90—(15) Rentals—Decrease \$4,250

This decrease is the result of the move of the Permanent Mission of Canada to the United Nations, New York to new quarters. Office space will be allotted to the Delegation to the General Assembly reducing the need for hotel space required for this purpose in past years.

90—(22) Entertainment—Decrease \$1,450

This decrease is based on last year's expenditure and anticipated costs for this year.

90—(22) Sundries—Increase \$900

This item was underestimated last year by approximately \$900.

94—FELLOWSHIPS AND SCHOLARSHIPS—DECREASE \$77,300

| | Increase \$ | Decrease \$ |
|---|----------------|----------------|
| (4) Payment to Royal Society of Canada for Services | — | 10,000 |
| (20) Fellowships and Scholarships | — | 67,300 |
| Total Decrease | | 77,300 |

94—(4) Payments to Royal Society of Canada for Services—Decrease \$10,000
Nothing was provided in the 1958-59 Estimates, as it was expected that the Canada Council would assume obligation for this payment.

94—(20) Fellowships and Scholarships—Decrease \$67,300

The decrease here is due to the smaller number of fellows and scholars to be financed in 1958-59 than in 1957-58 under the Canadian Government Overseas Awards Programme.

95—ASSESSMENT FOR MEMBERSHIP IN INTERNATIONAL ORGANIZATIONS—INCREASE \$245,953

| | Increase \$ | Decrease \$ |
|--|----------------|----------------|
| United Nations Organization | 184,924 | — |
| Food And Agricultural Organization | 15,196 | — |
| International Labour Organization | 6,329 | — |
| U.N.E.S.C.O. | — | 18,031 |
| International Civil Aviation Organization | — | 3,695 |
| World Health Organization | 9,453 | — |
| International Atomic Energy Agency | — | — |
| Commonwealth Economic Committee | 1,047 | — |
| Commonwealth Shipping Committee | 32 | — |
| General Agreement on Tariffs and Trade | — | 2,001 |
| North Atlantic Treaty Organization (Cost of Civil Administration) | 52,699 | |
| Total Increase | 245,953 | |

United Nations Organization—Increase \$184,924

The increase here arises from a larger U.N. budgetary programme calling for increased contributions.

Food and Agriculture Organization—Increase \$15,196

The increase here may be explained by increases in salaries of the Organization and the expansion of its existing activities.

International Labour Organization—Increase \$6,329

An increase in the I.L.O.'s budgetary programme has required an augmentation of Canada's contribution.

U.N.E.S.C.O. —Decrease \$18,031

Canada's contribution for 1958 has decreased because of a lower Canadian assessment rate and from the share of a refund of a budgetary surplus.

International Civil Aviation Organization—Decrease \$3,695

The reduction here arises from Canada's share in a sum of approximately \$43,000 credited to contracting states in respect of operations in the year 1956.

World Health Organization—Increase \$9,453

The increase here arises from increased staff costs plus an expansion of WHO's technical services and field activities.

Commonwealth Economic Committee—Increase \$1,047

The increase in the amount is caused by an unfavourable change in the rate of exchange for Sterling.

Commonwealth Shipping Committee—Increase \$32

The increase is due to an unfavourable change in the rate of exchange for Sterling.

General Agreement on Tariffs and Trade—Decrease \$2,001

The decrease here is due to a lower budgetary contribution for the fiscal year 1959.

North Atlantic Treaty Organization—Increase \$52,699

The increase here arises from the past expenditure trends of the NATO Secretariat and the current and capital expenditures required for the operation of the NATO Civil Headquarters during the Canadian fiscal year 1958-59.

96—U.N. EXPANDED PROGRAMME FOR TECHNICAL ASSISTANCE TO UNDER-DEVELOPPED COUNTRIES—INCREASE \$49,375

The increase here is due to a normal increase in operating costs of the organization.

98—N.A.T.O. STAFF ASSIGNMENT—INCREASE \$6,771

The increase is caused by the addition of one assignee during the fiscal year 1958-59.

99—N.A.T.O. HEADQUARTERS BUILDING—INCREASE \$118,803

The increase here arises from a revision in the estimated cost of construction of these Headquarters.

100—I.C.A.O. RENTAL ASSISTANCE—INCREASE \$6,936

This increase is to cover additional space acquired by I.C.A.O. on the fifth floor of the International Aviation Building.

102—I.J.C.—SALARIES AND EXPENSES—INCREASE \$2,685

| | Increase \$ | Decrease \$ |
|---|----------------|----------------|
| (1) Salaries | 3,285 | — |
| (4) Reporters' Fees | — | 200 |
| (5) Travelling Expenses | — | — |
| (7) Postage | — | 50 |
| (8) Telephones and Telegrams | 50 | — |
| (10) Advertising of Public Hearings | — | 300 |
| (11) Office Stationery, Supplies and Equipment | — | — |
| (22) Sundries | — | 100 |
| | <hr/> | <hr/> |
| Total Increase | 2,685 | <hr/> |

102—(1) Salaries—Increase \$3,285

The increase in this primary is due to yearly salary increments and to the general salaries revision of May 1, 1957.

103—I.J.C.—STUDIES, SURVEYS AND INVESTIGATIONS—INCREASE \$50,844

| | Increase | Decrease |
|--|----------|----------|
| | \$ | \$ |
| Canada's share of an Investigation on the matter of air pollution in the vicinity of Detroit-Windsor | — | 2,406 |
| Studies and Surveys of the Mid-Western Watershed | — | — |
| Canada's share of the expenses of the Lake Ontario Water Levels Reference | — | 10,000 |
| Canada's share of the expenses of the International St. Lawrence River Board of Control | — | — |
| Canada's share of the expenses of the St. John River Reference | — | — |
| Canada's share of the expenses of the St. Croix River Reference | — | 5,000 |
| Canada's share of the expenses of the proposed Alaska-Yukon River Reference | — | — |
| Canada's share of the expenses of the Passamaquoddy Tidal Power Reference | 60,750 | — |
| Canada's share of the expenses of the Publication of a Report on Water Pollution | 7,500 | — |
| Total Increase | 50,844 | |

Canada's share of an Investigation on the matter of air pollution in the vicinity of Detroit-Windsor—Decrease \$2,406

Reduction in staff has been carried out in conformity with the need for technical assistance.

Lake Ontario Water Levels Reference—Decrease \$10,000

During the 1957-58 fiscal year the International Lake Ontario Board of Engineers presented its report to the Commission and this Board was disbanded soon after the report was presented.

St. Croix River Reference—Decrease \$5,000

The reduction here is due to the fact that most of the engineering surveys were completed by the Board during 1957-58.

Passamaquoddy Tidal Power Reference—Increase \$60,750

The increase in this reference is due to a greater expenditure anticipated by the Fisheries Board. During the 1958-59 fiscal year the Commission expects to allocate \$35,000 to the International Passamaquoddy Engineering Board and \$125,700 to the International Passamaquoddy Fisheries Board.

Publication of Report on Water Pollution—Increase \$7,500

This item is a new object. The Commission has agreed to publish a relatively non-technical report. The total cost of this publication will amount to \$15,000 for 25,000 copies, half of which will be incident on Canada.

104—PAYMENT TO COLOMBO PLAN FUND—INCREASE \$600,000

The increase here is 1.7% of that voted in 1957-58—\$34,400,000.

105—ASSESSMENT FOR MEMBERSHIP IN I.C.E.M.—INCREASE \$55,063

The increase here is caused by the increase in ICEM'S proposed administrative budget for 1958 which provides for recommended staff salary increases and related benefits.

108—GRANT TO U.N.R.W.A. NEAR EAST—DECREASE \$250,000

There is actually no change here. Canada's contribution is \$500,000 annually. The amount of \$750,000 provided in last year's estimates covered an 18 month period.

109—PARTICIPATION IN THE INTERNATIONAL COMMISSIONS FOR SUPERVISION AND CONTROL IN INDO-CHINA—DECREASE \$37,441

| | Increase \$ | Decrease \$ |
|---|----------------|----------------|
| (1) Salaries | — | 15,883 |
| (2) Allowances | — | 5,561 |
| (4) Professional and Special Services | 5,000 | — |
| (5) Courier Service | — | 10,000 |
| (5) Travelling Expenses | — | 5,000 |
| (6) Freight, Express and Cartage | — | 2,000 |
| (7) Postage | — | 150 |
| (8) Telephones, Telegrams and Other Commu- nication Services | — | 5,000 |
| (11) Office Stationery, Supplies and Equipment | — | — |
| (12) Materials and Supplies | — | — |
| (19) Municipal and Public Utility Services | — | — |
| (22) Sundries | 1,153 | — |
| | <hr/> | <hr/> |
| Total Decrease | | 37,441 |

109—(1) Salaries—Decrease \$15,883

The reduction in salaries is caused by a decrease in the establishment by three positions.

109—(2) Allowances—Decrease \$5,561

The reduction in allowances is due to the decrease in establishment and the posting primarily of unmarried personnel to Indo-China.

109—(4) Professional and Special Services—Increase \$5,000

Provision is required for hospitalization and examination costs of employees and their dependents on return to Canada after postings in Indo-China.

109—(5) Courier Service—Decrease \$10,000

The decrease in this object is due to the fact that the estimate is based on service from Tokyo and not from Paris as was contemplated when our 1957-58 estimate was prepared.

109—(5) Travelling Expenses—Decrease \$5,000

The decrease here is due to the reduction of personnel being posted to Indo-China in the fiscal year 1958-59.

109—(6) Freight, Express and Cartage—Decrease \$2,000

With a further year's experience in the cost of operation of the offices in Indo-China, it is felt that the decrease made here is possible.

109—(8) Telephones, Telegrams and Other Communications Services—Decrease \$5,000

The present trend of telegraphic traffic to Indo-China indicates that a considerable decrease in expenditure will result provided no serious crisis develops.

109—(22) Sundries—Increase \$1,153

The actual estimate of \$2,500 here is based on the pattern of expenditure in previous years. Provision is made here for goods and services which do not fall into any other categories.

110—TECHNICAL ASSISTANCE TO THE WEST INDIES AND GHANA—INCREASE \$120,000

The increase here is due to the increased salaries and expenses plus the increased number of Canadian experts sent to Ghana and the West Indies.

111—WHEAT AND FLOUR FOR INDIA, PAKISTAN AND CEYLON—INCREASE \$5,000,000

This increase is to bring this item up to the original amount of \$15,000,000 intended to cover this programme.

| Appropriations not required for 1958-59 | 1957-58 \$ | 1957-58 \$ | Increase \$ | Decrease \$ |
|--|---------------|---------------|----------------|----------------|
| To provide for the purchase of flour to be given to the United Nations Relief and Works Agency for Palestine Refugees in the Near East | — | 1,500,000 | — | 1,500,000 |
| To provide for the assessment of the Canadian Government towards financing the United Nations Emergency Force in respect of the calendar years 1957 and 1958 | — | 909,584 | — | 909,584 |
| Total Decrease | | | | 2,409,584 |

The following sheets contain the detailed comparative statements as listed below:—

Appendix "1"—Comparison by Votes

Appendix "2"—Departmental Administration (including the former Passport Office Administration)—Comparison by Primaries and Objects

Appendix "3"—Representation Abroad—Operation Expenses—Comparison by Primaries

Appendix "4"—Representation Abroad—Operational and Capital—Comparison by Posts

Appendix "5"—Canadian Government's Assessment for Membership in International Organizations

Appendix "6"—Supplementary Estimates 1958-59

APPENDIX "1"

DEPARTMENT OF EXTERNAL AFFAIRS

COMPARISON BY VOTES

| Vote No. | | 1958-59 | 1957-58 | 1957-58 | 1956-57 |
|----------------------------------|---|----------------|------------------------|------------|--------------|
| | | Main Estimates | Estimated Expenditures | Estimates | Expenditures |
| | | \$ | \$ | \$ | \$ |
| (S) | Secretary of State for External Affairs—Salary and Motor Car Allowance..... | 17,000 | 13,128 | 17,000 | 17,000 |
| A—DEPARTMENT AND MISSIONS ABROAD | | | | | |
| 85 | Departmental Administration (including former Passport Office Administration)..... | 5,533,081 | 5,168,835 | 5,228,750 | 4,607,029 |
| 86 | Representation Abroad—Operational..... | 8,576,875 | 8,038,109 | 8,338,253 | 7,251,161 |
| 87 | Representation Abroad—Capital..... | 1,412,688 | 1,244,030 | 1,805,275 | 1,281,806 |
| 88 | To provide for Official Hospitality..... | 40,000 | 37,328 | 40,000 | 46,679 |
| 89 | To provide for Relief and Repatriation of Distressed Canadian Citizens abroad etc. (Part Recoverable)..... | 15,000 | 8,634 | 15,000 | 9,046 |
| 90 | Canadian Representation at International Conferences..... | 243,000 | 243,531 | 249,000 | 268,452 |
| 91 | Grant to the United Nations Association in Canada..... | 11,000 | 11,000 | 11,000 | 11,000 |
| 92 | Grant to the International Committee of the Red Cross..... | 15,000 | 15,000 | 15,000 | 15,000 |
| 93 | Grant to the Canadian Atlantic Co-ordinating Committee..... | 2,500 | 2,500 | 2,500 | 2,500 |
| 94 | To Authorize and Provide for Fellowships and Scholarships..... | 42,700 | 112,529 | 120,000 | 112,144 |
| | | 15,891,844 | 14,881,496 | 15,824,778 | 13,604,817 |
| | Total, A—Department and Missions Abroad... | 15,908,844 | 14,894,624 | 15,841,778 | 13,621,817 |
| B—GENERAL | | | | | |
| 95 | To provide for the Canadian Government's Assessment for Membership in International (including Commonwealth) Organizations.... | 3,549,055 | 3,226,545 | 3,303,102 | 5,544,099 |
| 96 | To Provide for a Contribution to the United Nations Expanded Programme for Technical Assistance..... | 1,976,875 | 1,933,491 | 1,927,500 | 1,767,656 |
| 97 | Contribution to the United Nations Children's Fund..... | 650,000 | 650,000 | 650,000 | 650,000 |
| | | 6,175,930 | 5,810,036 | 5,880,602 | 7,961,755 |
| 98 | To provide for Special Administrative Expenses, including Payment of Remuneration, in connection with Canadians on N.A.T.O. Strength (Part Recoverable)..... | 51,109 | 36,029 | 44,338 | 21,970 |
| 99 | To Provide for a Further Contribution towards the cost of constructing the N.A.T.O. Permanent Headquarters..... | 286,247 | 140,807 | 167,444 | 90,826 |
| | | 337,356 | 176,836 | 211,782 | 112,796 |
| 100 | To Provide I.C.A.O. with Office Accommodation..... | 214,971 | 208,034 | 208,035 | 200,542 |
| 101 | To Provide for a payment to I.C.A.O. in part reimbursement of compensation paid to its Canadian Employees for Quebec Income Tax for the 1957 taxation year..... | 7,500 | 7,500 | 7,500 | 6,936 |
| | | 222,471 | 215,534 | 215,535 | 207,478 |

APPENDIX "1"—Continued

DEPARTMENT OF EXTERNAL AFFAIRS

COMPARISON BY VOTES

| Vote No. | 1958-59 | 1957-58 | 1957-58 | 1956-57 |
|--------------------------------------|----------------|------------------------|------------|--------------|
| | Main Estimates | Estimated Expenditures | Estimates | Expenditures |
| | \$ | \$ | \$ | \$ |
| PENSIONS AND OTHER BENEFITS | | | | |
| | 1,667 | 1,667 | 1,667 | 1,667 |
| ANNUITY TO MRS. HELEN YOUNG ROY..... | | | | |
| INTERNATIONAL JOINT COMMISSION | | | | |
| 102 | 109,248 | 103,629 | 106,563 | 89,031 |
| 103 | 244,950 | 138,932 | 194,106 | 71,417 |
| | 354,198 | 242,561 | 300,669 | 160,448 |
| TERMINABLE SERVICES | | | | |
| 104 | 35,000,000 | 34,400,000 | 34,400,000 | 34,400,000 |
| 105 | 258,218 | 202,996 | 203,155 | 206,425 |
| 106 | 200,000 | 200,000 | 200,000 | 125,000 |
| 107 | 20,000 | 17,700 | 20,000 | |
| 108 | 500,000 | 750,000 | 740,000 | 500,000 |
| 109 | 389,489 | 356,130 | 426,930 | 423,882 |
| 110 | 135,000 | | 15,000 | |
| 111 | 10,000,000 | 2,000,000 | 5,000,000 | |
| | — | 901,820 | 2,409,584 | 2,477,233 |
| | 46,502,707 | 38,828,646 | 43,424,669 | 38,132,540 |
| | 53,594,329 | 45,275,280 | 50,034,924 | 46,576,684 |
| SUMMARY I | | | | |
| | 15,908,844 | 14,894,624 | 15,841,778 | 13,621,817 |
| | 53,594,329 | 45,275,280 | 50,034,924 | 46,576,684 |
| | 69,503,173 | 60,169,904 | 65,876,702 | 60,198,501 |
| SUMMARY II | | | | |
| | 69,484,506 | 60,155,109 | 65,858,035 | 60,179,834 |
| | 18,667 | 14,795 | 18,667 | 18,667 |
| | 69,503,173 | 60,169,904 | 65,876,702 | 60,198,501 |

APPENDIX "2" VOTE 85

DEPARTMENTAL ADMINISTRATION
(including former Passport Office Admin.)

COMPARISON BY PRIMARIES AND OBJECTS

| | Primary | 1958-59 | 1957-58 | 1957-58 | 1956-57 |
|---|---------|----------------|------------------------|-----------|--------------|
| | | Main Estimates | Estimated Expenditures | Estimates | Expenditures |
| | | \$ | \$ | \$ | \$ |
| <i>Salaries (1)</i> | | | | | |
| Permanent Positions..... | | 3,282,718 | 2,879,489 | 3,096,810 | 2,509,528 |
| Less—Positions which will probably be vacant due to staff turnover..... | | 320,000 | | 209,000 | |
| TOTAL..... | (1) | 2,962,718 | 2,879,488 | 2,887,810 | 2,509,528 |
| <i>Allowances (2)</i> | | | | | |
| Allowances..... | (2) | | 583 | | 300 |
| <i>Professional and Special Services (4)</i> | | | | | |
| Legal Services..... | | 30,000 | 2,030 | 25,000 | 5,336 |
| Press News Services..... | | 2,400 | 2,312 | 2,520 | 1,814 |
| Other Professional and Special Services.. | | 13,000 | 6,479 | 13,000 | 16,653 |
| Tuition and Examination Fees (Languages) | | 2,000 | 1,415 | 2,000 | 923 |
| TOTAL..... | (4) | 47,400 | 12,236 | 42,520 | 24,726 |
| <i>Travelling and Removal Expenses (5)</i> | | | | | |
| Travelling Expenses and Transportation Costs..... | | 60,000 | 48,678 | 55,000 | 56,093 |
| Removal and Home Leave Expenses..... | | 580,000 | 693,058 | 580,000 | 578,826 |
| Courier Service..... | | 106,000 | 50,122 | 76,000 | 38,174 |
| Local Transportation Costs..... | | | 556 | | 468 |
| TOTAL..... | (5) | 746,000 | 792,414 | 711,000 | 673,561 |
| <i>Freight, Express and Cartage (6)</i> | | | | | |
| Freight, Express and Cartage..... | (6) | 15,000 | 14,258 | 17,000 | 12,931 |
| <i>Postage (7)</i> | | | | | |
| Postage..... | (7) | 85,000 | 76,445 | 85,000 | 74,487 |
| <i>Telephones, Telegrams and Other Communication Services (8)</i> | | | | | |
| Telephones..... | | 7,000 | 7,003 | 7,000 | 9,210 |
| Telegrams, Cables & Wireless..... | | 175,000 | 177,949 | 114,168 | 221,525 |
| Rental of Teletype Equipment..... | | 120,440 | 96,732 | 81,540 | 91,957 |
| Carriage of Diplomatic Mail..... | | 165,000 | 166,487 | 190,000 | 200,357 |
| Grant to N.R.C..... | | 416,873 | 335,152 | 335,152 | 279,320 |
| TOTAL..... | (8) | 884,313 | 783,323 | 727,860 | 802,369 |
| <i>Publication of Departmental Reports and Other Material (9)</i> | | | | | |
| "External Affairs" Monthly Bulletin.... | | 28,000 | 25,285 | 24,000 | 27,292 |
| Canada Leaflet & Canada from Sea to Sea | | 40,500 | 603 | 46,000 | 8,277 |
| Treaty Series..... | | 4,000 | 6,537 | 6,000 | 944 |
| Other Publications..... | | 87,200 | 50,524 | 56,700 | 12,886 |
| TOTAL..... | (9) | 159,700 | 82,949 | 132,700 | 49,449 |

APPENDIX "2" VOTE 85—Concluded

DEPARTMENTAL ADMINISTRATION
(including former Passport Office Admin.)

COMPARISON BY PRIMARIES AND OBJECTS

| | Primary | 1958-59 Main Estimates | 1957-58 Estimated Expend- itures | 1957-58 Estimates | 1956-57 Expend- itures |
|--|---------|------------------------------|---|----------------------|------------------------------|
| | \$ | \$ | \$ | \$ | \$ |
| <i>Displays, Films and Other Informational Material (10)</i> | | | | | |
| Photographs..... | | 20,100 | 26,957 | 19,200 | 20,420 |
| Other Informational Material..... | | 39,200 | 18,888 | 31,100 | 14,609 |
| TOTAL..... | (10) | 59,300 | 45,845 | 50,300 | 35,029 |
| <i>Office Stationery, Supplies and Equipment (11)</i> | | | | | |
| Printing Office Forms, etc..... | | 113,250 | 62,320 | 111,950 | 82,093 |
| Stationery, Office Supplies..... | | 90,000 | 66,666 | 93,375 | 71,472 |
| Purchase of Office Equipment and Appliances..... | | 9,450 | 11,535 | 12,250 | 15,245 |
| Subscriptions to Newspapers..... | | 7,000 | 7,016 | 7,500 | 7,114 |
| Library Purchases..... | | 8,800 | 6,235 | 9,100 | 8,700 |
| Microfilming..... | | 5,350 | 3,318 | 3,750 | 2,417 |
| TOTAL..... | (11) | 233,850 | 157,090 | 237,925 | 187,041 |
| <i>Materials and Supplies (12)</i> | | | | | |
| Gas and Oil for Motor Vehicles..... | | 600 | 616 | 750 | 657 |
| Publications for Distribution..... | | 36,000 | 25,563 | 35,000 | 34,530 |
| Other Materials and Supplies..... | | 10,900 | 17,860 | 10,000 | 12,975 |
| TOTAL..... | (12) | 47,500 | 44,039 | 45,750 | 48,162 |
| <i>Acquisition of Equipment (16)</i> | | | | | |
| Motor Vehicles..... | | | | | |
| Teletype Equipment..... | | 55,400 | 64,693 | 79,210 | 111,441 |
| TOTAL..... | (16) | 55,400 | 64,693 | 79,210 | 111,441 |
| <i>Repairs and Upkeep of Equipment (17)</i> | | | | | |
| Motor Vehicles..... | | 1,400 | 1,666 | 1,400 | 1,047 |
| Teletype Equipment..... | | 43,000 | 35,932 | 40,000 | 25,724 |
| TOTAL..... | (17) | 44,400 | 37,598 | 41,400 | 26,771 |
| <i>Taxes on Diplomatic Properties in Ottawa Area (19)</i> | | | | | |
| Taxes on Diplomatic Properties in Ottawa Area..... | (19) | 137,500 | 129,305 | 125,000 | |
| <i>Sundries (22)</i> | | | | | |
| Profit and Loss on Exchange..... | | 5,000 | 2,451 | 1,500 | 11,536 |
| Compensation for Personal effects lost in travel..... | | 10,000 | 691 | 10,000 | 2,952 |
| Sundry Supplies and Services..... | | 40,000 | 45,417 | 33,775 | 36,746 |
| TOTAL..... | (22) | 55,000 | 48,559 | 45,275 | 51,234 |
| GRAND TOTALS..... | | 5,533,081 | 5,168,835 | 5,228,750 | 4,607,029 |

APPENDIX "3"—VOTE 86

REPRESENTATION ABROAD—OPERATIONAL EXPENSES

COMPARISON BY PRIMARIES

| | Primary | 1958-59 | 1957-58 | 1957-58 | 1956-57 |
|---|---------|-------------------|--------------------------------|------------------|-------------------|
| | | Main Estimates | Estimated Expend- itures | Estimates | Expend- itures |
| | | \$ | \$ | \$ | \$ |
| Salaries and Wages..... | (1) | 3,941,902 | 3,848,632 | 3,755,717 | 3,350,662 |
| Overtime..... | (1) | 28,900 | | | |
| Allowances for living including costs of representation..... | (2) | 1,227,469 | | 1,226,317 | |
| Allowances to meet higher cost of living abroad..... | (2) | 1,288,599 | 2,428,137 | 1,285,425 | 2,292,291 |
| Professional and Special Services..... | (4) | 109,840 | 62,147 | 80,180 | 66,863 |
| Travelling Expenses..... | (5) | 104,905 | 79,689 | 100,235 | 87,038 |
| Freight, Express and Cartage..... | (6) | 54,445 | 62,289 | 50,000 | 57,433 |
| Postage..... | (7) | 60,540 | 53,370 | 47,205 | 46,851 |
| Telephones, Telegrams & Other Communi- cation Services..... | (8) | 304,826 | 269,500 | 281,950 | 248,441 |
| Office Stationery, Supplies & Equipment... | (11) | 160,850 | 143,131 | 151,390 | 126,695 |
| Fuel for Heating & Other Materials & Sup- plies..... | (12) | 180,880 | 135,189 | 154,519 | 134,621 |
| Repairs & Upkeep of Buildings & Works.... | (14) | 189,350 | 206,162 | 288,050 | 96,995 |
| Rentals of Land, Buildings and Works..... | (15) | 609,223 | 503,687 | 583,515 | 508,033 |
| Repairs & Upkeep of Equipment..... | (17) | 120,475 | 77,001 | 126,130 | 59,851 |
| Rental of Equipment..... | (18) | 5,750 | 3,889 | 1,065 | 4,704 |
| Municipal & Public Utility Services..... | (19) | 110,610 | 91,310 | 127,150 | 98,290 |
| Benefits, etc..... | (21) | 39,376 | 31,960 | 42,580 | 34,244 |
| Sundries..... | (22) | 38,935 | 42,016 | 36,825 | 38,149 |
| GRAND TOTALS..... | | 8,576,875 | 8,038,109 | 8,338,253 | 7,251,161 |

APPENDIX "4"

REPRESENTATION ABROAD—OPERATIONAL AND CAPITAL

COMPARISON BY POSTS

| Diplomatic Missions | 1958-59 | 1957-58 | 1957-58 | 1956-57 | |
|---------------------|------------------|--------------|-----------|--------------|---------|
| | Main | Estimated | Estimates | Expenditures | |
| | Estimates | Expenditures | Estimates | Expenditures | |
| | \$ | \$ | \$ | \$ | |
| Argentina..... | Operational..... | 109,708 | 90,758 | 125,550 | 97,603 |
| | Capital..... | 8,258 | 4,878 | 45,315 | 1,898 |
| | | 117,966 | 95,636 | 170,865 | 99,501 |
| Australia..... | OP..... | 134,378 | 119,536 | 120,457 | 114,240 |
| | CAP..... | 12,945 | 4,785 | 21,335 | 13,879 |
| | | 147,323 | 124,321 | 141,792 | 128,119 |
| Austria..... | OP..... | 104,103 | 98,299 | 99,283 | 76,511 |
| | CAP..... | 1,545 | 47,836 | 30,550 | 17,693 |
| | | 105,648 | 146,135 | 129,833 | 94,204 |
| Belgium..... | OP..... | 190,212 | 179,948 | 188,222 | 164,552 |
| | CAP..... | 258,038 | 12,888 | 79,218 | 72,488 |
| | | 448,250 | 192,836 | 267,440 | 237,040 |
| Brazil..... | OP..... | 155,294 | 126,368 | 126,730 | 122,335 |
| | CAP..... | 21,263 | 3,504 | 22,845 | 24,335 |
| | | 176,557 | 129,872 | 149,575 | 146,670 |
| Ceylon..... | OP..... | 102,949 | 94,332 | 90,781 | 84,628 |
| | CAP..... | 10,870 | 5,731 | 25,720 | 10,474 |
| | | 113,819 | 100,063 | 116,501 | 95,102 |
| Chile..... | OP..... | 83,590 | 72,072 | 76,510 | 70,273 |
| | CAP..... | 14,568 | 911 | 10,540 | 6,662 |
| | | 98,518 | 82,983 | 87,050 | 76,935 |
| China-Nanking..... | OP..... | 6,726 | 6,183 | 8,470 | 6,017 |
| Colombia..... | OP..... | 86,006 | 64,050 | 82,272 | 59,055 |
| | CAP..... | 6,495 | 3,869 | 7,885 | 5,955 |
| | | 92,501 | 67,919 | 90,157 | 65,010 |
| Cuba..... | OP..... | 104,725 | 82,980 | 90,983 | 85,343 |
| | CAP..... | 5,410 | 6,916 | 11,005 | 4,717 |
| | | 110,135 | 89,896 | 101,988 | 90,060 |
| Czechoslovakia..... | OP..... | 112,797 | 96,096 | 137,375 | 97,181 |
| | CAP..... | 14,775 | 12,105 | 3,145 | 3,263 |
| | | 127,572 | 108,201 | 140,520 | 100,444 |

APPENDIX "4"—Continued

REPRESENTATION ABROAD—OPERATIONAL AND CAPITAL—Continued

COMPARISON BY POSTS—Continued

| Diplomatic Missions | 1958-59 | 1957-58 | 1957-58 | 1956-57 | |
|-------------------------|-------------------|---------------------------|----------------|----------------|----------------|
| | Main Estimates | Estimated Expenditures | Estimates | Expenditures | |
| | \$ | \$ | \$ | \$ | |
| Denmark..... | OP..... | 102,970 | 80,127 | 101,468 | 80,284 |
| | CAP..... | 2,308 | 3,145 | 5,235 | 4,776 |
| | | <u>105,278</u> | <u>83,272</u> | <u>106,703</u> | <u>85,060</u> |
| Dominican Republic..... | OP..... | 45,970 | 37,538 | 44,536 | 36,964 |
| | CAP..... | 1,700 | 2,911 | 5,725 | 3,145 |
| | | <u>47,670</u> | <u>40,449</u> | <u>50,261</u> | <u>40,109</u> |
| Egypt..... | OP..... | 200,325 | 173,386 | 138,493 | 139,941 |
| | CAP..... | 44,150 | 91,585 | 21,545 | 73,414 |
| | | <u>244,475</u> | <u>264,971</u> | <u>160,038</u> | <u>213,355</u> |
| Finland..... | OP..... | 71,512 | 60,642 | 58,418 | 53,223 |
| | CAP..... | 2,185 | 1,163 | 2,635 | 647 |
| | | <u>73,697</u> | <u>61,805</u> | <u>61,053</u> | <u>53,870</u> |
| France..... | OP..... | 520,153 | 479,001 | 551,569 | 423,473 |
| | CAP..... | 27,618 | 374,461 | 176,787 | 277,604 |
| | | <u>547,771</u> | <u>853,462</u> | <u>728,356</u> | <u>701,077</u> |
| France—NAC & OEEC..... | OP..... | 304,879 | 284,598 | 273,806 | 267,627 |
| | CAP..... | 16,325 | 2,462 | 16,000 | 3,071 |
| | | <u>321,204</u> | <u>287,060</u> | <u>289,806</u> | <u>270,698</u> |
| Germany—Berlin..... | OP..... | 33,108 | 30,885 | 31,090 | 29,848 |
| | CAP..... | 2,220 | 41 | 1,750 | 2,207 |
| | | <u>35,328</u> | <u>30,926</u> | <u>32,840</u> | <u>32,055</u> |
| Germany—Bonn..... | OP..... | 243,967 | 231,174 | 248,952 | 243,227 |
| | CAP..... | 6,900 | 5,496 | 28,405 | 25,820 |
| | | <u>250,867</u> | <u>236,670</u> | <u>277,357</u> | <u>269,047</u> |
| Ghana..... | OP..... | 85,084 | 42,800 | | |
| | CAP..... | 36,900 | 29,944 | | |
| | | <u>121,984</u> | <u>72,744</u> | | |
| Greece..... | OP..... | 146,899 | 130,840 | 136,305 | 110,924 |
| | CAP..... | 8,990 | 1,321 | 6,675 | 4,820 |
| | | <u>155,889</u> | <u>132,161</u> | <u>142,980</u> | <u>115,744</u> |
| Haiti..... | OP..... | 43,997 | 51,705 | 57,585 | 44,158 |
| | CAP..... | 2,220 | 2,705 | 4,150 | 1,525 |
| | | <u>46,197</u> | <u>54,410</u> | <u>61,735</u> | <u>45,683</u> |

APPENDIX "4"—Continued

REPRESENTATION ABROAD—OPERATIONAL AND CAPITAL—Continued

COMPARISON BY POSTS—Continued

| Diplomatic Missions | 1958-59 | 1957-58 | 1957-58 | 1956-57 | |
|----------------------|-------------------|---------------------------|-----------|--------------|---------|
| | Main Estimates | Estimated Expenditures | Estimates | Expenditures | |
| | \$ | \$ | \$ | \$ | |
| India..... | OP..... | 271,067 | 214,774 | 265,513 | 204,894 |
| | CAP..... | 108,425 | 217,903 | 111,127 | 19,176 |
| | | 379,492 | 432,677 | 376,640 | 224,070 |
| Indonesia..... | OP..... | 89,953 | 73,834 | 106,744 | 88,883 |
| | CAP..... | 3,975 | 9,965 | 27,510 | 14,245 |
| | | 93,928 | 83,799 | 134,254 | 103,128 |
| Ireland..... | OP..... | 70,333 | 69,426 | 68,190 | 56,538 |
| | CAP..... | 55,830 | 37,038 | 16,390 | 69,132 |
| | | 126,163 | 106,464 | 84,580 | 125,670 |
| Israel..... | OP..... | 100,168 | 75,064 | 97,756 | 67,063 |
| | CAP..... | 5,708 | 3,630 | 6,696 | 1,102 |
| | | 105,876 | 78,694 | 104,452 | 68,165 |
| Italy..... | OP..... | 212,893 | 204,529 | 191,284 | 179,895 |
| | CAP..... | 40,283 | 16,264 | 12,978 | 70,003 |
| | | 253,176 | 220,793 | 204,262 | 249,898 |
| Japan..... | OP..... | 274,589 | 313,010 | 287,049 | 236,576 |
| | CAP..... | 62,750 | 4,767 | 24,810 | 63,202 |
| | | 337,339 | 317,777 | 311,859 | 299,778 |
| Lebanon..... | OP..... | 101,615 | 81,478 | 87,951 | 73,233 |
| | CAP..... | 6,275 | 7,858 | 33,160 | 6,813 |
| | | 107,890 | 89,336 | 121,111 | 80,946 |
| Mexico..... | OP..... | 124,083 | 113,356 | 119,368 | 104,734 |
| | CAP..... | 2,500 | 4,815 | 7,739 | 7,690 |
| | | 126,583 | 118,171 | 127,107 | 112,424 |
| The Netherlands..... | OP..... | 174,203 | 160,606 | 163,846 | 153,496 |
| | CAP..... | 13,013 | 15,537 | 14,063 | 168,853 |
| | | 187,216 | 176,143 | 177,909 | 322,349 |
| New Zealand..... | OP..... | 83,769 | 69,883 | 78,936 | 73,484 |
| | CAP..... | 3,250 | 1,679 | 3,390 | 3,488 |
| | | 87,019 | 71,562 | 82,326 | 76,972 |
| Norway..... | OP..... | 105,996 | 79,035 | 103,069 | 88,187 |
| | CAP..... | 10,460 | 3,718 | 19,650 | 39,444 |
| | | 116,456 | 82,753 | 122,719 | 127,631 |

APPENDIX "4"—Continued

REPRESENTATION ABROAD—OPERATIONAL AND CAPITAL—Continued

COMPARISON BY POSTS—Continued

| Diplomatic Missions | | 1958-59 | 1957-58 | 1957-58 | 1956-57 |
|---------------------|----------|-------------------|---------------------------|-----------|--------------|
| | | Main Estimates | Estimated Expenditures | Estimates | Expenditures |
| | | \$ | \$ | \$ | \$ |
| Pakistan..... | OP..... | 184,956 | 135,614 | 158,983 | 132,343 |
| | CAP..... | 18,685 | 26,242 | 35,535 | 18,519 |
| | | 203,641 | 161,856 | 194,518 | 150,862 |
| Peru..... | OP..... | 71,866 | 62,650 | 70,136 | 61,346 |
| | CAP..... | 4,915 | 1,350 | 5,120 | 6,785 |
| | | 76,781 | 64,000 | 75,256 | 68,131 |
| Poland..... | OP..... | 169,421 | 123,372 | 186,140 | 135,193 |
| | CAP..... | 66,265 | 22,888 | 16,180 | 4,760 |
| | | 235,686 | 146,260 | 202,320 | 139,953 |
| Portugal..... | OP..... | 97,974 | 97,543 | 93,538 | 69,288 |
| | CAP..... | 8,950 | 11,386 | 25,830 | 11,508 |
| | | 106,924 | 108,929 | 119,368 | 80,796 |
| South Africa..... | OP..... | 91,783 | 71,748 | 86,964 | 83,961 |
| | CAP..... | 5,150 | 10,170 | 14,320 | 4,725 |
| | | 96,933 | 81,918 | 101,284 | 88,686 |
| Spain..... | OP..... | 123,554 | 97,304 | 122,114 | 100,673 |
| | CAP..... | 12,175 | 2,071 | 11,108 | 8,727 |
| | | 135,729 | 99,375 | 133,222 | 109,400 |
| Sweden..... | OP..... | 93,237 | 82,757 | 86,536 | 81,282 |
| | CAP..... | 3,270 | 1,374 | 4,610 | 5,444 |
| | | 96,507 | 84,131 | 91,146 | 86,726 |
| Switzerland..... | OP..... | 90,405 | 94,209 | 89,970 | 84,439 |
| | CAP..... | 10,040 | 9,924 | 11,950 | 3,918 |
| | | 100,445 | 104,133 | 101,920 | 88,357 |
| Turkey..... | OP..... | 158,748 | 114,254 | 175,162 | 127,775 |
| | CAP..... | 77,025 | 2,428 | 9,990 | 4,050 |
| | | 235,773 | 116,682 | 167,152 | 131,825 |
| U.S.S.R..... | OP..... | 283,180 | 244,175 | 404,136 | 322,940 |
| | CAP..... | 49,475 | 34,965 | 46,600 | 14,893 |
| | | 332,655 | 279,140 | 450,736 | 337,833 |
| United Kingdom..... | OP..... | 632,229 | 591,539 | 586,690 | 459,011 |
| | CAP..... | 24,393 | 28,393 | 17,297 | 24,719 |
| | | 656,622 | 619,932 | 603,987 | 483,730 |

APPENDIX "4"—Continued

REPRESENTATION ABROAD—OPERATIONAL AND CAPITAL—Continued

COMPARISON BY POSTS—Continued

| Diplomatic Missions | 1958-59 | 1957-58 | 1957-58 | 1956-57 |
|--------------------------------|-------------------|---------------------------|----------------|----------------|
| | Main Estimates | Estimated Expenditures | Estimates | Expenditures |
| | \$ | \$ | \$ | \$ |
| P.M.U.N. Switzerland..... | 144,098 | 142,140 | 146,063 | 107,023 |
| OP..... | | | | |
| CAP..... | 2,475 | 10,977 | 11,890 | 45,944 |
| | <u>146,573</u> | <u>153,177</u> | <u>157,953</u> | <u>152,967</u> |
| P.M.U.N. New York..... | 228,946 | 181,821 | 164,817 | 153,265 |
| OP..... | | | | |
| CAP..... | 19,450 | 4,010 | 26,720 | 22,012 |
| | <u>248,396</u> | <u>185,831</u> | <u>191,537</u> | <u>175,367</u> |
| U.S.A..... | 554,716 | 505,716 | 509,850 | 469,788 |
| OP..... | | | | |
| CAP..... | 13,410 | 28,690 | 16,000 | 15,950 |
| | <u>568,126</u> | <u>534,406</u> | <u>525,850</u> | <u>485,738</u> |
| Uruguay..... | 40,682 | 26,080 | 36,923 | 21,823 |
| OP..... | | | | |
| CAP..... | 1,290 | 2,327 | 4,475 | 929 |
| | <u>41,972</u> | <u>28,407</u> | <u>41,398</u> | <u>22,752</u> |
| Venezuela..... | 150,128 | 133,317 | 139,368 | 132,412 |
| OP..... | | | | |
| CAP..... | 7,700 | 1,959 | 8,835 | 3,738 |
| | <u>157,828</u> | <u>135,276</u> | <u>148,203</u> | <u>136,150</u> |
| Yugoslavia..... | 120,369 | 106,756 | 120,491 | 75,143 |
| OP..... | | | | |
| CAP..... | 15,588 | 6,869 | 10,305 | 5,787 |
| | <u>135,957</u> | <u>113,625</u> | <u>130,796</u> | <u>80,930</u> |
| TOTAL DIPLOMATIC MISSIONS..... | 8,992,701 | 8,047,162 | 8,599,185 | 7,576,134 |
| CONSULATES | | | | |
| Boston..... | 101,645 | 115,935 | 100,907 | 88,009 |
| OP..... | | | | |
| CAP..... | 6,100 | 4,706 | 800 | 1,038 |
| | <u>107,745</u> | <u>120,641</u> | <u>101,707</u> | <u>89,047</u> |
| Chicago..... | 129,641 | 104,630 | 127,835 | 97,134 |
| OP..... | | | | |
| CAP..... | 4,180 | 11,849 | 12,250 | 10,872 |
| | <u>133,821</u> | <u>116,479</u> | <u>134,085</u> | <u>108,006</u> |
| Detroit..... | 11,699 | 10,656 | 15,666 | 10,092 |
| OP..... | | | | |
| CAP..... | | | | 2 |
| | <u>11,699</u> | <u>10,656</u> | <u>15,666</u> | <u>10,094</u> |
| Hamburg..... | 13,743 | 12,499 | 14,298 | 6,268 |
| OP..... | | | | |
| CAP..... | | 215 | | 219 |
| | <u>13,743</u> | <u>12,714</u> | <u>14,298</u> | <u>6,487</u> |

STANDING COMMITTEE

APPENDIX "4"—Concluded

REPRESENTATION ABROAD—OPERATIONAL AND CAPITAL—Concluded
COMPARISON BY POSTS—Concluded

| Diplomatic Missions | 1958-59 | 1957-58 | 1957-58 | 1956-57 | |
|--|-----------|-------------------|------------------|-------------------|------------------|
| | Main | Estimated | Estimates | Expenditures | |
| | Estimates | Expenditures | Estimates | Expenditures | |
| | \$ | \$ | \$ | \$ | |
| Los Angeles..... | OP..... | 118,474 | 122,980 | 122,263 | 105,867 |
| | CAP..... | 4,100 | 3,981 | 5,900 | 3,723 |
| | | <u>122,574</u> | <u>126,961</u> | <u>128,163</u> | <u>109,590</u> |
| Manila..... | OP..... | 21,801 | 12,922 | 775 | 922 |
| | CAP..... | 25,400 | 10,594 | | |
| | | <u>47,201</u> | <u>23,516</u> | <u>775</u> | <u>922</u> |
| New Orleans..... | OP..... | 90,014 | 73,155 | 77,535 | 63,846 |
| | CAP..... | 10,050 | 2,516 | 2,165 | 4,164 |
| | | <u>100,064</u> | <u>75,671</u> | <u>79,700</u> | <u>68,010</u> |
| New York..... | OP..... | 472,071 | 365,599 | 480,967 | 316,688 |
| | CAP..... | 24,252 | 12,186 | 38,417 | 22,483 |
| | | <u>496,321</u> | <u>377,785</u> | <u>519,384</u> | <u>339,171</u> |
| Portland..... | OP..... | 1,500 | 1,440 | 1,500 | 1,459 |
| San Francisco..... | OP..... | 112,377 | 103,116 | 112,187 | 100,888 |
| | CAP..... | 5,760 | 7,310 | 7,400 | 5,614 |
| | | <u>118,137</u> | <u>110,426</u> | <u>119,587</u> | <u>106,502</u> |
| Sao Paulo..... | OP..... | 9,445 | 8,604 | 9,696 | 8,843 |
| | CAP..... | | 35 | 200 | 195 |
| | | <u>9,445</u> | <u>8,639</u> | <u>9,896</u> | <u>9,038</u> |
| Seattle..... | OP..... | 100,152 | 97,663 | 97,655 | 90,329 |
| | CAP..... | 9,460 | 3,887 | 8,900 | 9,457 |
| | | <u>109,612</u> | <u>101,550</u> | <u>106,555</u> | <u>99,786</u> |
| Shanghai..... | OP..... | | | | 36 |
| Miscellaneous Unallotted to Missions..... | OP..... | | 109,502 | | 8,685 |
| | CAP..... | | 38,997 | | |
| TOTAL CONSULATES..... | | <u>1,271,862</u> | <u>1,234,877</u> | <u>1,231,316</u> | <u>956,833</u> |
| Unallotted Capital Items..... | | 165,000 | | 648,500 | |
| Approximate Requirement for Increases in Rates of Pay..... | | | | 168,227 | |
| GROSS TOTAL..... | | <u>10,429,563</u> | <u>9,282,139</u> | <u>10,647,228</u> | <u>8,532,967</u> |
| Less amount by which Salaries & Allowances will probably fall short of Estimates..... | | 440,000 | | 503,700 | |
| GRAND TOTAL..... | | <u>9,989,563</u> | <u>9,282,139</u> | <u>10,143,528</u> | <u>8,532,967</u> |
| RECAPITULATION | | | | | |
| Operational Expenses..... | | 8,576,875 | 8,038,109 | 8,338,253 | 7,251,161 |
| Capital Items..... | | 1,412,688 | 1,244,030 | 1,805,275 | 1,281,806 |
| | | <u>9,989,563</u> | <u>9,282,139</u> | <u>10,143,528</u> | <u>8,532,967</u> |

APPENDIX "5"

CANADIAN GOVERNMENT'S ASSESSMENT FOR MEMBERSHIP IN
INTERNATIONAL ORGANIZATIONS

| Organization | Year | Budget | Amount | Percentage | Contribution of member States to 1958 budget |
|--|------|-----------------|-----------------|------------|---|
| United Nations..... | 1954 | 41,300,000 U.S. | 1,321,184 U.S. | 3.30% | U.S.A..... 32.51% |
| | 1955 | 39,640,000 U.S. | 1,438,932 U.S. | 3.63% | U.S.S.R..... 13.62% |
| | 1956 | 48,330,000 U.S. | 1,433,930 U.S. | 3.63% | U.K..... 7.62% |
| | 1957 | 48,504,640 U.S. | 1,527,897 U.S. | 3.15% | France..... 5.56% |
| | 1958 | 55,062,850 U.S. | 1,591,350 U.S. | 3.09% | China..... 5.01% |
| | | | | | Canada..... 3.09% |
| Food and Agriculture Organization (FAO)..... | 1954 | 5,925,000 U.S. | 338,346 U.S. | 5.71% | U.S.A..... 32.51% |
| | 1955 | 5,890,000 U.S. | 335,141 U.S. | 5.69% | U.K..... 10.29% |
| | 1956 | 6,460,000 U.S. | 297,806 U.S. | 4.61% | France..... 7.51% |
| | 1957 | 6,650,000 U.S. | 306,565 U.S. | 4.61% | Germany (Fed. Rep.)... 5.60% |
| | 1958 | 8,322,500 U.S. | 347,049 U.S. | 4.17% | Canada..... 4.17% |
| International Labour Organization (ILO)..... | 1954 | 6,556,887 U.S. | 234,566.35 U.S. | 3.98% | U.S.A..... 25.00% |
| | 1955 | 6,990,913 U.S. | 270,206.11 U.S. | 3.98% | U.K..... 10.24% |
| | 1956 | 7,395,729 U.S. | 235,021.49 U.S. | 3.63% | U.S.S.R..... 10.00% |
| | 1957 | 7,617,708 U.S. | 256,357.67 U.S. | 3.60% | France..... 6.14% |
| | 1958 | 7,972,901 U.S. | 268,203.00 U.S. | 3.56% | Germany (Fed. Rep.) .. 4.35% |
| | | | | | Canada..... 3.56% |
| International Civil Aviation Organization (ICAO) | 1954 | 3,200,000 Can. | 136,765 Can. | 5.40% | U.S.A..... 500 Units |
| | 1955 | 3,223,100 Can. | 126,463 Can. | 5.00% | U.K..... 145 Units |
| | 1956 | 3,313,451 Can. | 128,409 Can. | 4.80% | France..... 111 Units |
| | 1957 | 3,567,732 Can. | 129,187 Can. | 4.20% | Germany..... 68 Units |
| | 1958 | 3,492,901 Can. | 125,492 Can. | 4.20% | Canada..... 63 Units |

APPENDIX "5"—*Concluded*

CANADIAN GOVERNMENT'S ASSESSMENT FOR MEMBERSHIP IN INTERNATIONAL ORGANIZATIONS—*Concluded*

| Organization | Year | Budget | Amount | Percentage | Contribution of member States to 1958 budget | |
|---|------|-----------------|--------------|------------|--|------------|
| U.N. Educational Scientific and Cultural Organization (UNESCO)..... | 1954 | 9,461,449 U.S. | 334,935 U.S. | 3.54% | U.S.A..... | 31.3 % |
| | 1955 | 9,491,420 U.S. | 262,912 U.S. | 2.77% | U.S.S.R..... | 13.11% |
| | 1956 | 10,508,580 U.S. | 291,088 U.S. | 2.77% | U.K..... | 7.33% |
| | 1957 | 11,069,811 U.S. | 340,951 U.S. | 3.08% | France..... | 5.35% |
| | 1958 | 11,743,278 U.S. | 314,194 U.S. | 2.93% | China..... | 4.83% |
| | | | | | Germany..... | 3.94% |
| | | | | | Canada..... | 2.93% |
| World Health Organization (WHO)..... | 1954 | 8,963,000 U.S. | 268,340 U.S. | 3.00% | U.S.A..... | 32.9 % |
| | 1955 | 10,049,360 U.S. | 300,280 U.S. | 2.99% | U.K..... | 1045 Units |
| | 1956 | 10,778,824 U.S. | 326,820 U.S. | 3.06% | U.S.S.R..... | 1436 " |
| | 1957 | 11,051,760 U.S. | 382,940 U.S. | 3.07% | France..... | 685 " |
| | 1958 | 14,411,160 U.S. | 425,060 U.S. | 2.95% | Germany (Fed. Rep.).... | 471 " |
| | | | | | Canada..... | 383 " |
| General Agreement on Tariffs and Trade (GATT) | 1954 | 351,000 U.S. | 15,000 U.S. | 4.27% | U.S.A..... | 18.81% |
| | 1955 | 351,000 U.S. | 15,000 U.S. | 4.27% | U.K..... | 17.18% |
| | 1956 | 383,500 U.S. | 16,250 U.S. | 4.24% | Germany (Fed. Rep.).... | 7.74% |
| | 1957 | 383,500 U.S. | 16,250 U.S. | 4.24% | France..... | 7.72% |
| | 1958 | 430,600 U.S. | 28,360 U.S. | 6.58% | Canada..... | 6.58% |
| International Atomic Energy Agency (IAEA).... | 1958 | 4,089,000 U.S. | 123,488 U.S. | 3.02% | U.S.A..... | 33.33% |
| | | | | | U.S.S.R..... | 13.40% |
| | | | | | U.K..... | 7.50% |
| | | | | | France..... | 5.47% |
| | | | | | China..... | 4.93% |
| | | | | | Germany..... | 4.08% |
| | | | | | Canada..... | 3.02% |

APPENDIX "6"

SUPPLEMENTARY ESTIMATES 1958-59

Vote 542—Departmental Administration—

Further amount required \$259,230

This amount is made up of the following items:

Salaries—\$23,230

Provision is made for additional salaries for the balance of the fiscal year as a result of an increase in the establishment.

Carriage of Diplomatic Mail—\$54,000

This is to cover the cost of invoices received for payment in 1957-58 and for which funds were not then available.

Telephones, Telegrams and Other Communication Services—\$135,000

This provides for the rental of Trans-Atlantic cable service for period December 2, 1957 to March 31, 1959 at an annual cost of \$91,000 and for payment of invoices received in 1957-58 for which funds were not then available.

Materials and Supplies—\$9,000

The establishment of additional posts abroad since the original estimate was formulated has made it necessary to revise our requirements.

Acquisition of Equipment—\$38,000

This amount is to cover the cost of replacement units for existing equipment which is being modified for a special circuit between London—Ottawa—Washington.

Vote 543—Representation Abroad—Operational—

Further amount required \$170,530

This amount is made up of the following items:

Salaries and Wages—\$34,662

This amount is to cover additional requirements for salaries and wages of foreign service and local staff for the balance of the fiscal year as a result of an increase in the establishment.

Allowances—\$38,368

This makes provision for an increase of the foreign service establishment.

Repairs and Upkeep of Buildings and Works—\$97,500

This includes the cost of constructing a cypher room and registry in the Permanent Delegation, New York and costs of completing installations at the Consulate General, Canada House, New York.

APPENDIX "6"

(Concluded)

- Vote 544—International Joint Commission
Salaries and Expenses of the Commission—Further amount required \$1,800
This amount is for travelling expenses in connection with an inspection trip of the Colombia River Basin by the Commission during July 1958.
- Vote 545—To provide for the purchase of wheat and flour to be given to India, Pakistan and Ceylon to relieve food shortages—Further amount required \$3,000,000
This amount is the unexpended portion of the original \$5,000,000 provided in the Further Supplementary Estimates (3), 1957-58.
- Vote 546—To provide for the purchase of flour to be given to the United Nations Relief and Works Agency for Palestine Refugees in the Near East \$1,500,000
This item was originally provided in the Further Supplementary Estimates (3), 1957-58. No shipments however, could be made during that fiscal year.
- Vote 547—To provide for a contribution to the 1958 Fellowship Fund of the International Atomic Energy Agency \$25,000
This is a new item.
- Vote 548—To provide for the expenses of the Commonwealth Trade and Economic Conference \$225,000
This is a new item.
- Vote 549—West Indies Assistance Program \$1,475,000
This is a new item.

LOANS, INVESTMENTS AND ADVANCES

- Vote 655—To authorize, for the purpose of supplementing Economic Assistance given under the Colombo Plan, Special Loans to Colombo Plan Countries to Finance the purchase of wheat and flour \$8,827,000
This is the unexpended portion of the original amount of \$25,000,000 provided in the Further Supplementary Estimates (3), 1957-58.

APPENDIX "B"

UNITED NATIONS ASSOCIATION IN CANADA

STATEMENT OF GENERAL FUND

for year ended March 31, 1958

Revenue:

| | |
|--|--------------------|
| Membership fees..... | \$ 9,102.50 |
| Donations..... | 2,499.43 |
| Grants—Dominion Government..... | 11,000.00 |
| —U.N.E.S.C.O..... | 1,000.00 |
| —U.N.R.E.F..... | 25.00 |
| Interest received..... | 120.21 |
| Sale of pamphlets..... | 635.30 |
| Education Fund—for expenses re "World Review for Canadian Schools"..... | 250.00 |
| | <u>\$24,632.44</u> |

Expenditure:

| | |
|---|------------------|
| Salaries..... | \$12,375.47 |
| Travelling and organization expenses..... | 1,098.81 |
| Meetings..... | 174.92 |
| Provision for 1958 annual meeting..... | 410.00 |
| Rent..... | 1,594.92 |
| Printing and stationery..... | 1,076.73 |
| Postage..... | 553.50 |
| Office supplies..... | 743.28 |
| Telephone and Telegraph..... | 238.57 |
| General expense..... | 91.45 |
| Membership fee..... | 766.60 |
| Subscriptions to "World Review"..... | 250.00 |
| Cost of External Affairs bulletin..... | 3,840.85 |
| Cost of pamphlets purchased..... | 737.56 |
| Freight and express..... | 90.41 |
| | <u>24,043.07</u> |

| | |
|---|--------------------|
| Excess of Revenue over Expenditure for year..... | \$ 589.37 |
| Balance, March 31, 1957..... | \$20,089.65 |
| Add: Balance of reserve for future conference—discontinued..... | 52.22 |
| | <u>\$20,141.87</u> |
| Balance, March 31, 1958..... | <u>\$20,731.24</u> |

UNITED NATIONS ASSOCIATION IN CANADA

BALANCE SHEET

as at March 31, 1958

| ASSETS | | LIABILITIES | |
|---|-------------------|--|-------------------|
| <i>General Fund</i> | | <i>General Fund</i> | |
| <i>Current</i> | | <i>Current</i> | |
| Cash on hand and in bank..... | \$ 8,541.23 | Accounts payable..... | \$ 1,652.91 |
| Amount due from United Nations Appeal for Children Fund.... | 467.00 | Amount owing to branches..... | 244.50 |
| Amount due from branches..... | 8,554.73 | | |
| Pamphlets on hand—nominal value..... | 100.00 | | |
| | <u>17,662.96</u> | | |
| <i>Investment—at cost</i> | | <i>Reserve for 1958 annual meeting</i> | 1,897.41 |
| Dominion of Canada bond—3% 1966 (Quoted value \$4,850).... | 4,911.25 | | 900.00 |
| <i>Fixed</i> | | Balance—per statement..... | 20,731.24 |
| Office furniture and fixtures at cost less accumu- lated depreciation..... | 953.44 | | |
| Library books..... | 1.00 | | |
| | <u>954.44</u> | | |
| | 23,528.65 | | |
| <i>Education Fund</i> | | | |
| Cash in bank..... | 2,479.67 | | 23,528.65 |
| Accounts receivable..... | 5,587.00 | | |
| | <u>8,066.67</u> | <i>Education Fund</i> | |
| | | Balance—per statement..... | 8,066.67 |
| <i>U.N.I.C.E.F. Greeting Card Fund</i> | | <i>U.N.I.C.E.F. Greeting Card Fund</i> | |
| Cash in bank..... | 20,505.26 | Balance—per statement..... | 20,505.26 |
| <i>United Nations Appeal for Children Fund</i> | | <i>United Nations Appeal for Children Fund</i> | |
| Cash in banks..... | 77,994.41 | Balance—per statement..... | 77,501.96 |
| less: | | | |
| Owing to general fund..... | 467.00 | | |
| Owing to field secretary..... | 25.45 | | |
| | <u>492.45</u> | | |
| | 77,501.96 | | |
| | <u>129,602.54</u> | | <u>129,602.54</u> |

Submitted with our report to the members dated May 23, 1958.

GEO. A. WELCH & COMPANY
Chartered Accountants.

APPENDIX "C"

THE CANADIAN ATLANTIC CO-ORDINATING COMMITTEE

Member for Canada of the Atlantic Treaty Association

Constituent Organizations:

The Canadian Institute of International Affairs
The United Nations Association in Canada230 Bloor St. West
Toronto 5, Canada

JUNE 16, 1958.

H. F. Clark, Esq.,
Finance Division,
Department of External Affairs,
Ottawa, Ontario.

Dear Mr. Clark,

On behalf of the Canadian Atlantic Co-ordinating Committee, permit me to apply for a renewal grant of \$2,500 to assist the Committee in its work during the current fiscal year.

The Committee is the national body for Canada in the Atlantic Treaty Association, a non-official organisation consisting of a national committee or association in each NATO member country, whose purpose is to stimulate interest in and provide information concerning NATO in particular and the Atlantic Community in general.

Officers of the Committee are:

Chairman: Edgar McInnis, President, Canadian Institute of International Affairs.

Vice-Chairman: Marvin Gelber, Past President, United Nations Association in Canada.

Treasurer: Kurt Swinton, Vice-President and General Manager (Canada) Encyclopaedia Britannica.

Secretary: Norah Fraser.

As its name implies, the Committee's primary function is to co-ordinate the work of two constituent organisations, the Canadian Institute of International Affairs and the United Nations Association in Canada in respect of their programmes that bear on the Atlantic Community.

Up to the present, the Committee has been obliged to rely on these bodies for secretarial and other administrative assistance, as well as for much of the substantive work to implement its basic aims. The Committee has neither premises nor paid staff of its own, and its chief facilities are provided by courtesy of the Canadian Institute of International Affairs.

Both the constituent organisations have branches distributed across Canada, which provide a selected audience for speakers in the field of international affairs. The Committee seeks to take advantage of this audience when competent speakers are available to deal with NATO and related subjects, and seeks the good offices of the NATO Secretariat and the Canadian Ambassador to NATO to encourage top level speakers to visit Canada and speak to these bodies.

Publications of the constituent bodies are a further means for arousing interest and spreading information. Recent issues of *International Journal* carried articles on disarmament, Euratom, the European Common Market, and "Modern Weapons and the Small Powers". Pamphlets on disarmament and on disengagement have been published or commissioned. A study kit on Canada and NATO is periodically revised and kept up to date. The film series

The Fifteen Nations has been used by various UNA groups as a basis for study discussions. A particularly important study by J. A. Corry, *Soviet Russia and the Western Alliance*, was published by the CIA in January 1958, and two previous volumes—*Bulwark of the West* by A. C. Turner, and *NATO: the Economics of an Alliance* by Ronald A. Ritchie—remain standard works in their field.

Several special broadcasts have been arranged in co-operation with the CBC. On the eve of the NATO Council's top level meeting in December 1957, the Chairman of the Committee interviewed the Rt. Hon. Anthony Nutting on Britain's European policy. Televised interviews with M. Spaak and Prime Minister Macmillan were arranged over the national network during their visits to Canada, and a similar interview with Mr. Dulles is in prospect.

There were two special highlights during the past season. In December, advantage was taken of the award of the Nobel Peace Prize to Mr. Pearson to stage a public dinner in Toronto, with press and radio coverage, under the joint sponsorship of the CIA and the UNA, with the deliberate aim of focussing national attention on the problems and achievements of the western alliance. The CIA co-operated in the arrangements for M. Spaak's visit, staging dinner meetings in Quebec and Toronto and a luncheon meeting in Halifax. Mr. Wilgress writes that "the meeting in Toronto indicated to me the great need for a further visit of this kind and I hope that before long it may be possible for someone connected with NATO to go across Canada talking to each of the branches and answering questions in the same manner as M. Spaak did."

Apart from these activities of the constituent organisations, the Committee itself maintains liaison with the Atlantic Treaty Association, and with the Department of External Affairs in respect of various matters connected with NATO information. Its advice has been sought in connection with arrangements for delegates to such meetings as the NATO Seminar in Paris last January, the proposed meeting of youth organisations, and the Study Conference on Education to be held next September. It has also arranged from time to time for the circulation of NATO publications, particularly to schools and educational authorities. It provided background material to the delegates to the NATO Parliamentary Association in advance of their recent conference, and makes its own publications available to other national bodies in the ATA.

The limited funds hitherto at the Committee's disposal have been devoted to these purposes, to providing representation at the Council and Assembly meetings of the ATA and to other special meetings, and to building up funds to meet some of the contingencies that are in prospect. It will be appreciated that resources are too slender to finance delegates' travel expenses from Canada to meetings in Europe. It has been necessary to find members who are already overseas, or can go at their own expense, and even then the cost of travel and maintenance for, say, a delegate going from London to an Assembly meeting in Rome, is large enough to limit financing to one or at most two delegates.

In September 1958 the Atlantic Treaty Association will hold its Assembly in Boston, and it is most desirable that Canada should be well represented on this occasion. There has also been the suggestion that a number of the European delegates should be brought to Canada, and this is unquestionably desirable if it can be arranged. It is in anticipation of this kind of development that the Committee has hitherto been extremely frugal with the funds at its disposal, and has sought to build up a modest balance that might enable it to finance such special requirements, particularly when they can usefully serve the purposes for which it was formed.

Attached you will find a financial statement covering receipts and expenditures of the Committee since its inception. I believe that this will show that the Committee, by throwing the major burden on its constituent organisations, has been able to achieve a creditable record with a minimum drain on its own funds. More substantial expenditures are now in prospect, which cannot be met without a renewal and, if at all possible, an increase in our grant. I trust, therefore, that this application will receive the most favourable consideration.

Yours faithfully,

Edgar McINNIS,
Chairman of Committee.

STANDING COMMITTEE

CANADIAN ATLANTIC TREATY ASSOCIATION COMMITTEE

1. Receipts & Disbursements January 1st, 1956
to October 18th, 1957*Receipts*

| | |
|---|-------------|
| C.I.I.A. | \$ 300.00 |
| U.N.A. in Canada | 300.00 |
| Government of Canada (Dept. of External Affairs) .. | 3,950.00 |
| Bank Interest | 83.62 |
| | <hr/> |
| | \$4,633.62 |
| | <hr/> <hr/> |

Disbursements

| | |
|--|------------|
| Fees Paid to A.T.A. | 829.36 |
| Expenses paid to British A.T.A. members in connection with representing Canadian Committee at various meetings | 341.37 |
| Publications | 587.95 |
| Literature | 111.78 |
| Stationery | 68.76 |
| | <hr/> |
| | \$1,939.22 |

| | |
|--|-------------|
| Balance on deposit in The Royal Bank of Canada, Keele & St. Clair Branch, Toronto 9. | \$2,694.40 |
| | <hr/> |
| | \$4,633.62 |
| | <hr/> <hr/> |

CANADIAN ATLANTIC TREATY ASSOCIATION COMMITTEE

2. Receipts & Disbursements October 18, 1957
to June 15, 1958*Receipts*

| | |
|--|-------------|
| 1 January 1956 to 18 October 1957 (as per statement) | \$4,633.62 |
| Interest (31 October 1957) | 29.20 |
| 15 April 1958 (Government of Canada) | 1,050.00 |
| | <hr/> |
| | \$5,712.82 |
| | <hr/> <hr/> |

Disbursements

| | |
|---|------------|
| 1 January 1956 to 18 October 1957 | 1,939.22 |
| Pearson Dinner (15 January 1958) | 150.00 |
| Canadian Institute of International Affairs (15 Jan.) | 12.94 |
| Atlantic Treaty Association (17 January 1958) | 208.81 |
| Atlantic Treaty Association (17 January 1958) | 5.70 |
| Atlantic Treaty Association (3 April 1958) | 207.31 |
| | <hr/> |
| | \$2,523.98 |

| | |
|---|-------------|
| Bank Balance as of 15 June 1958 (Royal Bank, Wellington & Bay) | \$3,188.84 |
| | <hr/> |
| | \$5,712.82 |
| | <hr/> <hr/> |

HOUSE OF COMMONS

First Session—Twenty-fourth Parliament

1958

STANDING COMMITTEE

ON

EXTERNAL AFFAIRS

Chairman: H. O. WHITE, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

NO. 5

THURSDAY, AUGUST 7, 1958



MAIN ESTIMATES OF THE DEPARTMENT OF
EXTERNAL AFFAIRS—1958-59

WITNESSES

Messrs. R. W. Rosenthal, Acting Administrator, International Economic and Technical Division, Department of Trade and Commerce; F. E. Pratt, Chief, Capital Projects Section; D. Bartlett, Chief, Technical Cooperation Service; and R. Grey, Economic Division, Department of External Affairs.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1958

STANDING COMMITTEE ON EXTERNAL AFFAIRS

Chairman: H. O. White, Esq.

and Messrs.

Aitken (Miss),
Argue,
Brassard (Lapointe),
Cardin,
Crestohl,
Deschatelets,
Dinsdale,
Dorion,
Fairfield,
Garland,
Herridge,
Jones,

Jung,
Kucherepa,
Lafrenière,
Lennard,
MacLellan,
Macnaughton,
Mandziuk,
Martin (Essex East),
McCleave,
McFarlane,
McGee,
McGrath,

Nugent,
Paul,
Pearson,
Pratt,
Richard (Ottawa East),
Smith (Calgary South),
Stinson,
Valade,
Van Horne,
Vivian—35.

J. E. O'Connor,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

THURSDAY, August 7, 1958.

(7)

The Standing Committee on External Affairs met at 10.15 a.m. this day. The Chairman, Mr. H. O. White, presided.

Members present: Messrs. Argue, Crestohl, Fairfield, Garland, Jones, Kucherepa, MacLellan, Martin (*Essex East*), Mandziuk, McCleave, McFarlane, Paul, Richard (*Ottawa East*), Smith (*Calgary South*), Vivian and White—(16).

In attendance: From the *International Economic and Technical Cooperation Division, Department of Trade and Commerce:* Mr. R. W. Rosenthal, Acting Administrator; Mr. F. E. Pratt, Chief of Capital Projects Section; Mr. D. Bartlett, Chief of Technical Cooperation Service; and Mr. J. H. Marshall, Assistant to the Chief of Capital Projects Section. From the *Department of External Affairs:* Mr. R. Grey, Economic Adviser.

The Committee resumed its consideration of the Main and Supplementary Estimates, 1958-59, relating to the External Affairs Department.

Item numbered 104—*Colombo Plan*—was called, and the Chairman introduced Mr. Rosenthal and his colleagues.

The witness read a prepared statement respecting the Colombo Plan. In that statement he tabled and referred to the following documents:

1. Canadian Colombo Plan Capital Aid Projects as at March 31, 1958.
2. Tables indicating Canadian Assistance under the Colombo Plan in recent years.
3. Statistical Summary of Technical Co-operation Program, 1950 to June 30, 1958.

Agreed,—That the abovementioned documents be included in the Committee's record. (*See Appendices to this day's Evidence*).

Agreed,—That the Department of External Affairs be asked to secure and distribute to the members of the Committee copies of a Report of a survey, made by the State Department of the United States, respecting contributions made by Communist countries to underprivileged nations.

Mr. Rosenthal and his associates were questioned respecting his statement and other related matters. Mr. Grey also answered questions as requested by the Committee.

Item numbered 104 was approved.

At 12.05 p.m. the Committee adjourned to the call of the Chair.

E. W. Innes,
Acting Clerk of the Committee.

EVIDENCE

THURSDAY, August 7, 1958.
10:00 a.m.

The CHAIRMAN: Gentlemen, I see that we have a quorum. Will you please come to order.

The subject before us this morning, as I announced yesterday, is the Colombo Plan. We welcome, today, Mr. Rosenthal. Mr. Rosenthal has been associated with the Colombo Plan almost since its inception and was assistant administrator under Mr. Cavell. Mr. Rosenthal has with him today Mr. F. E. Pratt, Chief of Capital Projects, Mr. D. W. Bartlett, Chief, Technical Cooperation Service and Mr. J. H. Marshall. We also have with us, from the Department of External Affairs, Mr. Grey who is here in the event that some of the questions which are asked might be more properly answered by a representative from the Department of External Affairs instead of by the officials of the Dept. of Trade and Commerce.

Without further delay, I will call item 104, the Colombo Plan, and ask Mr. Rosenthal to take over from there.

Item 104. Colombo plan 35,000,000

The CHAIRMAN: Mr. Rosenthal has two or three documents and I will ask at the conclusion of his statement that they be included in the minutes of today's proceedings. The statements and the documents will be distributed at this time to the committee.

Mr. R. W. Rosenthal (Acting Administrator International Economic and Technical Cooperation Division (Colombo Plan Administration) Department of Trade and Commerce) called:

The WITNESS: Mr. Chairman and members of the committee:

On December 10 of last year Mr. Cavell appeared before you as administrator of our branch to report on the position of Canada's contribution to the Colombo plan, as he had done so fully and ably in the past. Since then, as I am sure you know, Mr. Cavell has been appointed Canadian High Commissioner to Ceylon, where he is still playing an important role in our Colombo plan work.

As many members of the committee will be aware, our aid embraces both capital projects and technical assistance. I should like to touch upon capital aid first, and may I therefore, Mr. Chairman, table a descriptive list of "Canadian Colombo plan capital aid" as at March 31, 1958. We also have additional copies so that members may each have one for reference.

In the seven months since our last report to your committee, Mr. Chairman, although the number of capital projects has increased from 79 to 87, no very large new undertakings have been begun. The reasons for this are twofold. Firstly, we have been concerned with the completion of major projects already under way in Pakistan, India and Ceylon. These were hydro-electric and irrigation developments and an aerial resources survey. Secondly, India, where we would have had funds available to accept a large project or two, had felt it necessary to change the type of aid requested from Canada in earlier years, for reasons which the committee may find of interest.

India, with her second five year plan under way, has ordered much of the capital equipment required during that period for the steel mills, power plants, transportation systems and agricultural mechanization on which she is concentrating. Much of the equipment still to be ordered is covered by loans and credits already arranged or in prospect. The government of India has thus felt it essential to keep its present industries supplied with raw materials, and this was reflected in our program for India in 1957/58, where high priority was given to the supply of copper, aluminum and nickel. Although the Indian capital aid program for this year (1958/59) has not yet been negotiated, our information is that commodities and raw materials will again be urgently requested.

While no dramatic new projects have been inaugurated, I am very happy to report that at Warsak, on the northwest frontier of Pakistan, which is the biggest power project we have undertaken—and one which has been widely publicized in Canada and Asia—our Canadian engineers and contractors, in collaboration with their Pakistani associates, have largely overcome the many problems which plagued us all in the earlier phases. The critical construction period has passed and the fear of delay if unfavourable rock conditions had been encountered in the river bed where the dam is now being built, has now been dissipated. When the coffer dam was overtopped by the flooding Kabul river this spring, work on the permanent dam had reached the stage where construction could be carried on through the high water season. The work schedule has recently been revised and two of the four 40,000 KW power generating units will, in all likelihood, be in operation in March 1960—about nine months sooner than had been anticipated a year ago. In addition to the 145 Canadian technical personnel—many with their families—who are currently employed at Warsak, their Pakistani co-workers now number over 8,600. Thus, in addition to the benefits that will accrue to Pakistan from Warsak power and irrigation, Canada will have been instrumental in providing employment for several years to a substantial number of tribesmen who, on completion of the project, will constitute a skilled labour force, invaluable to their country in its efforts to industrialize. Also, Mr. Chairman, I would like to pay a special tribute to the outstanding job our engineers' and contractors' personnel have done at Warsak under conditions which often seriously taxed both their patience and their health. The friendly relationship which now exists between the Canadians and Pakistanis at the site is, I feel sure you will agree, a very valuable achievement in itself.

The other major hydro-electric power project now under construction is Kundah, in Madras state, southern India. In this case, Canada's contribution is engineering design and supervision, together with the provision of generating and related equipment. Production of the equipment by Canadian manufacturers and the construction work being undertaken by the Madras Electricity Engineering Branch are both proceeding on schedule. Co-operation between the Canadian and Indian engineers is excellent. As with Warsak, this project where over 10,000 Indians are now working is, in addition to providing electricity to a critically power-short area, also helping to alleviate the perennial unemployment problem in that region.

Another important continuing project is the aerial resources survey of Ceylon, which was begun in 1956. Aerial survey work is a field in which Canadian know-how is unsurpassed in the world, and the survey of Ceylon, like the survey undertaken as one of Canada's first Colombo Plan projects in Pakistan, has been commended by international authorities as one of the most basic types of assistance possible in planning the economic development of the country. The Ceylon survey has carried out resources inventories to indicate where development schemes could be most profitably undertaken and at the same time has provided factual background information for planning such schemes. Although the emphasis in this project has been on geology, forestry

and land use (particularly the best methods of employing water resources for irrigation, flood control and power), many other types of new developments on the island are being studied and planned with the help of the aerial photographs. These have been used to plan a new sugar cane development in the Gal Oya valley, to locate new sources of limestone for a cement plant, and to estimate the available yield of coir for a new factory. During the disastrous floods in Ceylon early this year our aerial survey team added to Canada's already high reputation in the area and earned the public thanks of the Prime Minister of Ceylon by putting their aircraft and crew at the disposal of the government for flood relief operations.

The delivery to Ceylon about two months ago of two Canadian built diesel electric locomotives completes another project which has formed part of our capital aid program for three years.

By Mr. Martin (Essex East):

Q. How many diesel engines do they operate?—A. Ten. In all, ten of these diesel locomotives—

Mr. MARTIN (*Essex East*): This is like an instance where a colleague of mine was reading the text and when he came to page five he said "Gosh, that is good, I must do it over again."

The WITNESS: In all, ten of these diesel locomotives have now gone into service on the Ceylon state railways, where they cut running time by 40 per cent on several lines and made possible the establishment, for the first time, of a daily service between Colombo and Jaffna, on the northern tip of the island. The Ceylon Railway Board has decided to standardize on these diesels and has announced its intention of purchasing two more units. Each of these ten locomotives prominently displays a plaque bearing the name of one of the Canadian provinces.

As I have already said, Mr. Chairman, our work in the administration of overseas economic assistance falls into two broad categories—the capital projects, which I have just mentioned, and technical assistance. The difference between them, essentially, is that the first deals with goods and services and the second with people. The two are of course complementary; machinery is of little value unless skilled people are available to install, operate, maintain it, and to organize the productive processes to take advantage of it. Similarly, skilled people may be wasted if they lack the tools with which to work.

The pattern of our technical assistance during the past year followed, generally, the lines established previously. In this context, Mr. Chairman, with your permission I would like to table a statistical summary of our technical assistance program by calendar years from the beginning of the Colombo Plan. This table is complete to December 1957 and part year figures to June 30, 1958. Copies are also available for the members of the committee. To bring these statistics up to date, you might be interested to know that on July 31 there were 34 Canadians working in south-east Asia under Colombo plan auspices, and 195 Colombo plan trainees studying in Canadian universities, industries, federal and provincial government departments, and other institutions.

The fields of work in which all these people are engaged cover a very wide range of economic activity. For example, we have a Canadian radio therapist and a clinical physicist in Rangoon working with the cobalt beam therapy unit given to Burma through the Colombo plan almost a year ago. They are soon to be joined by a technician whose main job will be the training of additional technical staff. Meanwhile two Colombo plan awards for post graduate study have been granted to a Burmese doctor and a physicist so that they can return to Burma with the training needed to replace the Canadians.

In quite another field we have a stationary engineer in Pakistan—the only Canadian remaining now at the Maple Leaf Cement Plant, Daud Khel, which

has been discussed by the committee in previous years. This man is responsible for the operation and maintenance of the thermal electric generating station which powers the plant. When he arrived in Pakistan he chose two promising junior engineers to learn his job; they worked with him for a time and then we brought them to Canada for further training here. They will return to Pakistan late this year to take over.

Also in Pakistan we have an aircraft mechanic instructor, who is working with the aerial wing of the Ministry of Agriculture, plant protection department. Some members of the committee may recall that we supplied to Pakistan three De Havilland Beaver aircraft four years ago for use in crop dusting and spraying work. These aircraft have proven themselves in Pakistan as they have all over the world; so much so that the government of Pakistan intends to buy more of these planes on their own account for the same work. Our expert is training a staff of maintenance men to look after the expanded fleet.

Of course, all our technical assistance is not associated directly with the capital program as in the cases I have just mentioned. The need in most instances is for people with the training to deal with pressing local problems. For example, Sarawak, or the northern part of the island of Borneo, is populated mainly with primitive jungle dwellers who have had little contact with outside civilization. The local government is trying very hard to bring some elementary education to these people and asked Canada for visiting headmasters to act as travelling supervisors and counsellors for village schools in the jungle. We sent one man about a year ago, and another will follow next month. Some members may have noticed the article in a recent issue of "Weekend" magazine about the teacher who is there now; as well as being a school supervisor is called upon to serve as doctor, agricultural extension officer, public health advisor and, in fact, adviser in almost all things to his wards.

There is no single way, effective under all conditions, to make our Canadian knowledge and techniques available to people from other parts of the world. Sometimes circumstances seem to require sending Canadians abroad, as in most of the foregoing examples; frequently it is more effective to bring people here. During the academic year just completed some 46 graduate students, and 70 undergraduates mostly from Indonesia and Indo-China, were enrolled with Colombo plan support in our universities. Most of them studied engineering, or other scientific or technical subjects. High standards of work are taken for granted in the graduate students, but we have been very pleased and rather surprised at the records of some of the undergraduates. A Pakistani who got his degree in petroleum engineering last spring from the University of Alberta won the gold metal of the provincial association of professional engineers in this field. Two Ceylonese graduating from the Ontario Agricultural College in agricultural economics placed first and second in their courses. At least one Indonesian who got his degree in electrical engineering last spring was offered a bursary from the National Research Council for post-graduate work. We feel that these people, who come to a country very strange to them, and who must overcome handicaps of language, social customs, and preliminary education, deserve a great deal of credit for their accomplishments.

This list of examples could be continued almost indefinitely, Mr. Chairman, but I think that I have said enough to indicate something of the scope and method of our technical assistance program. The formal objects of the program is of course to bring modern knowledge and techniques to bear on the problems of underdeveloped countries, and our efforts are directed primarily to this end. However, we feel that the growth of friendship and human appreciation between individual people from Canada and other countries is a very important, if intangible, by-product of our main work. This, of course, is a matter for the Canadian people as a whole, and not for just one government agency. We are

fortunate indeed in having organizations like friendly relations and overseas students, the world university service and the overseas friendship society of Ottawa to provide meeting places and arrange for informal contacts between Canadians and our visitors from overseas. Beyond this, even after eight years of experience we are still sometimes surprised at the interest that individual Canadians take in these people, and at the hospitality shown to them.

In concluding these remarks concerning the Colombo plan, Mr. Chairman, I would like to table, and make available to members of the committee, a statement showing how the funds voted by parliament for capital and technical assistance have been employed up to March 31, 1958.

I have also, Mr. Chairman, a brief statement on the new arrangements for technical cooperation with the West Indies and Ghana for which financial provision is made in votes 110 and 549. These arrangements follow, generally, the pattern established for our Colombo plan operations. Would it be your wish to consider all these programs concurrently or should the West Indies and Ghana be deferred until after discussion of the Colombo plan?

The CHAIRMAN: Now that these documents are in the hands of the members of the committee I would suggest that you proceed. Then we will go back to the Colombo plan and carry on from there.

There were some questions asked last evening when the votes were passed and I assured members of the committee that there would be a complete discussion of Ghana and the West Indies.

By the Witness:

As the Under-Secretary of State for External Affairs has already explained to the committee, arrangements for aid to the West Indies were first discussed late in 1957. Funds were made available to finance some technical assistance for both the West Indies and Ghana early in 1958 and the unspent balance of these funds, amounting to \$135,000, appears as vote 110 in the main estimates for 1958/59. It is expected that all this money will be available for Ghana, since vote 549 in the current supplementary estimates includes an item of \$215,000, specifically for technical cooperation with the West Indies.

This latter vote (549) also includes provision for capital assistance in the amount of \$1,250,000 for a ship for a West Indies inter-island service. The under-secretary dealt with this ship in his statement to the committee. Members may be interested to know that officials of the Department of Transport who are specialists in the design of ships and the economics of shipping have just returned from the West Indies, where they discussed past operations of inter-island ships, inter-island traffic (both passenger and freight) and port facilities, as a basis for the design of a ship which will best meet the needs of the federation. A preliminary design will now be undertaken which will be submitted to the federation advisory committee on shipping for further consideration.

Of the \$215,000 provided for technical assistance, firm commitments in prospect at the present time, subject to passage of the item, amount to approximately \$61,000, all of it for the services of Canadian technical specialists to advise the new government on such subjects as statistics, housing, forestry, and geological and soils surveying. Three Canadian experts are in the West Indies now, two have returned, and two more will be going within the next month or so. These last two will advise on fisheries and on technical education.

The program in Ghana has been a little slower in developing than that for the West Indies, but two experts are there now. One is a senior officer of the R.C.M.P., and the other an adviser on the economics of gold mining. We hope also to bring a few students to Canada for the beginning of the next academic year.

This may seem like a slow start in technical assistance, both in the West Indies and in Ghana, but it parallels our experience in the early stages of the

Colombo plan technical cooperation scheme. It takes quite a long time for people in these countries to become aware of the kind of help that Canada can provide, so that they can ask for experts and for training facilities. A good deal of preliminary work on their part is also required to establish the programs within which the experts can fit, and to select the students to come to Canada. We expect that the small beginnings which have been made will grow into substantial and worthwhile support for these two new commonwealth countries.

Thank you, Mr. Chairman and members of the committee.

The CHAIRMAN: I am certain that the members of this committee have listened with a great deal of interest to the statement of Mr. Rosenthal dealing with the Colombo plan, West Indies and Ghana.

Members of the committee may now ask questions. I think perhaps we should deal with the Colombo plan first then the West Indies, and follow that with a discussion on Ghana.

By Mr. Kucherepa:

Q. In regard to your statement, Mr. Chairman, I wonder if someone would explain to me what the word "coir" means?—A. That is the outer husk of the coconut which is used in making rope.

By Mr. Martin (Essex East):

Q. I wonder if we could ask Mr. Rosenthal to supplement his excellent statement by further particulars as to the extent of the Colombo plan and its operations. For instance, has the Indonesian government taken advantage of all the help available to it as of two years ago? For instance, the plan for technical assistance to Indonesia had not been fully taken up by the Indonesian government. Has that situation been corrected?—A. I think we are improving gradually in this respect, Mr. Martin.

As you know yourself, from your own experience, some Asian countries are more underdeveloped than others and it takes a little longer to work with the less developed ones.

Q. How much money is still available for Indonesia that has not been taken up by Indonesia?—A. In regard to technical assistance?

Q. Yes. Is there as much as \$200,000?—A. There is no actual allocation for technical assistance. In regard to the \$1 million, or the \$1,500,000 that we are working with, it depends entirely on requests that we receive.

Q. My recollection is that we estimated—speaking strictly from memory—roughly \$400,000 for technical assistance to Indonesia, and that we had made representations to the Indonesian government for an acceleration in regard to the acceptance. I recall that out of the allocations that we envisaged there was still about \$200,000 that Indonesia could receive, but which they had not taken. I was just wondering if you could give us some indication as to what the situation is at the present time.—A. Our technical assistance to Indonesia has certainly stepped up. We have never, however, worked within a certain figure.

Q. About two years ago I believe there were 40, possible, technical assistance projects which were available to Indonesia of which they had not taken advantage, but which we were urging them to accept.—A. You are not speaking of capital assistance?

Q. No, I am speaking of technical assistance.—A. You are speaking of experts and trainees?

The number of trainees has been growing as reflected in this table. The number of experts going out has increased.

As I mentioned before it is a little difficult to fit these people in usefully. I think we are gradually making progress in this direction.

Q. Perhaps Mr. Rosenthal or his assistants could provide the answers in detail later on. I will just ask the questions now.

In regard to our technical assistance to Indo-China you have given us a report. I take it that the progress in Vietnam has been very good. Could you tell us what the progress has been in Cambodia where this assistance was just beginning two years ago?—A. The progress in Cambodia has been particularly slow.

Actually we have done a little more for Laos than we have for Cambodia.

Q. I suppose that has to do with agricultural assistance?—A. I am speaking of trainees coming to Canada.

We have, as you possibly know, two missions of Vietnamese who are training at Ste Anne de la Pocatière.

Q. Those are Vietnamese?—A. Yes.

Q. The situation in Cambodia two years ago was practically negligible. Are we making any progress there?—A. I am afraid the program has not stepped up very fast in Cambodia.

Q. Could you say something with regard to medical assistance there?—A. Perhaps Mr. Bartlett might add something to what I have said.

Mr. D. W. BARTLETT (*Chief Technical Cooperation Service*): We have managed to bring in a number of undergraduate students mostly to the universities of Montreal and Laval from Cambodia and Laos.

The problem we are faced with is the finding of people with the elementary education which is necessary for them to take advantage of our higher educational facilities here.

Expansion is quite difficult particularly because of local administration difficulties, and because of the housing situation in Laos. There is nowhere to house them.

Progress has been steady but very slow.

By Mr. Smith (Calgary South):

Q. Mr. Chairman, I should like to know if I have the proper conception of the objective of the Colombo plan.

I have always been under the impression—while I realize, of course, that the division of money is between capital assistance and technical assistance—as a result of the meeting a year ago, that the emphasis was, of necessity in most instances, placed on the providing of aids to these people so that they could help themselves. Of course a very large degree of capital assistance would also be directed to that end. Would it be correct to say that by and large the moneys are expended with that single objective in mind rather than with the idea of setting up bricks and mortar for a particular unit or particular construction?

I understand that the intention is more and more to provide aid, education and technical assistance so that these people will be in a position to help themselves in these technical fields.—A. I think it is true to say that that was the basic objective. This objective has been modified in some instances through necessity. But it has always been our basic objective.

By Mr. Jones:

Q. I was interested in your comments with regard to the Friendly Relations with Overseas Students and the World University Service. I have watched the progress of both of these organizations and observed their work over the past number of years. I know of the splendid work they have been doing in this field.

I was surprised, however, to notice that only 195 Colombo plan trainees are studying in this country at the present time. I wonder if Mr. Rosenthal could perhaps elaborate a little bit in regard to that program. Are we having difficulty in some of the countries in getting students to come over here; is

there a problem in regard to accommodating these people at our universities, and are our grants to the individual trainees sufficiently high? I know, for example, in the case of Indonesia, there has been considerable success with Indonesians studying over here. The numbers have been very small.—A. There are a variety of reasons for this. I believe Mr. Bartlett could speak in regard to some of them.

We are endeavouring to find trainees who can usefully absorb the kind of training that will fit them for a real job in their own countries. I believe that, consistent with that, we have done a reasonably good job.

In addition to our Missions abroad we have, in one post, our own liaison officer—we have others in prospect—who have been screening these people.

We want to avoid, if we possibly can—I do not want to overemphasize this—bringing to Canada trainees in quantity and not quality. We want to get people who will fit into their own countries in a useful way, and who are not just going abroad for a “sleigh ride”.

By Mr. Kucherepa:

Q. Mr. Chairman, like Mr. Arthur Smith, I have felt that our policy has been to help these people help themselves. On page 2 of the statement appears the following: “The government of India has thus felt it essential to keep its present industries supplied with raw materials, and this was reflected in our program for India in 1957/58, where high priority was given to the supply of copper, aluminum and nickel. Although the Indian capital aid program for this year (1958/59) has not yet been negotiated, our information is that commodities and raw materials will again be urgently requested.”

How much of this capital aid program is in the form of raw materials?—A. In regard to India, for the year we are talking about, it was close to \$11 million.

Q. By “commodities” I presume you mean—A. Copper, aluminum, nickel in the case of India.

Q. I suppose the other part of the capital aid program would have to do with machinery and that sort of thing, would it not?—A. Yes, that is true.

By Mr. Jones:

Q. Following what I had in mind earlier, do you feel that the 195 trainees is the maximum that we can acquire to train under this plan? Do you think that this number can be increased, or do you feel that it would be worth while increasing the number of trainees under the Colombo plan studying in Canadian universities?—A. As to the amount of money provided for the Colombo plan, it is for the Government of Canada to decide. It is our duty to work within that amount. I think this is a matter of government policy.

Q. I am not asking you about the government policy. I wanted to know if the funds we are providing are sufficient so that you can acquire students of the type required?—A. I think the only way I can answer that question is to say that we are gradually building up. You are speaking specifically of trainees?

Q. I am speaking of trainees.—A. The number is gradually being increased, as the statistical tables show.

Consistent with the various qualifications that we must have in the trainees, I think this can only grow at a regular rate—at a progressive rate. I do feel that in time this number can be increased.

Q. Have you found a limitation in the universities as to the number of students that they can accept?—A. I do not think there is much of a limitation in the universities. Perhaps Mr. Bartlett would like to add something to what I have said.

Mr. BARTLETT: There is one point which I think should be recognized. The shortage, in most cases, is in the supply of trainees.

In Indonesia, for example, which you have mentioned, offers are made to the government of Indonesia by Australia and the United Kingdom and by other Colombo plan participants as well as Canada. I think it is fair to say that almost all the people that can be turned out for training abroad have the opportunity to get this training. I know in other countries, such as Ghana, efforts in regard to trainees for training abroad are almost negligible because it is felt that too many people are being taken out of the administration there and there is no one left to run the country.

Mr. JONES: What is the situation in India?

Mr. BARTLETT: We have never encouraged the nomination of undergraduates in India—because India has very good universities of its own and it is perfectly capable of turning out competent engineers, and so on. We have limited our program there to graduate students.

To my knowledge we have never turned down a nomination that has been made.

Mr. JONES: Do you think the aid we have offered is sufficiently well known in India so as to interest India's graduates to apply?

Mr. BARTLETT: Yes. I would say definitely yes.

By Mr. Smith (Calgary South):

Q. On page 6 of this statement, Mr. Chairman, we see a rather good example of the Colombo plan's success in the reference to the fact that Pakistan, as stated in the report, intends to buy more of these DeHavilland Beaver aircraft. I would assume that this example is an exception and is not a general trend. There are not too many examples of this kind where a country, after we have provided machinery and technical equipment, buys more of the same type? I presume this is an unusual situation?—A. I am afraid so.

Q. Could you tell us if, since this report was prepared, the Pakistan government has purchased these aircraft?—A. They have not bought them yet.

By Mr. Martin (Essex East):

Q. What are these aircraft intended for?—A. Crop dusting and spraying, and plant protection work.

By Mr. Crestohl:

Q. I should like to ask Mr. Rosenthal if, apart from this written report, he could give us his own impression or opinion as to whether or not the western powers that support the Colombo plan are making a sufficiently good impression towards the objectives they have in mind?

Perhaps I will make my question a little wider. Are we meeting any competition from the Soviet Union in regard to similar types of work? If we are meeting such competition, to what extent? We have supplied locomotives, for example. What has the Soviet Union supplied?—A. In regard to the first part of your question, the donor countries are Canada, the United Kingdom, Australia and New Zealand. Canada is the largest single donor, of course.

We are obviously making an impression largely on the upper strata of educated people who are capable of knowing what is going on.

In regard to the great mass of peasants and uneducated people, and so on—I think this is a matter that Mr. Cavell has dealt with before—it will be many years before these people who cannot read or write and have no radios to listen to will know much about this assistance. However, we do feel that we are making a useful impact.

By Mr. Martin (Essex East):

Q. Keeping in mind Mr. Smith's question and relating it to Mr. Crestohl's interrogation, do you think that one of the justifications for some of the larger

capital projects such as Warsak is that the donor countries like Canada, Australia, the United States and Great Britain, are materially helping the donee countries without any conditions attached?—A. This is very definitely true, Mr. Martin, and these few large projects are exceptions to what I just said. In the case of Warsak, there are a great many of the local tribesmen who have been involved directly and indirectly with Warsak and they do know what the Colombo plan is all about.

By Mr. Crestohl:

Q. What is the extent of infiltration by the Soviets through their system of sending in experts and so on and their actual contribution, even the form of competition,—individuals winning over and influencing those countries?—A. It seems to me that this is a rather political question, Mr. Crestohl. I wonder if this is something Mr. Grey would like to comment upon.

Mr. GREY: I would be glad to comment very briefly on Mr. Crestohl's question. Obviously, it is a very extensive question to which it would be difficult to give a comprehensive answer. I think the extent of Soviet aid to the countries we are helping has tended to be exaggerated in the press. There has been very frequent repetition of very substantial statistics. Usually statistics such as the Soviet puts out are generally in terms of expenditures promised rather than actually made.

I think you will see from the press, and statements from the U.S.S.R., that these are mostly founded on promises of aid in the future.

The United States states department has published a very extensive comparative study of aid recently. I noticed an article in the *London Times* recently that from those studies it appears the aid delivered by the Soviets is actually less than the total by the United Kingdom alone. So I think it is a mistake to talk of the Soviets as actually carrying on an extensive aid program. I think it is a mistake to talk in terms of the Soviets catching up. The Soviet aid is very well publicized, but it is not as substantial as it is made to appear. Another point is that a lot of it, of course, is loan aid and not grant aid.

The other point I make, Mr. Crestohl, is in our participation—and Mr. Rosenthal will bear me out—we do not come into direct competition or contact with the Soviets. We do not find that the recipient countries try to play us one against the other. They do not say: "If you do not do this the Soviets will". There have been no examples of this type of thing. Nevertheless, such projects as Warsak, and the atomic reactor which has been built near Bombay, are very startling examples of aid by the west; and people of those countries when they have any visitors from the U.S.S.R. and Communist China I think make a point of showing their visitors these substantial projects. I leave you to imagine the reaction of, say, Chou-En-lai, to the atomic reactor given to an underdeveloped country by a country such as Canada.

Mr. JONES: Would you care to comment on this general problem in relation to the training of students by the Soviet? Have you any knowledge of how many people have been receiving training in Russia?

Mr. GREY: Well, I have not got the statistics available. The most important examples, I think, are the substantial number of Indian steel industry trainees that have been taken to Russia in connection with the steel plant being built by Soviet engineers in India. Indian officials have said that they are very well trained in Russia, and that the Russian engineers who come to India speak the local language effectively.

On the other hand, looking at it from the other side, the Soviets must think that we are getting a great many of the people of these countries to

visit the west where they have a chance to see the western way of life. I would not say the great preponderance of trainees are going to Russia rather than to western countries.

Mr. JONES: You think the numbers going to the western world are far greater than those going to the Soviets from the Colombo plan countries?

Mr. GREY: Well, I have not the statistics but I am pretty sure that that is so.

Mr. VIVIAN: I draw Mr. Rosenthal's attention to page three. It is the wording of a sentence for which I would like an explanation. It is at the end of the first paragraph:

The friendly relationship which now exists between the Canadians and Pakistaniis at the site is, I feel sure you will agree, a very valuable achievement in itself.

Does that suggest that the relationship was not so fond at one time?

The WITNESS: I would not say that it was unfriendly; it was a little difficult. I will be frank about it. The Canadians who move in are usually construction people, and construction people are the same sort of people all over the world—they want to get in and get the job done quickly. They were moving into an extremely backward type of country. The tribesmen, as you will remember from G.A. Henty, were a pretty difficult crowd to deal with. They were suspicious; our people were a little suspicious, and so on. It has taken a little time for this to work its way through, and it is now working out extremely well.

By Mr. Vivian:

Q. Supplementary to that, are we having similar difficulties on the new starts in other countries—Ceylon, for instance? Are our people in Ceylon happy?—A. This has been true pretty well everywhere. It was a little more difficult in the case of Warsak because it was a big project and a lot of people were involved. It was the only place where we had that number of Canadians. Mr. Martin knows it and has seen it.—a Canadian town created, suddenly, next to the Khyber pass.

By Mr. Martin:

Q. Is Colonel Azam still in charge of the project?—A. He is the Pakistani chief engineer.

Q. There are 8,500 people working there.

By Mr. Crestohl:

Q. I am a little concerned with the statement Mr. Rosenthal made, if I understood him correctly, that the Soviets are directing their attention to the masses. I would like a little further explanation on that. Perhaps I misunderstood him. I understood him to say that the system is for the more instructed and upper class to be trained, and the Russians are paying their attention to the masses. If that is what I understood you to say I would appreciate some explanation.

Mr. MARTIN: I do not think he said that.

The WITNESS: I did not say that. I do not think Mr. Grey said it either.

Mr. MARTIN: He said, with regard to impressing people in the countries who were receiving assistance, that the assistance there was recorded; but in the case of technical assistance, the leaders in the country were aware of technical assistance being provided by a country like Canada and that industrial projects, because of their larger character, were brought home better to the masses of the people. But I do not think he said...

By Mr. Smith (Calgary South):

Q. Is that what you said, Mr. Rosenthal?—A. I think it is substantially what I said.

Mr. MARTIN: Then, I think perhaps I might just point out that when people like Chou-En-lai do come to these countries, because they are well known personally and speak to the masses of people I think they boast of the things they do,—which, as Mr. Grey pointed out, were really less than what the western countries are doing,—and that possibly our progaganda machine for these countries is not as effective as the Soviet one.

By Mr. Crestohl:

Q. But are we also getting through in some form to the masses?—A. Well, as we have already discussed, I think this is true where we have a large project, in which case the masses soon know about it. But as I mentioned before, how would a group of peasants who live in central India remote from any Colombo plan project, know about it? They are illiterate, they have no means of learning. This will come in time.

By Mr. Smith (Calgary South):

Q. Mr. Chairman, I said, my understanding of the policy was to provide assistance to people so that they might help themselves?—A. Yes.

Q. And Mr. Rosenthal agreed that that was the primary objective. I wonder if he would perhaps tell me if this has been based on what we gather to be the rather sad experience of other countries who have provided direct financial aid or capital assistance, as the policy has dictated, and that the appreciation shown does not react favourably to it in many instances. At any time you have decided on a policy of this nature, giving technical assistance, it is not only a question of money but it is also a question of the reaction to any other alternative policy based on past experience, say, of the United States in the Marshall plan.—A. Well, this is a rather difficult one to answer, Mr. Smith. I think, I might put it this way; we have tried to profit from the experiences of other aid programs. Our aid program as compared to the United States effort, of course, is a relatively small one. For example, in sending our Canadian technical experts abroad, as you will see from the statistics in that table, there are relatively few of them abroad at any one time and it is therefore easier for us to select good people. We think we do it a little better, but this is perhaps self pride.

Mr. SMITH (*Calgary South*): It is dictated by two factors, one, the budgeting factor, and the second, the policy.

The WITNESS: I think that is probably true, yes.

The CHAIRMAN: Speaking of Canada's contribution as compared with the United States on a per capita basis, how does it stand up?

The WITNESS: I do not believe I have that figure.

The CHAIRMAN: We are seventeen million and they are 175 million or 180 million.

The WITNESS: Our per capita contribution is higher, I know, but I do not know to what degree.

Mr. MARTIN (*Essex East*): Ours is the largest single block outside the United States. I am not saying that to depreciate the United States, because I think we ought to state that the United States is being very generous all over Asia.

The WITNESS: That is true.

Mr. MARTIN (*Essex East*): And they are not being given credit for their generosity.

The WITNESS: I think it is very true indeed.

Mr. JONES: Mr. Chairman, I wonder if Mr. Rosenthal could tell us whether or not there has been any interest shown in India in the development of experimental farms, agricultural experimental farms or agricultural stations provided under the Colombo plan scheme on a large scale.

The WITNESS: Well we have had something analogous to that. In both India and Pakistan we have aided, as you will see from the documents we have submitted, biological control stations. These are not of course experimental farms. You are thinking in terms of the Dominion experimental farm here?

By Mr. Jones:

Q. I am thinking in terms of a program whereby agricultural experimental farms might be established in India for several reasons, some of which immediately leap to mind. One is as examples in the area in which they are located, to serve as a center from which extension work could be done. They serve as a training ground for Indian students, for example,—a training ground which could be operated much more cheaply than bringing that type of student to this country. They provide physical establishments which can be seen by the Indians themselves as having been contributed by Canada and they make an impression on the masses of the people there. Those are some of the things I had in mind.—A. Well, we have only been associated with one venture of this kind which was not in India; it was in Pakistan.

By Mr. Martin (Essex East):

Q. I thought we had one at Agra. —A. This one is in the Tha area, Pakistan in which we cooperated with Australia and New Zealand. This was a desert area being made viable for Moslem refugees after partition from India, and Canada did assist with this. We gave the things we were best able to give, such as agricultural equipment. Australia helped with the things they were best able to give, and New Zealand dairy equipment, and so on.

We have not been asked for this sort of aid from India. I think you know, Mr. Jones, that we respond to requests from them; we cannot be in the position of forcing any aid upon them, and although we have trained Indians in this type of work in Canada, who have gone back to do that kind of work at home, we have never been asked to help set up this sort of project in India.

Q. I certainly agree we should never try to force any of this type of aid on any recipient country, but I think one of the general advantages of the whole Colombo plan program has been a request for aid by the recipient countries, and that results in a much better feeling in those countries. However, I do not suppose these people would hesitate to originate a request of that type if they thought we were interested in giving that sort of assistance.

A further point in that program, of course, would involve Indians becoming used to Canadian agricultural implements which, of course, might have a good effect on trade between our countries.

By Mr. Smith (Calgary South):

Q. You mentioned a magnetometer survey they have been carrying out. Has any of it been applied to a geological survey? What I am trying to review is the reference to Pakistani graduate petroleum engineers. I noticed you

have been carrying out an aero magnetometer survey, or they have been carrying out an aero magnetometer survey. Has any of that been applied to geophysical or geological tests for the purpose of ascertaining oil and gas availability?—A. We have done two of these aero magnetometer surveys, one in Malaya and one in India. The one in India was specifically for that very purpose you mentioned. The one in Malaya was not; it was for minerals. As you know there are various kinds of aeromagnetic surveys.

By Mr. Martin (Essex East):

Q. Are we giving any assistance to Nepal now?—A. Not as of the moment.

Q. Any improvement in our assistance to Singapore?—A. Well, there has been a small amount of capital assistance and a little technical assistance. We have an expert out there now.

Q. Two years ago they were really anxious, I remember, and I just wondered whether we had made any increase, particularly in education and vocational training?—A. In the trainee field, I am not sure. There have been a few trainees, some in fisheries.

The CHAIRMAN: I doubt the wisdom of the Chairman's intervening or projecting his ideas into the discussions of the committee, but as a farmer from western Ontario I often hear my fellow farmers say: "Well, if I had the opportunity to have a project like the O.A.C., I could make my farm bloom like the rose, also". But on the other hand there are projects that are carried out on privately owned farms by way of demonstration, where the farmer buys the fertilizer and ploughs and seeds and reaps his own harvest, and that type of work is very effective in a limited area. I think if money were going to be spent on agricultural expansion in some of these areas, probably it would be a fruitful field. You could demonstrate to the people in the country what technical knowledge applied to their particular conditions will do. On the other hand, of course, you must have the colleges and experimental farms where the basic information is found. But to get it to the man who is going to use it, a demonstration right in his own area is, I think, the best.

Mr. JONES: I certainly think that that is a good point, Mr. Chairman. It is a logical expansion of the idea of the experimental farm. You have to have experimental farms to serve as a nucleus for it. Actually, I know of some instances in India where similar work has been done on a very limited scale but it has been so limited as to make no impact on that country. I think the suggestion of the Chairman is a very good one.

The WITNESS: Might I add a word, Mr. Chairman?

The CHAIRMAN: Yes.

The WITNESS: On the original point of the experimental farm, perhaps I did not emphasize this. I did mention, and members of the committee know very well, that India, by the standards of south east Asia, is a developed country, and this is one field that the Indians have made advances in themselves.

By Mr. Jones:

Q. I have been to India several times myself and I could not help being impressed by the very low standard of agricultural attainment in that country. I think it strikes any visitor to India at first hand, the methods that are in use there. And although the Indian government still realizes and has certainly done work in that regard, the thought I had was of a supplementary nature, because obviously a country the size of Canada, with 17 million population, even with our resources, could not make much of an impact on the total

agricultural field in India. Nevertheless, by assisting in that way it does seem to me that significant help might be given which would tend to augment itself, multiply itself, in the years to come.

The experience we have had in this country with the agricultural graduates from Indian universities, and which has been on the whole very satisfactory, would indicate that they have been pushing their agricultural program there. My suggestion is a supplement to that.—A. That is certainly very true, Mr. Jones. If we were asked to aid in this field, we would be very glad to respond. By our standards undoubtedly their agricultural extension work, you might say, is not of the best, but they think it is very good.

Mr. KUCHEREPA: Mr. Chairman, on page 5 you make mention of the fact that we have a Canadian radiotherapist and a clinical physicist in Rangoon working with the Cobalt beam therapy unit there. I think it would be wise at this time also to give credit to the many other people, scientists, people from the medical field who are working among these countries, through various organizations, primarily of a church type.

I think sometimes their efforts in this field are not fully appreciated because they are not fully known by the public at large. We would do well to recognize their efforts in this field.

By Mr. Martin (Essex East):

Q. I think we are the only contributing country in the matter of Cobalt 60 units.—A. I think that is true, Mr. Martin.

Q. Did we give a Cobalt 60 to Vietman?—A. No; we did give three to India and we have given one to Burma, and that so far is all. Our concern in this field is to try to be sure that the countries are reasonably ready to receive them.

Q. The difficulty in Burma, is that we had offered one to them a long time ago, but they had no technicians available to use it. It requires a physicist and so on, and we had to urge them to take this, as I recall it.

I wonder if you could give us, so we can get an appreciation of the extent of the Colombo assistance, our total figure apart from special gifts of wheat, which I think is around \$34½ million?—A. In the 1957-58 year, the amount was \$34.4 million.

Q. Do you have the dollar contributions or the contributions made by other countries?—A. Other countries?

Q. Yes, so we can see in perspective the extent of Canada's assistance.—A. I have a note on this, Mr. Martin. If you will give me a moment—

By the Chairman:

Q. Could you put it on a per capita basis?—A. I am afraid not. The statistics on this kind of thing are very sketchy indeed, but at the last Colombo plan Consultative Committee meeting in Saigon, there was produced the sixth report, and I have made some excerpts from this. I will read this to you; it is very brief. Unfortunately, these statistics are shown on different bases:

The total Australian contribution of capital aid and technical assistance from the time of the inception of the Colombo plan up to June 30, 1957, was 22.1 million Australian pounds. That is about \$47.7 million Canadian dollars.

New Zealand's commitment for capital and technical assistance will amount to 7 million pounds by 1958. That is the way they put it. This was 7 million New Zealand pounds, which is about \$18.9 million Canadian dollars.

The United Kingdom, the other contributor, has made available since 1951, to countries in the Colombo plan area, a total of approximately 92 million British pounds by way of grants, loans, credit and technical assistance. That

is 248.2 million Canadian dollars. In addition to that the United Kingdom released sterling balances, as I think you know.

By Mr. Jones:

Q. What was the United Kingdom contribution up to?—A. Up to the time this report was written, which was October, 1957. They do not state specifically, but it must have been up to that date, last October.

By Mr. Martin (Essex East):

Q. The total American contribution now?—A. And the Canadian total, as you know, is about \$196 million.

Q. And the total American contribution?—A. This is a bit different because the United States belongs to the Colombo plan but their contributions are through other aid programs. I have not got figures of all the American contributions.

Q. Would you like to look that up? I think it would be well to have this as part of the presentations?—A. What they have given under ICA and so on?

Q. Yes, can you give us some correctly prepared statements?—A. I can produce those figures for you, I think Mr. Martin.

Q. Then the situation dollarwise?—A. The American is the highest, but its on a different basis.

Q. Then we are next, and then the Australians next?—A. Well, the United Kingdom are next and then Australia and New Zealand. The United Kingdom was \$240.2 million, our total is \$196 million. Now, that is the United Kingdom contribution, but they do not say that this is specifically capital and technical assistance, which puts it on a different basis from ours. Theirs includes grants, loans and credits. How much of this represents grants, loans and credits we do not know.

Q. Would you consider this—and do not answer this if you think it is outside your terms of reference. We have been talking here of the Colombo plan now, and you have mentioned assistance to Ghana, which is the first country in Africa. Have you other projects in mind for Africa?—A. Well, so far, as I mentioned in my statement, the Ghana program is beginning with technical assistance and I think we will continue to help them, as we have with the two experts we have supplied so far. I think what they require in the beginning is some technical assistance, more than capital assistance.

Q. How does our proposed assistance to Ghana compare with that of other western powers?—A. I do not think we have any basis for comparing these. I have never seen any figures.

MR. GREY: Mr. Chairman, this is, I think, a good deal smaller than the United Kingdom, and I think the United States program is already significantly larger than the Canadian program, but, as it was presented in the House of Commons, we have introduced an interim arrangement. After further experience, when we have used some of this money to meet current demands, we will be in a position to consider whether there are things that Canada can do that Ghana needs and try to make a judgment, at a later date, on the size of the program. We are still working in the very preliminary stage.

Q. The extent of our assistance to the West Indies is about two individuals, is that it?—A. No, we have sent five experts and two are now to go, so that would be a total of seven.

Q. But you have in mind supplying a ship for inter-island service. The ship is going to cost around \$1,280,000, according to this statement?—A. \$1,250,000 has been allocated.

Q. In view of the fact that the Canadian government has announced the proposed sale of some of its Canadian National fleet, would it not be possible

to work out some arrangement there that would be as effective and cost less?—A. Well, actually, this is in a very preliminary stage. The Department of Transport have sent technical personnel down to the West Indies. They have discussed with the West Indies the kind of ship that is required. When the ship has been designed, which is some little distance away, then I think we will lean upon the Department of Transport to decide what the best means of procurement is, whether to buy a ship, or to build a ship.

Q. In the meantime, I suggest you show your characteristic ingenuity and look into that feature, and see if you cannot save some money here.

The CHAIRMAN: Before we get into this Ghana, West Indies business too much, let us clean up the Colombo plan.

Mr. MARTIN (*Essex East*): This is Colombo plan.

The CHAIRMAN: They are separate votes.

Mr. MARTIN (*Essex East*): Excuse me, you are right.

By Mr. Crestohl:

Q. You spoke of our aid providing capital projects and technical assistance. Early in your report you indicate that India has requested some diversion of some of these funds into raw materials. Can you tell us to what extent there has been that diversion, and if it is likely to continue?—A. I think I mentioned in the statement that it is a well known fact that the Indian government is in a difficult fiscal situation.

Q. Are we not moving away a little from the original purpose of providing technical assistance for capital projects in providing these raw materials?—A. Well!

Q. I am not critical of it; I just want to get it into proper focus.—A. The objective is to aid a country as best we can.

But there is something which was not mentioned. In the case of these commodities, as in the case of wheat, the receiving country is required to set up a counterpart fund of an equivalent amount in local currency which, according to agreement between the receiving country and ourselves, is devoted to some capital project, to some mutually agreed upon project. So that in actual fact the thing works both ways.

Q. Unless we are careful, we may expend the capital on raw materials whereas our real objective is that of capital projects and technical assistance.—A. I think that this objective has been kept in mind.

By Mr. Kucherepa:

Q. You mentioned \$11 million in connection with the value of these three items, copper, aluminum, and nickel. What part of that went to India?—A. The Indian program last year was about \$23 million, less than 50 per cent was in commodities.

The CHAIRMAN: Are there any further questions on the Colombo plan?

Mr. GARLAND: I wonder if any of the officials could give us any precise information as to the degree of assistance which has been given to these Colombo plan countries by the communist world.

The CHAIRMAN: Mr. Garland and gentlemen: Mr. Grey gave us a very interesting explanation of that. I have been waiting ever since to ask Mr. Grey if it would be possible to have that document made available and to have it printed so that all members of the committee might have the benefit of it, so that when members of the committee go back to their constituencies, they would have this statement of the figures to show just what is happening, and what has happened. Would you care to say a word, Mr. Grey?

Mr. GREY: I expect that the statement would provide a useful and comprehensive survey of the flow of aid to under-developed countries.

Mr. GARLAND: I do not want you to cover the same ground twice.

Mr. GREY: I indicated that from this survey it was apparent that the volume of Soviet aid was much less than might be imagined because of the ingenious way in which the Soviets had presented their statistics both for capital as well as other forms of aid.

But this document is a very substantial publication. We might obtain copies of it for each member of the committee through our embassy in Washington, but it would take several weeks. However, they could be made available to you and that would save reprinting it.

Mr. JONES: Would it not serve the purpose of the committee if the document was procured, and from it a breakdown was compiled as to totals, rather than giving you all the details?

Mr. GREY: If I provided you with a copy, you might care to take a look at it and decide what might be most appropriate, Mr. Chairman.

The CHAIRMAN: Then it is agreed.

By Mr. Martin (Essex East):

Q. How much raw material assistance have we given this year?—A. You mean just the metals?

Q. Yes.

By Mr. Pratt:

Q. We were committed to deliver metals monthly up to November, the close of navigation; and the total we delivered was something in the neighbourhood of \$9½ million out of \$10,815,000.—A. India is the only one receiving metals at present.

The CHAIRMAN: I would like to say that we accept the suggestion made by Mr. Gray that he should get in touch with the proper officials in the United States and ask for one copy of that report for each member of this committee. Agreed.

Are there any other questions in connection with the Colombo plan?

Mr. MARTIN (*Essex East*): Your present budget is \$34½ million.

The CHAIRMAN: It is \$35 million this year; there has been an increase of \$600,000.

By Mr. Martin (Essex East):

Q. Some people in Canada argue that we do too much while others argue that we do not do enough. Could we properly and constructively spend much more?—A. I think the only way I can truthfully answer you is by saying that up to now, whenever there has been an increase, we have always been able to spend it.

Q. Some countries however do not take full advantage of it.—A. That is true.

Mr. SMITH (*Calgary South*): I think it is a matter of government policy, Mr. Chairman.

Mr. MARTIN (*Essex East*): My question was not whether we should spend more, but rather: whether we could properly and constructively spend more?

We could easily spend another \$100,000 a year over a ten year period, bringing it up to an additional \$1 million.

Do you think that would be a practical suggestion for the Colombo plan, to spend \$100,000 a year—as the present Prime Minister has proposed in the

House of Commons from time to time that our Colombo plan program was not sufficient and that we might spend another \$100,000 a year more which would lead up to a ten year objective of an additional \$1 million. Do you think that is a practical suggestion?

Mr. ARGUE: \$1 million, to be spent at the rate of \$100,000 a year?

By Mr. Martin (Essex East):

Q. That is right.—A. I think as our Colombo plan program has grown on that basis, a gradual growth of that kind has always, so far, been possible.

By Mr. Kucherepa:

Q. Are there any major requests being made by countries not in this plan which are not being fulfilled?—A. The point is that the receiving countries have a pretty good idea. They know our total budget and they know about how much they are likely to get out of that total budget, so they submit their requests keeping that fact in mind.

By Mr. Argue:

Q. Would they make a request for further amounts to you or to the government? Mr. Nehru might travel around the country trying to raise \$½ billion. He might ask the Colombo plan for more money, but if there is no more money there then the governments involved would have to make something available.—A. I think what you have in mind is that certainly it would be asked on a government to government basis. I think the request would be put to the government.

Q. Mr. Cavell told the committee last year that there really was no limit to the amount of capital and technical assistance that a country like India could use. I think that is in the record.—A. I think that statement is true.

By Mr. Fairfield:

Q. Is it not limited because, as the witness stated, the government of India has to put up an equivalent amount of its own money as this money is advanced? And as he said before, they are under serious stress in financing themselves under this Colombo plan?—A. There is that qualification there in theory. Even India, which is the most developed of the under-developed countries, can at a given time only use a certain amount of aid; in practical terms there must be a limitation on it, because in each case they have to make a contribution of their own.

They are hampered to some degree, and in some cases to a very substantial degree, by the availability of technical personnel, by their own public administration, and so on. But in theory, they could use a very large amount.

By Mr. Garland:

Q. I wonder what actual yardsticks are used to determine if our degree of assistance is adequate? What actual yardsticks are used?—A. You mean as to how effective it has been?

Q. Yes.—A. There are no real yardsticks for it. What we do is to watch the development of the capital projects and see how effective the technical assistance becomes as it is absorbed by its own country.

In certain instances it is fairly apparent; for example: when a hydroelectric project is erected to supply power in a power short area, we watch to see if the power is being usefully employed. Obviously this would be a pretty clear example of aid which is being effective.

But it is not always so clear with other types of projects. It may take a longer time to see the culmination of the kind of thing we are doing. I do not think there is any clear rule of thumb which we can employ.

By Mr. Martin (Essex East):

Q. Is there not another consideration we must bear in mind? At the present time about two-thirds of our assistance goes to India. The reason for it is that India was one of the first countries to participate.

But if we want to widen our assistance to other countries, we may be forced to restrict our assistance except to those countries which probably have more than other countries in either south or southeast Asia.—A. All the countries of south and southeast Asia now belong to the Colombo plan. But it is certainly true that some of the less developed countries have not got around to formulating requests for aid.

But when they do build up—and to keep the “old customers” at the level we have got them—then I think it would probably be necessary to do what you suggest.

By Mr. Argue:

Q. Do you know of any other countries which have requested aid such as this, or which would seem to be interested in getting aid provided under the Colombo plan?—A. You mean countries outside the Colombo plan area?

Q. Yes.—A. I think everybody would join, if he could.

Q. The Middle East?—A. We have not been approached in this area, and I do not know if External Affairs have been approached either.

Mr. MARTIN (*Essex East*): I think in regard to the Middle East, it is a very important question and it is one of policy.

Mr. ARGUE: I wondered if other countries had asked for this, and the answer given was no.

The CHAIRMAN: I think what Mr. Martin had in mind in his question a moment ago was the idea that there is a limit to what we, as Canadians, can do, and that possibly the aid we have extended to India might be reduced in proportion to the aid that might be extended to some of the new nations of Africa.

Mr. MARTIN (*Essex East*): I do not think that I want to be known as suggesting that we reduce our aid to India. I think the aid that we give to India is very necessary.

The officers of this project in their recommendations to the government, I am sure, have to bear in mind that India is a larger beneficiary for the reasons stated than other countries which have equally great needs.

One of the purposes of the whole Colombo plan organization is that Canada, in cooperation with other countries, may give assistance to countries which need great assistance.

For instance, consider the terrible situation in a country such as Laos where the number of doctors for over 1½ million people may be counted on your ten fingers. That is a pretty serious situation.

And when you compare that with the needs of a country like India, Laos would have a pretty high claim. But it is not that we want to reduce one in preference to another. It is just to look at the problem as objectively as possible. That is all I have in mind.

The CHAIRMAN: I do think that we, the elected representatives of the taxpayers, find it so easy to be generous with other people's money. Let us not forget that.

Mr. SMITH (*Calgary South*): That is the old equation of “how much is enough”?

The CHAIRMAN: Yes. I think we want to keep our feet on the ground in this matter.

Mr. MARTIN (*Essex East*): You would be the first to agree because of your very generous and responsible manner in this case, and I say that very sincerely, Mr. Chairman.

Mr. Argue mentioned the problem of the Middle East, but we are not pursuing it with these officials. That would be an unfair thing to do.

I think that we have to recognize that in the kind of world in which we are living countries like Canada cannot escape the responsibility of trying to share some of our know how and some of our economic resources with countries that are less developed, and no matter how great a burden this may put on us, this is an increasing responsibility that we cannot escape.

The CHAIRMAN: I think that is a view held by the vast majority of Canadians.

Mr. MARTIN (*Essex East*): I am sure of that.

Mr. ARGUE: The chairman has said that it is pretty easy to be generous with someone else's money, and that is true. I believe that Canadian people themselves feel that our nation should be more generous in regard to plans such as this. I think we should keep in perspective the things that we have done as a result of this program. We should keep in mind that we have been providing slightly more than one tenth of one per cent of the gross national product of this country. I know that we have done a few other things, but this is the main program in this field.

I for one think that the Canadian people, by a very great majority, would support any move for substantially increasing the amount of money voted for the Colombo plan and other similar programs of economic aid.

Most Canadian people are generous because they like to help people who are in adverse circumstances, but they are also generous because I think they feel that it would be a good investment for Canada and for the west, as well as for democracy.

I for one would express the hope that this government would move soon to increase the estimates under the Colombo plan.

I am prepared to say that any such move would receive the unanimous support of the Canadian House of Commons.

Mr. SMITH (*Calgary South*): Mr. Chairman, I realize that it is wrong for members of a committee to question one another and I appreciate that. However, I wonder, in view of Mr. Argue's statement, would he give us the benefit of his advice in suggesting how much is enough.

Mr. ARGUE: I should be very pleased to do so.

Our political party said a couple of weeks ago that it was our opinion that the Canadian people should provide not less than one per cent of the gross national product of this country for economical development. That would represent \$1 out of \$100. That contribution would amount to, depending on whether or not Mr. Fleming is right, and whether the famous economic report is right, something in the neighbourhood of \$320 million per year.

If I had been considering an amendment to that amount, I would have asked that it be increased to perhaps 10 per cent.

Mr. JONES: I think perhaps, Mr. Chairman, that sometimes when we are discussing specific plans such as the Colombo plan we forget that we are also involved in other plans.

The Under-Secretary of State for the Department of External Affairs indicated the other day that between 1945 and 1958 this country had provided financial assistance abroad to the extent of \$4,360 million.

Mr. ARGUE: That was mostly military aid.

Mr. JONES: It does not matter whether it is military aid or not.

Mr. ARGUE: I am talking about economic aid.

Mr. JONES: This still represents aid—whether it is military or otherwise—which is going abroad from this country. I do suggest that, although all Canadians certainly would like to see other countries of the world brought up to our living standard and desire to contribute toward that end we have to consider our aid in total terms. It is in that spirit that I interject to point out that we have, as a fact, since 1945 given financial aid to the tune of nearly \$4½ billion.

Mr. ARGUE: I repeat that most of this was military aid, and that a substantial portion of it was made in the way of loans.

Mr. SMITH (*Calgary South*): I withdraw my question, Mr. Chairman.

Mr. ARGUE: We have not just been giving economic aid.

The CHAIRMAN: I do not think we should lose sight of the fact that over 30 cents of every dollar that every Canadian earns is removed in taxes.

Mr. ARGUE: And some of that comes back in the way of family allowances, old age pensions and freight subsidies on feed grains.

Mr. JONES: Just to clear up this point—

Mr. VIVIAN: Mr. Chairman, what are we talking about?

Mr. JONES: I wonder if we could proceed now to our consideration of the technical assistance program in relation to the West Indies and Ghana?

By Mr. Martin (Essex East):

Q. Just before we move to that consideration I should like to say that there has been a project on tap for some time to provide technical staff—I think mostly teachers and lab equipment—to the new university of Dalat. How much money is involved in this and where does this project stand at this time?—A. We have provided, out of the 1957-1958 program, \$5,000 for laboratory equipment for the university of Dalat.

Q. What can you say about teachers in this regard?—A. I do not think that so far there has been any movement in that regard. There has been no request for teachers. We stand ready to recruit French speaking teachers for them if we are asked to do so. We have made this known to them.

Mr. CRESTOHL: Mr. Chairman, just to revert for a moment to what Mr. Argue has suggested, are we to understand that his proposal would be in the form that Canada should revert to the old Biblical giving of tithes to the under privileged countries?

Mr. ARGUE: I thought the tithes were 10 per cent. You are now getting a little outside of this field.

Mr. CRESTOHL: You intended to use one per cent of our national income or national product. That might not measure up to the full ten per cent but it would be a beginning yardstick.

Mr. ARGUE: We thought it would be a good start. I would not be satisfied personally when we had reached one per cent, especially when we can spend \$1,800 million on national defence.

Mr. CRESTOHL: Do we intend to make a legal move, or a suggestion by legislation of some form to support the project?

Mr. ARGUE: If you are burdened with this problem.

Mr. SMITH (*Calgary South*): Mr. Chairman, having withdrawn my question, I suggest that we now move to an examination of the witnesses.

Mr. JONES: I think we are getting out of order.

By Mr. Martin (Essex East):

Q. Mr. Chairman, do you think that we have had a sufficient statement from the director in regard to the intention for the coming fiscal year? I am

just wondering if our intention has been directed to your program for the actual fiscal year?—A. I think it was mentioned in the Under-Secretary of State's statement that negotiations are going on between our missions abroad and the receiving countries. This is being worked out. We have not yet arrived at a firm program for 1958-59.

Q. Where is the next Colombo plan conference?—A. At Seattle, Washington.

Q. It is being held in Seattle?—A. It is being held in Seattle, in the great west.

Q. I suppose Mr. Smith will go to that one.

The CHAIRMAN: Gentlemen, shall we move to a consideration of the West Indies now?

Mr. Martin has asked a couple of questions regarding the West Indies program. Are there any other questions?

By Mr. Jones:

Q. Mr. Chairman, I was wondering if we could be informed as to the needs of Ghana, as indicated, in connection with technical assistance. Has Ghana indicated a desire for receipt of technical assistance? I presume that she has.—A. We have so far, Mr. Jones, provided two technical experts as I mentioned in my statement; one is an R.C.M.P. officer and the other is a gold mining legislation expert.

As we receive other requests for technical experts we will do our very best to fill them.

As I have also mentioned in my report, if in the next academic year they wish to have people trained in Canada, we will be glad to try to accommodate them in this respect.

Q. In other words we have not received any other requests than those which you have indicated in your report?—A. We have agreed to bring two medical students to Canada.

Mr. BARTLETT: We have agreed to bring two medical students and a student of veterinary science for training in Canada. That is all they have asked us so far.

The Ghana program is very young. These people do not really know the sort of things that they can look to us for. We expect that this program will grow.

By Mr. Fairfield:

Q. Have we received any other requests from any other African states?—A. There is no aid program to operate within, in that regard, Mr. Fairfield.

There is an aid program in respect of Ghana. There is an aid program in respect of the West Indies. Those are the only aid programs besides the Colombo plan with Canada as a donor.

By Mr. Martin (Essex East):

Q. Mr. Chairman, one useful thing that we could do after we have listened to these witnesses, is to consider whether or not, in our view, the Colombo plan is the best instrument—I am not questioning it—for assistance, following along beside the United Nations technical assistance program, or whether the program should be funnelled through the United Nations. We, as a committee, might do a useful job in that regard. This would perhaps entail an examination of other witnesses from the Department of External Affairs, but this last question prompts that in my mind.

Some of the United Nations people think that is the way this should be done.

I realize that there are reasons for maintaining the Colombo plan technique and instrumentality, but I think this is something we could usefully consider. We might possibly even make recommendations.

I do not think that this is a fair question to put to this witness, of course.—A. The only comment I can make in that regard, Mr. Martin, would be that the preference of the Colombo plan countries has always been for bilateral aid.

Q. That is right.

Mr. VIVIAN: Mr. Chairman, in regard to the matter of medical students coming to this country from Ghana, may I ask where they are going and how much money is being provided for them while they are here?

Mr. BARTLETT: The arrangements in this regard are not firm. We have approached the university of Toronto and we think these students will probably be accepted there.

The old problem with regard to the standards of secondary education is involved here.

While these students are undergraduates, they get their fees paid and \$140 per month and a small outfit allowance.

Mr. VIVIAN: Do they receive transportation?

Mr. BARTLETT: They receive transportation, that is right.

Mr. MARTIN (*Essex East*): They will be attending the best university as well.

Mr. VIVIAN: As a graduate of the university, I might agree with you.

Mr. SMITH (*Calgary South*): I hope you will notice where the scholarship was awarded, though.

By Mr. Vivian:

Q. Mr. Chairman, I have one other question in regard to the West Indies.

I notice at the bottom of page 9 there is a reference to the type of work which would be undertaken in the form of technical assistance. This is a matter of experts coming to or going from Canada to the West Indies. My question in that regard is this; in this connection what is the state of the development of the university in the British West Indies itself? Inasmuch as this is a plan designed to help people help themselves, will there be a relationship between our technical assistance personnel and that university?—A. I think Mr. Bartlett might comment in this regard.

Mr. BARTLETT: In regard to the state of the university, first of all, this is a small university but a good one. They have an arts faculty, a medical but they have no engineering faculty.

This is a new university established since the war as a result of the report of a royal commission during the war.

As far as our relationship with this university is concerned, it must in the first instance be with the federal government of the West Indies. We certainly would be interested in giving any support that that government asked for in the development of the university.

There has been some informal discussions in this regard, and there was a suggestion that we could send teaching personnel, and so on.

Mr. VIVIAN: That is what I was interested in. Has anything come of that suggestion?

Mr. BARTLETT: Not yet, but there has hardly been time.

Mr. VIVIAN: There has been nothing happen yet?

Mr. BARTLETT: No.

The WITNESS: We stand ready to do this if we are asked to.

Item agreed to.

The WITNESS: Mr. Chairman, there is one point in regard to a question asked of the Under-Secretary of State which was deferred on which I think perhaps Mr. Bartlett could make a statement.

Mr. BARTLETT: Mr. Chairman, I do not know whether this is the proper time to raise this, but I should like to deal briefly with a question that was left with Mr. Matthews yesterday. This question had to do with the record of Canadians serving abroad with the United Nations expanded program agencies.

I just heard of this question this morning unfortunately, and I do not know that we have anything which would give a complete up to date list of the number of Canadians serving abroad with these agencies.

These people are employed by the agencies and not by the Government of Canada. As a result of that, while we do have some records, our records are incomplete.

On the last part of this statistical summary there is a list of the statistics as we have them having regard to where the people are, with what agencies they are and what the historical picture has been.

I could certainly give you a complete list of the Colombo plan people abroad if that would be satisfactory.

If a member of this committee is interested in a particular individual serving with one of the United Nations agencies, I think we could track him down.

The CHAIRMAN: Does that answer your question, Doctor Vivian?

Mr. SMITH (*Calgary South*): That was not my question, Mr. Chairman, but I would specifically like to know the number of economical advisers employed by the embassy in Washington.

Mr. GREY: I do not think this is a question with regard to the Colombo plan, Mr. Chairman.

Mr. SMITH (*Calgary South*): I have sent this question to the minister in any event.

Mr. JONES: Are we going to consider the International Joint Commission this afternoon, Mr. Chairman?

The CHAIRMAN: We sent out a notice for a meeting at 3.30 this afternoon. I expected that the officials of the International Joint Commission would be available. However, if those people are not available we will send out a cancellation.

Thank you, gentlemen.

"APPENDIX A"

CANADIAN COLOMBO PLAN CAPITAL AID PROJECTS

as at March 31, 1958

(Excluding Technical Assistance, Student Training,
Cost of Experts, etc.)

Prepared by

INTERNATIONAL ECONOMIC AND TECHNICAL CO-OPERATION DIVISION

Department of Trade and Commerce

"COLOMBO PLAN ADMINISTRATION IN CANADA"

Item No. INDIA—1951-52 Allocations

1. *Wheat*—Project No. 1—F.E. No. 5/1/52—Allocation, \$10,000,000.

The objective of the Colombo Plan has always been to endeavour to help make South East Asian countries self-sustaining, particularly with regard to food. Nevertheless, when famine strikes and there are disastrous food shortages, long term objectives must necessarily give way to measures necessary to meet severe famine conditions. Under those circumstances this project was entered into at the urgent request of India, our Commonwealth partner. It was agreed that India would set up a counterpart fund in rupees and that those rupees would be used to further some worthwhile permanent project. The Mayurakshi Project in West Bengal was chosen. It is an irrigation and electrical generation project designed to make possible the growth of about 400,000 tons of food by irrigation from the dam. This will be a major contribution to alleviating recurrent Indian food shortages. The Mayurakshi dam will also control a particularly unruly river which has caused much damage to peasant villages in the past.

Project completed 1 March, 1952.

2. *Bombay State Transport*—Project No. 3—F.E. No. 30/6/52—Allocation, \$4,352,775.

The objective of this project was to provide much needed transportation to Bombay State which had created a Bombay State Transport Commission but had no capital to finance it. The Central Government at Delhi requested this aid as assistance to the peasants and poor cultivators in Bombay to enable them to reach their markets and thus facilitate food distribution in the province, as well as to provide assistance in clearing wheat and other commodities from the port of Bombay. There is a critical deficiency of transport of all kinds in India. This has contributed to famine conditions since it is as vital to be able to move food as it is to have food to move.

Project completed July, 1954.

3. *Mayurakshi (Hydro-Irrigation)*—Project No. 6—F.E. No. 1951-52—Allocation, \$500,000 (partial).

This project was a first contribution to Canada's undertaking to supply the electrical generating equipment to the Mayurakshi project (see item No. 1 above). This generating equipment was required for electricity for cottage industries, the objective being to balance the economy

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of the area by the introduction of cottage industry and small factories. The Government of West Bengal has a well integrated scheme of cottage industry development which can use to maximum advantage the 4,000 K.W. of power generated by Mayurakshi. This project was opened by the former Minister of External Affairs, the Honourable Lester B. Pearson, on November 8th, 1955, and completed November 1956. It is now known as the "Canada Dam".

Project completed November 1956.

INDIA—1952-53 Allocations

4. *Mayurakshi*—Project No. 6—F.E. No. 0802-1376-0414—Allocation, \$2,021,075.

See items 1 and 3. This is the final allotment to the project.

Project completed November, 1956.

5. *Wheat*—Project No. 8—F.E. No. 1/6/53—Allocation, \$5,000,000.

This contribution was made for exactly the same reasons as stated under item No. 1 (1951-52) and the counterpart funds generated were also devoted to the Mayurakshi project.

Project completed January, 1953.

6. *Locomotive Boilers*—Project No. 11—F.E. No. 1390-2535—Allocation, \$1,815,522.

Fifty boilers were provided. They were urgently required to help out the Government of India's steam locomotive building program which was bogged down because boiler plate, etc. could not be obtained. These boilers removed a bottleneck which had developed in the government locomotive works at Calcutta and enabled 50 Indian built engines which were urgently needed to be put into service.

Project completed October, 1954.

INDIA—1953-54 Allocations

7. *Steam Locomotives*—Project No. 16—F.E. No. 1213—Allocation, \$11,000,000.

The Government of India is undertaking a very necessary rehabilitation of its railway system which is fundamental to the economy of the whole country. The railways were run almost to a standstill during the last war. To assist with this rehabilitation, India asked Canada for 120 W.P. type Steam Locomotives. Together with spare boilers, inspection services, etc., they cost about \$21,315,062 in total. \$11,000,000 of this cost was met from 1953-54 Colombo Plan funds and the balance from the appropriation for 1954-55.

Project completed 20 July, 1956.

8. *Commodities*—Project No. 20—F.E. No. 2538—Allocation, \$5,000,000.

We must bear in mind that with every project to which aid is given, whether under the Colombo Plan or by the United States or the United Nations, rupee capital has to be put up by the countries in the area. Owing to the great effort she is making, India particularly has become very short of such rupee capital and has requested that Canada supply her with commodities which she can sell to her own manufacturers and thus generate rupee counterpart funds. The commodities chosen were

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copper and aluminum and a special purchasing scheme has been worked out under which the regular trade channels will not be disrupted. The rupee counterpart funds realized to date from the sale of the above commodities have been allotted to the Umtru Hydro-electric scheme in the amount of \$2,100,000, and the Canada-India Atomic Reactor project in the amount of \$2,900,000.

9. *Umtru (Hydro-Electric)*—Project No. 19—F.E. No. 1047-1444-2539—Allocation, \$1,201,956.

India is considerably concerned about the welfare of the hill tribesmen and other inhabitants of Assam where the standard of living is extremely low. It was agreed that the first requisite was power for the development of a fruit canning and preserve making industry and for other similar small industries, mostly to absorb the agricultural products of the State, and for irrigation pumping. The project was examined and pronounced sound by Canadian consulting engineers. Canada's contribution will be \$1,201,956, to be spent on electrical generating equipment, control gates, etc. which, together with the rupee counterpart funds allotted to this project from the sale of copper and aluminum, will make an overall total of roughly \$3,300,000.

(Project completed July, 1957.)

INDIA—1954-55 Allocations

10. *Steam Locomotives*—Project No. 16—F.E. No. 1213—Allocation, \$10,470,000.

For details see item No. 7.

Project completed 20 July, 1956.

11. *Diesel Electric Generating Sets*—Project No. 42—F.E. No. 3093-3074—Allocation, \$3,003,000.

Under India's Five Year Plans, an attempt is being made to substantially increase the power resources of the country. This project will give aid to that endeavour in areas where major power undertakings are not yet possible. The power from these units will be used for rice and other small food processing plants, for agricultural pumping and other aids to the betterment of general living conditions. As major power installation schemes take over, these sets will be moved to villages still without power.

12. *Biological Control Station—Bangalore*—Project No. 52—F.E. No. 2619—Allocation, \$38,355.

Following a survey made in 1952 it was decided to assist with the establishment of a scientific station in Bangalore to be operated by the Commonwealth Institute of Biological Control, acting as the agent of the Government of India. The station will undertake research into the control of insect pests and weeds by biological (as opposed to chemical) methods. A similar station was established in Rawalpindi, Pakistan, and is shown separately in this summary (see Pakistan Item No. 18).

Project completed 1957.

13. *Film Kits*—Project No. 66—F.E. 3098—Allocation, \$275.

A small quantity of films and film strips was provided for instruction in geology, geophysics and topography. These visual aids were

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presented by our High Commissioner in New Delhi to the Minister of National Resources and Scientific Research in the Indian Government.

Project completed August 1956.

INDIA—1955-56 Allocations

14. *Canada-India Atomic Reactor*—(NRX Type)—Project No. 43—F.E. No. 2813-2815—Allocation, \$135,000.—(Preliminary expenses only) (See also item 19)

In considering their power development, the various governments of South East Asia have for a long time been investigating the possibilities of atomic power. There is no doubt that in many areas atomic power will be a great boon since even where there are possible hydro-electric sites, these are not always situated in locations where it would be advantageous to develop industry. However the use of atomic power is not something which can be undertaken without a very considerable and carefully trained scientific force. The instrument for this training in the peaceful uses of atomic energy will be the Canada-India Reactor. India has agreed to train the nationals of other countries in South East Asia as well as her own and to give them the necessary experience. The production of isotopes for radiography and other purposes will assist India's development plans.

15. *Locust Control*—Project No. 44—F.E. No. 51-52 Funds—Allocation, \$135,685. (From unexpended funds—Project No. 3)

One of the great scourges of Asia through the centuries has been ravages of the locust. FAO has now taken hold of this problem and has tried to organize it on a scientific basis, which entails exterminating the locusts where they breed rather than in the individual countries which they ravage. India applied for aid from Canada to do her share in this campaign which is actually being carried out in Saudi Arabia. Canada's contribution consists of Canadian-made trucks with two-way radio equipment. When the operations are completed in Saudi Arabia these trucks and the Indian teams that man them will return to India and help to mop up the locusts there.

Project completed March, 1956.

16. *Kundah Hydro-electric Project, Madras*—Project No. 45—F.E. No. 2786—Allocation, \$13,000,000. (See also item 21)

The State of Madras Electricity Board some years ago, under the direction of Sir Henry Howard, a Canadian now retired, had drawn up a plan for hydro-electric development throughout the State. The two hydro-electric stations in the Kundah area of the Nilgiri Hills are part of this original scheme. The civil works at Kundah are being undertaken by the Madras Electricity Engineering Branch. Canada in cooperation with the Madras engineers has prepared specifications for the electrical generating and related equipment, which is being manufactured in Canada. At present hydro power is rationed in Madras, and power from this new source is badly needed. The total capacity of these two plants will find an immediate market to meet existing demand from industry and for rural development.

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17. *Pest Control*—Project No. 47—F.E. No. 2800—Allocation, \$160,000. One of the inhibiting factors in growing more food in India is the great number and variety of pests which attack food crops. FAO and other aid organizations have been much concerned with pest control programmes. Two Beaver aircraft equipped with spraying and dusting equipment were supplied in response to a request for aid in this field from Canada. Project completed October 1956.
18. *Airborne Magnetometer Survey*—Project No. 48—F.E. No. 2801—Allocation, \$125,000. (See also item 20).
It is vitally necessary that India develop its potential oil resources. This project is to aid in that endeavour. Magnetometer Surveys were undertaken in West Rajasthan and the Indo-Gangetic Plain by a Canadian Aerial Survey Company, the work has been completed and the reports presented to India for implementation. Project completed June 1957.

INDIA—1956-57 Allocations

19. *Canada-India Atomic Reactor (NRX type)*—Project No. 43—F.E. No. 2813-2815—Allocation, \$5,000,000. (This allocation includes the \$135,000 shown against item 14).
See item 14, Project No. 43. The Government of India asked Canada to provide an NRX Type Reactor. An agreement between the Governments of India and Canada was signed on April 28, 1956, and a contract was placed with Atomic Energy of Canada Ltd. for the supply of the reactor. Rupee counterpart funds in the amount of \$2,900,000. from the sale of copper and aluminum have been allocated to this project.
20. *Airborne Magnetometer Survey*—Project No. 48.—F.E. No. 2801-1—Allocation, \$132,060.
These additional funds were an adjustment to F.E. No. 2801. Project completed June, 1957.
21. *Kundah Hydro-electric Project, Madras*—Project No. 45—F.E. No. 2786—Allocation, \$7,000,000.
These additional funds were an adjustment to F.E. No. 2786. (See item 16.)

INDIA—1957-58 Allocations

22. *Audio-visual Training Aids and Equipment Co-Operative Movement Training Centres.*—Project No. 70—F.E. No. 3361—Allocation, \$65,000. Canada undertook to assist the co-operative training scheme in India by shipping instructional films and film strips, projectors, transformers and library books to the thirteen major co-operative centers recently established.—Shipments are expected to be completed by May 1958.
23. *Wheat*—Project No. 79—F.E. No. 3370—Allocation, \$2,000,000.
In order to assist India in overcoming an acute grain shortage and at the same time to provide rupee counterpart funds to meet local costs of Colombo Plan Projects, this shipment of wheat was arranged for by the Government of India and the Government of Canada. Project completed December 1957.

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24. *Commodities*—Project No. 81—F.E. No. 3393—Allocation, \$10,815,000. In a continuing effort to assist India to provide her factories and manufacturing plants with copper and aluminum, which are in very short supply due to the lack of foreign exchange and at the same time to establish rupee counterpart funds to meet the local costs of other Colombo Plan Projects, a special purchasing scheme was entered into through regular trade channels to provide these commodities. Approximately $\frac{1}{4}$ th of this allocation had been shipped by 31 March 1958.
25. *Railway Ties*—Project No. 82—F.E. 3392—Allocation, \$3,000,000. As one of the basic economic problems of India is the lack of transportation facilities, Canada helped to overcome this deficiency by providing locomotives and locomotive boilers for the Indian Railway System. (See items 6 and 7).
As a further aid to Indian transportation assistance is being given by Canada in the form of treated wooden railway ties which are readily available from Canadian suppliers.
26. *Three Cobalt Beam Therapy Units*—Project No. 87—F.E. No. 3418—Allocation, \$120,000.
To assist India in the development of her Cancer Clinic Programme, Canada was asked to supply Cobalt Beam Therapy Units under the auspices of the Colombo Plan. Three units were decided upon which will be shipped to the following institutions:
1—Eldorado Model "A" unit to the Tata Memorial Cancer Hospital, Bombay, 1—Eldorado Model "A" unit to the Chittaranjan Cancer Hospital, Calcutta, and a smaller unit, (a Theraton Junior Model "C" Unit) to the Christian Medical College—Ludhiana—India.
27. *Cobalt Therapy Unit Source*—Project No. 90—Allocation, \$8,000. As the Cancer Institute in Madras has a Cobalt Therapy Unit with a very weak source which is incapable of undertaking the work which the unit is called upon to do, the Government of India requested Canada to supply this clinic with a stronger source which will be shipped to Madras at an early date.
28. *Biological Control Station—Bangalore.*—Project No. 52—Allocation, \$7,668.
This allocation is to complete the obligation undertaken as indicated in Item 12. Project completed.
29. *Kundah Hydro-Electric Project—Transmission Line*—Project No. 45—F.E. No. 2786—Allocation, \$5,000,000.
This allocation is provided as an extension to the Kundah Hydro-Electric Project (Items 16 and 21) and to meet the external costs of the transmission line required to link the Kundah Generating Plants to the Madras State transmission grid.
30. *Canada-India Atomic Reactor (NRX Type)*—Project No. 43—F.E. No. 2815—Allocation, \$2,000,000.
This is a continuation of the project outlined in item 14. The allocation is required to meet current expenditures as anticipated in the intergovernmental agreement entered into on April 28, 1956. See also item 19).

PAKISTAN—1951-52 Allocations

Item No.

1. *Cement Plant*—Project No. 5—F.E. No. 1324—Allocation, \$5,000,000. The objective of this project was to provide cement (for house construction, irrigation canal lining and other purposes) to the Thal refugee area in the North West Punjab where Pakistan is settling many of its 7,000,000 refugees displaced after the partition of India and Pakistan. Water is carried in from the Indus in cement ducts, housing will have to be provided on a large scale, villages and bazaars built, etc. The distance from Karachi to the Thal and the difficulties of transport are so great that the movement of large quantities of cement to the area would be extremely costly. Fortunately cement making materials were found in abundance, likewise coal, and the most practical solution came to be the building of a cement plant in the area itself, to which Canada agreed to contribute the engineering design and supervision and cement making machinery, Pakistan to build the building to house it. This plant was completed in 1957 and is producing 100,000 tons a year. (See also Items 7, 15 and 27).

Project completed January 1957.

2. *Railway Ties*—Project No. 4—F.E. No. 21/1/55—Allocation, \$2,770,490. The International Bank for Reconstruction and Development made Pakistan a loan for the urgently needed rehabilitation of her railways. Pakistan is dieselizing her railway system and the loan was not big enough to pay for the large number of wooden railway ties needed for the rebuilding of many miles of track to take the larger diesels. Canada agreed to supply this deficiency as a fundamental contribution to the economy of the country. The ties were obtained on the West Coast of Canada.

Project completed April, 1954.

3. *Aerial Resources Survey*—Project No. 12—F.E. No. 842—Allocation, \$2,000,000.

West Pakistan had never been fully surveyed, and since Pakistan must develop an industrial balance to its present agricultural economy, it was vital that a proper resources survey be made. Canada agreed to do this through the medium of a well established Canadian air survey company. The Government of Pakistan considers this a most valuable project and basic to the economic growth of the country. Canadian geologists worked in the most likely areas discovered by the survey and later (see item 9) a land-use survey was added.

(This part of project complete. Work continued under Project No. 35 Item No. 9 See also items 16, 25 and 34).

4. *Thal Experimental Farm*—Project No. 2—F.E. No. 22/1/52—Allocation, \$200,000.

The development of this farm was a joint effort between Australia, New Zealand and Canada. Its objective was to provide refugee settlers (see "Cement Plant" No. 1 above) with draft, milk and other animals to carry out agricultural experiments, to supply the best type of seed for the area, and in general to have a research station for the benefit of these refugees. Canada's contribution was agricultural machinery, a small amount of equipment and some experts under the Technical Assistance scheme.

Project completed May 1956.

PAKISTAN—1952-53 Allocations

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5. *Wheat*—Project No. 7—F.E. No. 0336—Allocation, \$5,000,000.
Pakistan experienced a severe famine and requested aid from Canada. The same arrangements were made as with India (item 1) and wheat was supplied to the amount stated with the stipulation that counterpart funds in rupees must be set up to be devoted to a worthwhile project mutually agreed upon. Canada also made a contribution of five million dollars worth of wheat outside of and in addition to Colombo Plan aid.
Project completed December, 1952.
6. *Warsak*—Project No. 22—F.E. No. 0802-2509—Allocation, \$3,421,762.
Warsak is an electrical generation and irrigation project 19 miles from Peshawar on the North West Frontier of Pakistan. The endeavour to turn the unruly tribes of this Frontier into law abiding and self-sustaining citizens was a British problem for several hundred years. The Pakistan Government, owing in part to the cement of the Moslem faith, has been extremely successful in this endeavour. Relatively speaking, the Frontier is now quiet and law abiding. Schools in considerable numbers are being established. It is now necessary to supply irrigation where it can be used, which in this hill area means a considerable amount of pumping, and to provide power for industry not only in the immediate neighbourhood, but for grid distribution to a wider territory. Power will enable the tribesmen to develop their considerable skills as craftsmen. Canada is contributing the design and supervision, which is being undertaken by one of Canada's leading consulting engineering firms and a Canadian contractor is building the dam, tunnels, power house, etc. Canada is also supplying the electrical generating equipment, control gates and construction plant. About 145 Canadians, some with families, are working at the site. (see also Items 10, 14, 20 and 24).
7. *Cement Plant*—Project No. 5—F.E. No. 1324—Allocation, \$500,000.
This \$500,000. was needed as an addition to the amount provided for the original contract. (See items 1, 15 and 27).
Project completed January, 1957.
8. *Beaver Aircraft*—Project No. 10—F.E. No. 1377—Allocation, \$178,000.
Three Beaver Aircraft were supplied to Pakistan to meet a demand for locust and general pest control. With the "Grow More Food" campaign, which has been a feature of the Pakistan economy for some time, it becomes necessary to control the destruction by locusts and other pests as part of the programme, and a pest control service has been set up by the Pakistan Government to which this gift of spraying and dusting aircraft from Canada will contribute.
Project completed October, 1953.

PAKISTAN—1953-54 Allocations

9. *Aerial Resources Survey*—Project No. 35—F.E. No. 0842—Allocation, \$1,000,000.
Recurrent famines in Pakistan had clearly indicated the need for a review of her available agricultural land from a "land use" point of view, and the production of a "land use" map leading to the development of data of vital importance to the more effective development of her agricultural resources. Since the aircraft which had

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done the geological portion of the resources survey (see Item No. 3 under 1951-52 above) were still in Pakistan, the Government requested that Canada continue the work from an agricultural land-use and soils point of view. With the addition of this soils survey practically the whole of West Pakistan has been photographed as the following figures show:

| | Sq. Miles | Sq. Miles |
|--|-----------|-----------|
| Area of West Pakistan | | 306,943 |
| Resources Survey | 163,000 | |
| Agricultural Survey | 139,500 | |
| Balance of land not surveyed being mountains, cities, etc. | 4,443 | |
| Sq. Miles | 306,943 | 306,943 |

The results of these surveys will it is hoped be available to other aid agencies; to oil company exploration; to agricultural experts and others interested in the development of Pakistan.

(See also Items 3, 16, 25 and 34).

10. *Warsak*—Project No. 22—F.E. No. 2675-2699—Allocation, \$6,000,000. This additional allocation was required for the same project and for the same purposes.
(See also items 14, 20, 24 and 29).
11. *Shadival*—Project No. 38—F.E. No. 2640—Allocation, \$2,507,095. There is a most unfortunate situation in the Punjab north of Lahore, where a large area has gone out of cultivation due to a rise in the water table, mostly from irrigation canal seepage, which in turn has brought about a condition of soil salinity detrimental to cultivation. The FAO agency of the United Nations had worked out a remedy which was to wash the soil by continuous pumping until the saline condition was overcome and then to regulate irrigation by continual pump control. Canada was asked to assist in supplying a power station to be located on a canal and driven by canal flow. The Canadian contribution involves dewatering and construction equipment, design and supply of the generating and power house equipment. A consulting engineer from Canada examined the project and pronounced it sound. (see also item No. 33).

PAKISTAN—1954-55 Allocations

12. *Ganges-Kobadak*—Project No. 23—F.E. No. 2516—Allocation, \$1,806,343.

Situated in East Pakistan, this project is intended to restore to fertility roughly one million acres of land put out of production by the change in course of the Ganges. This change of course dried up the rivers Mathabhanga; Kumar; Nabaganga; Bhairab; Chitra; and Kobadak. By pumping into their dry beds from a point where the Ganges flows nearest to them, these rivers would in effect become irrigation canals and the large Brahmaputra-Ganges Delta would become fertile again. This would overcome the present rice deficiency and would it is believed put East Pakistan into an exportable surplus position.

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Canada's contribution to the scheme is a steam thermal plant for the generation of the power to drive the large pumps which would be necessary. This contribution has the advantage that even should the overall scheme fail the power from the Canadian plant would be available for other purposes. Power is urgently needed in this area. This power plant is now nearing completion.—(See also item 31).

13. *Dacca-Chittagong Electric Distributory Link*—Project No. 27—F.E. No. 2522—Allocation, \$4,006,343.

There are now many small power units in East Pakistan which are wasteful in that they power small machines or factories but could produce extra power if there were any means of distributing it on wider scale. Larger units of power production are being introduced and the Karnafuli power development under the American foreign aid program will be a major source of supply. The need for a proper distribution system is vital and we have been asked to help bring one into being. A consulting engineer from Canada examined the scheme and has reported favourably upon it as a major contribution to the economy and power resources of East Pakistan. The Canadian contribution of transmission towers, conductor, etc. is now at the site, erection will be in the autumn of 1958.—(See also item 30).

14. *Warsak*—Project No. 22—F.E. No. 2675-2699—Allocation, \$2,000,000. This additional sum was required to build up the fund necessary for the Warsak project which will be expended over a period of years.—(See also items 6, 10, 20, 24 and 29).
15. *Cement Plant*—Project No. 5—F.E. No. 1324—Allocation, \$1,250,000. This sum was required to make possible an increase in power agreed upon and to strengthen the foundations after careful analysis had revealed much weaker sub-strata than had been expected from earlier soil tests.—(See also items 1, 7 and 27).

Project completed January, 1957.

16. *Aerial Resources Survey*—Project No. 35—F.E. No. 0842-A—Allocation, \$54,800.

The original Aerial Survey Project undertook 50,000 sq. miles of soil survey; we were requested to extend this to 85,000 sq. miles and this additional sum of money took care of this extra 35,000 sq. miles of soil investigation and analysis.—(See also items 3, 9 25 and 34).

17. *Commodities*—Project No. 37—F.E. No. 2668—Allocation, \$1,000,000. The objective of this project was to supply Pakistan with much needed copper and aluminum for the same reason as we agreed to do so for India.—(See item 8, Project No. 20 for India).—Pakistan had built a wire plant but had no copper with which to commence operating it.

18. *Biological Control Station Rawalpindi*.—Project No. 53—F.E. No. 2620—Allocation, \$46,155.

Following a survey made in 1952 it was decided to assist with the establishment of a scientific station in Rawalpindi to be operated by the Commonwealth Institute of Biological Control, acting as the agent of the Government of Pakistan. The station will undertake research into the control of insect pests and weeds by biological (as

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opposed to chemical) methods. A similar station was established in Bangalore, India, and is shown separately in this summary (see India Item No. 12).

19. *Hatching Eggs and Incubator*.—Project No. 57—F.E. No. 2613—Allocation \$3,106.

In co-operation with the F.A.O. Agency of the United Nations which was assisting in the development of a Pakistan Government Poultry Farm at Landhi, Canada agreed to provide a suitable incubator and a supply of hatching eggs.

Project completed March, 1955.

PAKISTAN—1955-56 Allocations

20. *Warsak*.—Project No. 22—F.E. No. 2675-2699—Allocation, \$7,000,000. This additional sum was required to build up the fund necessary for the Warsak project. (see also items 6, 10, 14, 24 and 29).

21. *Goalpara (Khulna) Thermal Station*.—Project No. 41—F.E. No. 2797—Allocation, \$2,000,000.

There is a great shortage of power in East Pakistan and the jute mill and other factory development is thus considerably handicapped. It was possible to purchase spare standby thermal power plants from the Ontario Hydro-electric Power Commission and use them in Pakistan. For this project one such plant of 20,000 k.w.'s was purchased. (Other Ontario H.E.P.C. plants used in connection with Project No. 5, Item 1 and Project No. 23, Item 12). The advantages of purchasing these plants were many—they had been used only enough to eliminate technical difficulties, they were very much cheaper than similar new plants and they were immediately available.

22. *Two Mobile Dispensaries*.—Project No. 32—F.E. No. 2545—Allocation, \$11,795.

These two mobile dispensaries were supplied under Canada's contribution to the Colombo Plan in order that people in large rural areas in Pakistan, which were well beyond the range of normal facilities, could be given medical care.

Project completed November, 1954.

23. *Tractor Training School (East Pakistan)*.—Project No. 31—F.E. No. 2544.—Allocation, \$18,000.

Equipment was supplied to set up training schools for the repair and maintenance of farm tractors.

Project completed, 1956.

PAKISTAN—1956-57 Allocations

24. *Warsak*.—Project No. 22.—F.E. No. 2675-B 2699-A—2837—Allocation, \$9,205,153.

These further additional funds were necessary for the continuation of the project programme by building up the Warsak project fund. (see also items 6, 10, 14, 20 and 29).

25. *Aerial Resources Survey*.—Project No. 35—F.E. No. 0842-0842-A—2632—Allocation, \$83,190.

These additional funds were required for the completion of the project. (see also items 3, 9, 16 and 34).

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26. *Locust Control Trucks*—Project No. 62.—F.E. No. 3144—Allocation, \$100,000.

To assist the Pakistani contribution to the locust control programme being undertaken by India and other countries in the Arabian Peninsula (where the locusts originate) at the suggestion of the F.A.O. Technical Advisory Committee, Canada agreed to provide twenty trucks equipped with two-way radio communication sets.

27. *Cement Plant*—Project No. 5—F.E. No. 1324—Allocation \$56,221.
This allocation was to provide for the trial operating period of the plant which has now been completed. See also items 1, 7 and 15 full details of this project.

Project completed January 1957.

PAKISTAN—1957-58 Allocations

28. *Tarnab Farm Workshop Equipment*—Project No. 75—F.E. No. 3230—Allocation, \$2,400.

On the recommendation of two Colombo Plan Experts working in this area, Canada undertook to assist the Government of West Pakistan in equipping the machinery workshop at the Tarnab Experimental Farm for the better maintenance of the farm machinery in the area.

Shipments started in March, 1958
and should be completed
by early summer.

29. *Warsak*—Project No. 22 F.E. Nos. 2675-2954-3236—Allocation, \$9,000,000.

This additional sum was the 1957-58 allocation to the continuation of this project.—See details under items 6, 10, 14, 20 and 24.

30. *Dacca-Chittagong—Addition of second circuit*.—Project No. 27—F.E. No. 2522—Allocation \$1,600,000.

This allocation is to provide for the second stage of the Dacca-Chittagong transmission line and the installation of the second circuit. Item 13 provided for the major financing of this line and now that the Karnafuli Hydro-Electric Project, financed by the United States is now being constructed it is proposed to proceed with the installation of the second circuit while construction crews are at the site erecting the transmission line towers.

31. *Bheramara-Kushtia Transmission Line*.—Project No. 78—F. E. No. 3378—Allocation \$500,000.

As the transmission line between Bheramara and Kushtia is part of the overall scheme of power distribution in East Pakistan, it was hoped a start could be made on the line as far as Kushtia, but the delay of approval from Pakistan makes such a start doubtful at the moment and the present plan is to delay further consideration of this project until our power plant at Khulna (see item 12) comes into operation.

32. *Wheat*—Project No. 76—F. E. No. 3363—Allocation \$2,000,000.

As in the case of the wheat shipments to India under the 1957-58 program to overcome the shortage of grain in these areas, Pakistan was also given similar assistance. This wheat also is to generate rupee counterpart funds to finance the local costs of Colombo Plan Projects.

This shipment was completed December, 1957.

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33. *Shadiwal*—Project No. 38—F. E. No. 2640—Allocation \$1,000,000.
This is a continuation of project No. 38 started in 1953-54 and recorded in detail under item No. 11. The funds allocated are to finance the completion of this project and provide for the balance of equipment necessary.
34. *Aerial Resources Survey*—Project No. 35—F. E. No. 0842—Allocation \$155,000.
As noted in Items Nos. 3, 9, 16 and 25, this survey has been carried out over an extensive area in order to fully record agricultural and geological resources. In completing this survey a substantial amount of additional data has been accumulated which will be of great value to Pakistan. This allocation is to incorporate this additional data into maps and reports now being prepared.
35. *Biological Control Station, Rawalpindi*.—Project No. 53—F.E. No. 2620—Allocation \$9,228.
This allocation is to complete the obligation undertaken as indicated in Item 18.

Project completed.

CEYLON—1952-53 Allocations

1. *Fisheries Project*—Project No. 29—F.E. No. 0854-0892-2525—Allocation, \$801,708. (see also items 3, 19, 28, and 39).

The Government of Ceylon requested Canada to assist in the establishment of an experimental fisheries project to increase the catch of fish, improve handling and market facilities, and thus help to overcome the serious protein deficiency in the food of its people. Two Canadian West Coast fishing boats manned by Canadian crews, a fishing biologist and a fishing expert in charge of the project were sent to Ceylon to inaugurate this program. Following a considerable amount of experimental and research work, involving the study of fish habits, feeding grounds, etc., and a good deal of work instructing local fishermen how to make more efficient use of fishing gear, a trawler was supplied to assist in the more advanced stages of the project. Since most of the fish caught was being wasted due to the lack of refrigeration, a modern refrigeration plant and a small reduction plant for turning fish offal into animal feed and fertilizer and for the extraction of fish oils was undertaken. This refrigeration plant has now been completed and handed over to the Government of Ceylon, which has built contiguous to it an excellent fishing harbour and breakwater to facilitate landing the catch immediately at the site of the plant. A most important facet of this fishing program was the work done by a Canadian technical expert in helping the local authorities and fishermen create fisheries cooperatives along Canadian lines.

Project completed July, 1957.

2. *Gal Oya Transmission Lines*—Project No. 15—F.E. No. 1155—Allocation, \$774,572.

One of the very grave problems of Ceylon is to bring about a more equitable distribution of population. The areas immediately north and south of the capital, Colombo, are amongst the most congested in the world, whereas in the center and on the eastern side of the island there is a considerable amount of uncultivated land (not previously usable until malaria was brought under control). The Government

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of Ceylon is now sponsoring major settlement schemes in the sparsely populated areas and the Gal Oya project is the largest of these where it is hoped to re-locate a considerable number of immigrants from the west coast. But irrigation, power development and distribution all have to be undertaken. The Government of Ceylon had built with money borrowed from the World Bank, a power station, but had no funds for power distribution. Canada agreed to build power distribution lines for this Gal Oya area. (see also Items 32 and 46).

CEYLON—1953-54 Allocations

3. *Fisheries Project*—Project No. 29—F.E. No. 2524-2525.—Allocation, \$565,000. (see also Items 1, 28, and 39).

Equipment shipped in 1956

These funds were allocated out of the 1953-54 Vote to provide small marine engines, laboratory equipment, machine shop tools and fishing equipment required to maintain experimental work in progress.

Project completed July, 1957.

4. *Flour—Rural Roads*—Project No. 30—F.E. No. 1194—Allocation, \$449,904.

This flour was supplied for the purpose of aiding the Government of Ceylon in linking up villages and agricultural areas by the building of rural roads, thus increasing marketing possibilities and generally opening up backward areas. The Government of Ceylon sells the flour and the rupees thus realized are used to provide culverts, engineering, etc. for roads, the villagers providing the labour. (see also items 18 and 37).

Project completed February, 1954.

5. *Flour—Institute of Practical Technology—Katubedde*—Project No. 33—F.E. No. 2812—Allocation, \$300,000.

This flour was sold by the Government of Ceylon and the rupees used to meet the local costs of building a school of Practical Technology at Katubedde. Ceylon is very short of all kinds of trained technicians. (see also items 12, 25, 26 and 44).

Project completed September, 1956.

6. *Agricultural Station Workshops*—Project No. 21—F.E. No. 2502—Allocation, \$225,000.

Agriculture in Ceylon is being organized in District Stations and in each one a workshop is established to take care of repairs to agricultural machinery. Canada supplied tools for these shops, some agricultural equipment and two mobile veterinary vans. (see also item 34).

7. *Pest Control Equipment*—Project No. 17—F.E. No. 1289—Allocation, \$28,137.

Agriculture in Ceylon suffers from numerous pests. To aid Ceylon in controlling these we supplied trucks fitted with spraying and dusting equipment. (see items 27 and 33).

8. *Flour—University of Ceylon.*—Project No. 36—F.E. No. 2610—Allocation, \$49,949.

The proceeds of the sale of this flour are to be used to assist the Ceylon Government to meet local costs of building a laboratory at the University of Ceylon.

Project completed May, 1955.

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9. *Two Diesel Locomotives*—Project No. 13—F.E. No. 1068—Allocation, \$370,024.

Ceylon is in process of dieselizing its railways. A particularly satisfactory diesel locomotive which ideally suits Ceylon conditions is produced in Canada. Two such locomotives with spares were provided from the above allocation as well as training for a Ceylonese maintenance man in Canada. The railways of Ceylon have decided to standardize on this type of diesel locomotive. (see also Items 13, 31, and 38).

Project completed October, 1954.

10. *Portable Irrigation Units*—Project No. 14—F.E. No. 1107—Allocation, \$185,000.

This is a new departure in Ceylon irrigation and was developed for areas with good wells. The equipment consists of aluminum piping and sprinklers, water being pumped from a small rig mounted on a push cart. Peasants move this equipment from well to well and thus irrigate a substantial area. This method is very popular and is proving to be of great benefit in areas lacking in regular rainfall.

Project completed May, 1957.

11. *Equipment for University of Ceylon*—Project No. 18—F.E. No. 1388—Allocation, \$21,003.

In order to assist the development of teaching and research facilities for the Faculty of Agriculture at the University of Ceylon, Canada undertook to supply necessary equipment for the agricultural laboratory. Canadian flour was also shipped to help meet local costs (through the creation of rupee counterpart funds) of building the laboratory. (see also item 8).

Project completed December, 1954.

12. *Institute of Practical Technology—Katubedde*—Project No. 9—F.E. No. 1017—Allocation, \$9,457.

As Ceylon was in the process of establishing an Institute of Practical Technology at Katubedde Canada was asked to assist. This allocation was to provide for an expert to survey the requirements of the school. (see also items 5, 25, 26 and 44).

Survey completed, 1954.

CEYLON—1954-55 Allocations

13. *Three Diesel Locomotives*—Project No. 28—F.E. No. 2523—Allocation, \$486,649.

This project is related to Item No. 9 and the assistance being provided to Ceylon to dieselize her railways. (see also Items 9, 31 and 38).

Project completed November, 1954.

14. *Wooden Railway Ties*—Project No. 34—F.E. No. 2554—Allocation, \$183,604

This project was undertaken to aid Ceylon in the rehabilitation of her railway system.

Project completed March, 1955.

15. *Airport Equipment*—Project No. 24—F.E. Nos. 2718 and 2809—Allocation, \$212,000.

As the international airport at Ratmalana (Colombo) was seriously deficient in telecommunication equipment, Canada was asked to assist

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in its modernization. To determine what was required and what part Canada should consider undertaking, a team of Canadian experts was sent to Ceylon to make the necessary survey (see also Item 35). To establish finances for a project on the basis of this survey an allotment of \$212,000 was provided out of the 1954-55 programme.

16. *Colombo Harbour Equipment*—Project No. 25—F.E. No. 2719—Allocation, \$400,000.

The harbour at Colombo is being developed from an anchorage-lighter system to modern docks. Canada was asked for aid in this endeavour and is contributing nine level luffing cranes manufactured in Canada. (see also items 30 and 40).

Material shipped and being erected.

17. *Gal Oya Agricultural Development Scheme*—Project No. 26—F.E. No. 2698—Allocation, \$210,000.

The objective of this scheme is to irrigate high land out of the reach of flow irrigation. It links with Project No. 15 (Item 2) in that power for it will be supplied by the transmission lines contributed by Canada. For this project we are supplying pumps, aluminum piping and some agricultural equipment.

Major items were shipped during 1956—Spares were shipped March 1957.

18. *Flour—Rural Roads*—Project No. 59—F.E. No. 2549—Allocation, \$200,000.

These represent additional funds allocated to the building of rural roads in Ceylon. (see items 4 and 37).

Project completed October, 1954.

19. *Flour—Fisheries Co-Operatives*—Project No. 46—F.E. No. 2788—Allocation, \$180,000.

This flour was to be sold by the Ceylon Government and the resulting counterpart funds in rupees used to build and equip co-operative schools. (see descriptive matter on Project No. 29 (Item 1)).

Project completed December, 1955.

20. *Mobile Cinema Vans and Visual-Aid Equipment*—Project No. 51—F.E. No. 2643—Allocation, \$30,000.

To assist in the general education of Ceylon, particularly in villages and urban areas where electricity is not available, the Government of Ceylon requested assistance from Canada in the provision of self contained mobile cinema vans and other visual aid equipment.

Project completed November, 1955.

21. *Equipment for the Junior Technical High School—Galle.*—Project No. 50—F.E. No. 2603—Allocation, \$20,000.

In conjunction with the United Kingdom, New Zealand and Australia which were undertaking to equip other departments of this Junior High School, Canada agreed to provide the equipment required for the woodworking shop.

Project completed November, 1955.

22. *Film Strips for Technical Education*—Project No. 55—F.E. No. 2616—Allocation, \$1,958.

To assist in the provision of Educational Aids for Technical Schools and for the training of teachers, Canada undertook to supply the required films and film strips.

Project completed March, 1955.

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23. *Flour—Mutwal Fisheries Harbour*—Project No. 36—F.E. No. 2549, 2812—Allocation, \$600,000.

The rupees received from the sale of this flour were used to meet local costs of the construction of the Mutwal Fisheries Harbour and of the Refrigeration and By-products buildings. (See also Items 1, 3, 19, 24, 28 and 39).

CEYLON—1955-56 Allocations

24. *Flour—Mutwal Fisheries Harbour*—Project No. 59—F.E. No. 2610, 2812—Allocation, \$400,000.

This flour contributed by Canada was sold by the Government of Ceylon and the equivalent of \$400,000 in rupees was used to provide further assistance to Project 29 (Items 1 and 23), Mutwal Fisheries Harbour.

Project completed May, 1956.

25. *Flour—Institute of Practical Technology—Katubedde*—Project No. 33—F.E. No. 2812—Allocation, \$200,000.

This is a continuation of Project No. 33 (Item 5) where flour was shipped to Ceylon to generate counterpart funds for local costs of building the Katubedde Institute.

Project completed September, 1956.

26. *Equipment for Institute of Practical Technology—Katubedde*—Project No. 9—F.E. No. 2804—Allocation, \$200,000.

This school is being established for the training of practical technicians to overcome a critical shortage of trained personnel in Ceylon. Canada undertook to provide equipment required for the various laboratories. This project is closely associated with No. 33 (Item 25) where Canada shipped flour to provide counterpart funds which would be used towards the building of the institute itself. (see also items 5, 12, 25 and 44).

27. *Pest Control Units*—Project No. 17—F.E. No. 2697—Allocation, \$6,000.

As the results of the earlier stages of this project (see Item 7) were proving very useful, Canada undertook to provide 10 additional dusting and spraying units. (see also Items 7 and 33).

28. *Fisheries Project*—Project No. 29—F.E. No. 2524—Allocation, \$40,000.

This sum was required for the provision of insulated trucks and fishing equipment as additions to the project set out in Items, 1, 3 and 39.

29. *Aerial Resources Survey*—Project No. 40—F.E. No. 2720—Allocation, \$200,000. (see also Items 36 and 42).

Ceylon requested from Canada an aerial resources survey similar to the survey undertaken in Pakistan. This project was inaugurated to begin the survey from this year's funds and will require further funds in 1956-57 for completion.

Photographic work completed late 1956.

30. *Colombo Harbour Equipment*—Project No. 25—F.E. No. 2719—Allocation, \$180,000.

This allocation was required to complete the purchase of the nine harbour cranes shown in Items 16 and 40.

Material shipped and being erected.

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31. *Three Diesel Locomotives*—Project No. 39—F.E. No. 2700—Allocation, \$555,000.

This project is allied to Project 13 (Item 9) and Project 28 (Item 13) and supplies Ceylon with three more Canadian built diesel locomotives with spares, making eight in all (see also item 38).

CEYLON—1956-57 Allocations

32. *Gal Oya Transmission Lines*—Project No. 15—F.E. No. 1293-1155—Allocation, \$400,000.

These additional funds were required for the continuation of this transmission line project (see items 2 and 46).

33. *Pest Control*—Project No. 17—F.E. No. 3134—Allocation, \$30,000. These funds were for the provision of additional spraying and dusting units and associated equipment for pest eradication (see also items 7 and 27).

34. *Agricultural Station Workshops*—Project No. 21—F.E. No. 1222—Allocation, \$115,000.

Tools and equipment were supplied for this project under the 1953-54 programme (see item 6 above). A request for similar tools and equipment for an additional twenty stations was received and this further allocation was made under the 1956-57 programme. A further 56 stations were equipped in 1957.

35. *Airport Equipment*—Project No. 24—F.E. No. 2718-1—Allocation, \$80,000.

Following receipt of the report on the survey conducted into the telecommunication requirements at Ratmalana Airport, Colombo, (see item 15) it was decided Canada should supply electronic equipment required. To meet the costs involved an additional allotment of \$80,000. was provided for in the 1956-57 programme.

36. *Aerial Resources Survey*—Project No. 40—F.E. No. 2720—Allocation, \$338,700.

These funds were required for the completion of the project, as indicated in item 29 (see also item 42).

37. *Flour*—Project No. 64—F.E. No. 3135—Allocation, \$641,500.

This flour was supplied to generate rupee counterpart funds for local construction costs of the following:

| | |
|---|------------|
| Veterinary building, University of Ceylon | \$ 41,500. |
| Trade School | 200,000. |
| Rural roads (see also items 4 and 18) | 400,000. |

| | |
|-------------|-------------------|
| Total | <u>\$641,500.</u> |
|-------------|-------------------|

Shipment completed April and May 1957.

38. *Two Diesel Locomotives*—Project No. 65—F.E. No. 3136—Allocation, \$370,000.

This project is related to Project 13 (item 9); Project 28 (item 13) and Project 39 (item 31) and supplies Ceylon with two more Canadian built diesel locomotives with spares, making 10 in all.

Project completed.

39. *Fisheries Project*—Project No. 29—Allocation, \$30,000.

This allocation is to provide for a diesel standby power unit for the refrigeration By-products plant. The necessity for this unit has not yet been determined. (see items 1, 3 and 28).

CEYLON—1957-58 Allocations

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40. *Colombo Harbour Equipment*—Project No. 25—F.E. No. 2719—Allocation, \$89,000.

To provide funds for a sheer leg derrick required for the erection of the cranes and to complete this project (see also items 16 and 30).

41. *Remedial Equipment University of Ceylon*—Project No. 85—F.E. No. 3417—Allocation, \$12,500.

This allocation was provided in order that necessary equipment would be made available at the University of Ceylon for the treatment of the physically handicapped.

This project is held in abeyance at the present time.

42. *Aerial Resources Survey*—Project No. 40—F.E. No. 2720—Allocation, \$643,200.

This represents an extension of the aerial survey of Ceylon undertaken under the 1956-56 and 1956-57 programmes (see also items 29 and 36).

43. *Four—Pest Control Units*—Project No. 17—F.E. No. 3419—Allocation, \$14,000.

As equipment previously supplied under this project is proving very effective Canada undertook to give continuing support and against this allocation arrangements were made, that four more units be shipped together with hand dusters and sprayers (see also items 7, 27 and 33).

44. *Equipment—Institute of Practical Technology—Katubedde*. Project No. 9—F. E. No. 2804—Allocation, \$100,000.

In further support of this project, Canada continued the supply of additional equipment necessary for the automotive workshop, the machine shop and various laboratories as further requirements were determined by a Canadian expert at the Institute and the Ceylon authorities. (See also items 5, 12, 25, and 26).

45. *Flour*—Project No. 77—F. E. No. 3364—Allocation, \$1,000,000.

This flour was supplied in order to assist in overcoming a critical food shortage in Ceylon. The sale of this flour would also generate rupee counterpart funds to meet the local costs of other Colombo Plan projects.

Shipment completed March, 1958.

46. *Gal-Oya Transmission Lines*—Project No. 15—F. E. No. 1155—Allocation, \$200,000.

As outlined in items 2, 17 and 32, Canada had assisted in the irrigation and power development of the Gal Oya Area to aid agricultural development there. This allocation relates to the third stage of this project by providing an extension of the transmission line to the power plant at Valaichenai and thereby bringing that source of power into the Island grid.

47. *X-Ray Maintenance Equipment*—Project No. 84—F. E. No. 3391—Allocation, \$3,015.

A Division of Electro-Medical Engineering had been formed in Ceylon under the guidance of a Canadian Colombo Plan Consultant to handle planning, design, installation, maintenance and repair of all electrical

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equipment in government hospitals. This equipment was supplied for the training of staff in the construction and repair of electromedical apparatus.

Project completed February, 1958.

 ALLOCATIONS TO OTHER COUNTRIES

BURMA—1955-56 Allocations

1. *Cobalt Beam Therapy Unit*—Project No. 54—F. E. No. 2803—Allocation, \$34,500.

The Government of Burma requested a Cobalt Deep Therapy Unit for the Rangoon General Hospital for the treatment of cancer and the training of both under-graduate and post-graduate medical personnel. The hospital handles about 500 cases of all types of cancer per annum and with the establishment of a cancer clinic the number is expected to exceed 1,500 per annum. When the request was received no cancer clinics were operating anywhere in Burma. Shipment of the unit was effected in October 1957 and it is now in operation with two Canadian experts at the hospital training the Burmese in the use of this equipment.

2. *Text Books for University of Rangoon*—Project No. 56—F. E. No. 2781—Allocation, \$1,013.

In July, 1955, Burma requested 200 textbooks from Canada. These books—"Principles of Management"—were to be used at the University in a new course in Management and Administration. Lecturers were to be drawn from a pool of foreign experts serving in Burma under various aid agencies. The books were shipped in September 1955.

Project completed September, 1955.

3. *Equipment for Permanent Training Centre—Rangoon*—Project No. 58—F. E. No. 2808—Allocation, \$19,050.

In November, 1955, Burma asked Canada to assist in the equipping of a Permanent Training Centre which will instruct in the operation and maintenance of farm machinery. This request also asked that a Canadian Colombo Plan expert be assigned to instruct in the use of the equipment and in workshop methods and practices. The equipment was shipped in August, 1956, and a Canadian expert is still assigned to this project.

BURMA—1956-57 Allocations

4. *Rangoon Technical High School Equipment*—Project No. 60—F. E. No. 2943—Allocation, \$85,000.

In conjunction with the United Kingdom, Australia and the Ford Foundation, Canada was asked to assist the development of the Rangoon Technical High School by providing small tools and bench equipment. This school will provide a two-year course in academic subjects and courses in electrical, mechanical and civil engineering. Following the visit of a Canadian technical expert to Burma, it was agreed that Canada would supply the following equipment: Brick-laying, carpentry, sheet-metal, welding, blacksmithy, foundry, general tools as well as some office equipment.

This project is now complete.

Item No.

5. *Photogrammetric Equipment for Burma Survey Department*—Project No. 61—F.E. No. 2962—Allocation—\$40,000.

Canada agreed to supply scientific equipment to assist Burma's Survey Department with its expansion programme into the fields of mapping, photogrammetry and interpretation of air photographs. All equipment has been shipped and this project is now considered complete.

BURMA—1957-58 Allocations

6. *Workshop Equipment—Agricultural Development—Central and District Shops*.—Project No. 71—F.E. No. 3362—Allocation—\$40,000.

This project provided equipment for one departmental and five district repair stations which were concerned with the maintenance of tractors and other agricultural equipment. All requested equipment has now been shipped.

7. *Fisheries Equipment*—Project No. 83—F.E. No. 3389—Allocation—\$2,500.

A Colombo Plan Expert is in Burma to demonstrate and advise on the use of modern fishing equipment in an endeavour to improve the Burmese fishing industry. On the recommendation of this expert we have provided a selection of small fishery items such as floats, drags, a depth recorder etc. to be used for demonstration purposes.

Project completed March, 1958.

CAMBODIA—1954-55 Allocations

8. *Mobile Veterinary Service Clinics*—Project No. 49—F.E. No. 2621—Allocation—\$15,000.

The Cambodian Government requested two mobile veterinary units in December, 1954, to assist in the extension of veterinary facilities in the rural areas and generally assist the movement of existing trained veterinary staffs in the field. Two units were shipped in June, 1955.

Project completed June, 1955.

INDONESIA—1956-57 Allocations

9. *Gresik Cement Plant Library*—Project No. 67—F.E. No. 3147—Allocation—\$400.

Canada provided a nucleus for a suitable reference library for the new Cement Plant at Surabaya.

Project completed March, 1957.

INDONESIA—1957-58 Allocations

10. *Books and Journals—Academy of Public Administration—Malang*—Project No. 74—F.E. No. 3233—Allocation—\$2,000.

To assist the Academy of Public Administration at Malang to build up a suitable library Canada undertook to supply text books and publications on Public Administration.

MALAYA—1956-57 Allocations

11. *Aero-magnetic and Radio-Activity Survey*—Project No. 63—F.E. No. 3121—Allocation—\$201,000.

To assist the economic development of Malaya, Canada agreed to conduct an aerial survey of about 35,000 square miles of hitherto

Item No.

largely unexplored jungle. A contract was entered into for the survey in the total amount of \$314,500., of which Canada is responsible for the provision of \$201,000.

Project completed.

MALAYA—1957-58 Allocations

12. *Text Books—Junior Technical (Trade) School—Kuala Lumpur—Project No. 72—F.E. No. 3231—Allocation—\$600.*

To support the establishment of this trade school Canada undertook to supply suitable text books on machine shop practices and machine tool operation. 180 books were shipped in August 1957.

Project completed 1957.

13. *Small Tools—Electrical Department Technical Institute—Kuala Lumpur—Project No. 73—F.E. No. 3232—Allocation—\$3,000.*

To help in the training of technical personnel at this institute Canada provided small tools for the Electrical Department.

Project completed September, 1957.

14. *Text Books—Technical College—Kuala Lumpur—Project No. 80—F.E. No. 3390—Allocation—\$5,000.*

As announced by the Honourable J. M. Macdonnell when he attended the Malayan Independence Day celebrations in August 1957, Canada undertook to provide Geology and Geological Engineering Text Books for the Technical College at Kuala Lumpur.

NORTH BORNEO—1957-58 Allocations

15. *Trade School Equipment—Jesselton—Project No. 89—Allocation—\$3,000.*

To provide a practical aid for instruction in the maintenance and care of trucks, Canada is supplying stripped-down light truck chassis for use at the trade school at Jesselton, North Borneo.

SINGAPORE—1956-57 Allocations

16. *Singapore Polytechnic School—Project No. 68—Allocation—\$50,000.*

This allocation was made to assist the Government of Singapore in equipping the new Polytechnic School being constructed in Singapore. This school will be open to students not only from Malaya but also from the surrounding area and thereby help to overcome the critical shortage of trained technicians in the region. Machinery to equip the woodworking shop at this school was mainly obtained from Canada.

17. *University of Malaya (Singapore)—Project No. 88—F.E. No. 3495—Allocation—\$5,000.*

To assist the University of Malaya, at Singapore, in the establishment of a Geology Department, Canada agreed to provide suitable maps, mineral samples and library books.

SOUTH VIETNAM—1957-58 Allocations

18. *Laboratory Equipment—University of Dalat—Project No. 86—F.E. No. 3475—Allocation—\$5,000.*

In an effort to increase the standards of technical education in South Vietnam, Canada agreed to supply laboratory equipment for the New University of Dalat.

"APPENDIX B"

CANADIAN COLOMBO PLAN ASSISTANCE

FINANCIAL STATEMENT
Funds made available

TABLE No. 1—Funds Voted by Fiscal Years

| 1950-51 | 1951-52 | 1952-53 | 1953-54 | 1954-55 | 1955-56 | 1956-57 | 1957-58 | Total |
|------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---|
| \$ 400,000 | \$ 25,400,000 | \$ 25,400,000 | \$ 25,400,000 | \$ 25,400,000 | \$ 26,400,000 | \$ 34,400,000 | \$ 34,400,000 | \$ 197,200,000 |
| | | | | | | | | Less Funds which lapsed during 1950-51 and 1951-52..... 529,296 |
| | | | | | | | | Balance available..... \$ 196,670,704 |

TABLE No. 2—Total Assistance Extended up to 31 March 1958

| Country | Capital | Technical | Total |
|---------------------------|----------------|--------------|----------------|
| BRUNEL..... | \$ — | \$ — | \$ — |
| BURMA..... | 232,563 | 306,088 | 538,651 |
| CAMBODIA..... | 13,634 | 76,967 | 90,601 |
| CEYLON..... | 12,192,928 | 1,118,262 | 13,311,190 |
| INDIA..... | 101,772,341 | 1,309,557 | 103,081,898 |
| INDONESIA..... | 2,435 | 591,883 | 594,318 |
| LAOS..... | — | 70,532 | 70,532 |
| MALAYA..... | 209,600 | 291,048 | 500,648 |
| NEPAL..... | — | — | — |
| NORTH BORNEO..... | 3,000 | 16,838 | 19,838 |
| PAKISTAN..... | 71,024,514 | 1,135,466 | 72,159,980 |
| SARAWAK..... | — | 34,475 | 34,475 |
| SINGAPORE..... | 55,000 | 54,989 | 109,989 |
| THAILAND..... | — | 22,557 | 22,537 |
| VIETNAM..... | 5,000 | 181,159 | 186,159 |
| | \$ 185,511,015 | \$ 5,209,801 | \$ 190,720,816 |
| Bureau Contributions..... | — | 37,345 | 37,345 |
| | \$ 185,511,015 | \$ 5,247,146 | \$ 190,758,161 |
| | | Reserve | 5,912,543 |
| | | | \$ 196,670,704 |

CANADIAN COLOMBO PLAN ASSISTANCE

ALLOCATIONS AND EXPENDITURES

Table No. 3—Allocations to Capital Projects

| Country | Funds Allocated to Date | Expenditures to Date | As at 31 March, 1958. | | |
|--------------------|----------------------------|--------------------------|----------------------------|--------------------------|-------------------------|
| | | | Outstanding Commitments | Total Liabilities | Uncommitted Balance |
| BRUNEI..... | \$ — | \$ — | \$ — | \$ — | \$ — |
| BURMA..... | 232,563.00 | 153,790.00 | 16,926.00 | 170,716.00 | 61,847.00 |
| CAMBODIA..... | 13,634.00 | 13,634.00 | — | 13,634.00 | — |
| CEYLON..... | 12,192,928.00 | 8,490,443.00 | 3,097,368.00 | 11,587,811.00 | 605,117.00 |
| INDIA..... | 101,772,341.00 | 66,364,157.00 | 22,825,559.00 | 89,189,716.00 | 12,582,625.00 |
| INDONESIA..... | 2,435.00 | 91.00 | 1,602.00 | 1,693.00 | 742.00 |
| LAOS..... | — | — | — | — | — |
| MALAYA..... | 209,600.00 | 203,135.00 | 1,351.00 | 204,486.00 | 5,114.00 |
| PAKISTAN..... | 71,024,514.00 | 49,568,973.00 | 13,797,591.00 | 63,366,564.00 | 7,657,950.00 |
| SINGAPORE..... | 55,000.00 | 965.00 | 43,420.00 | 44,385.00 | 10,615.00 |
| NORTH BORNEO..... | 3,000.00 | — | 3,000.00 | 3,000.00 | — |
| VIETNAM..... | 5,000.00 | — | 5,000.00 | 5,000.00 | — |
| NEPAL..... | — | — | — | — | — |
| PHILIPPINES..... | — | — | — | — | — |
| SARAWAK..... | — | — | — | — | — |
| THAILAND..... | — | — | — | — | — |
| TOTALS..... | \$ 185,511,015.00 | \$ 124,795,188.00 | \$ 39,791,817.00 | \$ 164,587,005.00 | \$ 20,924,010.00 |

CANADIAN COLOMBO PLAN ASSISTANCE

ALLOCATIONS AND EXPENDITURES

Table No. 4—Expenditures on Technical Assistance up to 31 March 1958

| Country | 1950-51 | 1951-52 | 1952-53 | 1953-54 | 1954-55 | 1955-56 | 1956-57 | 1957-58 | Total |
|--------------------------|----------|------------|------------|------------|------------|------------|--------------|--------------|--------------|
| BRUNEL..... | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — | \$ — |
| BURMA..... | — | — | — | — | 4,377 | 32,488 | 79,711 | 189,513 | 306,088 |
| CAMBODIA..... | — | — | — | 1,270 | 19,468 | 15,850 | 14,438 | 25,941 | 76,967 |
| CEYLON..... | — | 46,142 | 83,473 | 143,847 | 163,866 | 223,937 | 213,704 | 243,294 | 1,118,262 |
| INDIA..... | — | 123,769 | 54,957 | 101,531 | 114,032 | 225,305 | 361,234 | 328,758 | 1,309,557 |
| INDONESIA..... | — | — | — | — | 64,304 | 148,324 | 215,650 | 163,606 | 591,883 |
| LAOS..... | — | — | — | — | — | — | 32,240 | 38,292 | 70,532 |
| MALAYA..... | — | — | — | 44,559 | 56,007 | 43,147 | 94,734 | 52,602 | 291,048 |
| NEPAL..... | — | — | — | — | — | — | — | — | — |
| NORTH BORNEO..... | — | — | — | 1,689 | 5,467 | 5,657 | 573 | 3,451 | 16,838 |
| PAKISTAN..... | — | 95,211 | 63,978 | 133,308 | 206,873 | 197,172 | 195,479 | 243,445 | 1,135,466 |
| SARAWAK..... | — | — | — | — | — | 1,671 | 2,746 | 30,058 | 34,475 |
| SINGAPORE..... | — | — | — | — | 8,541 | 1,867 | 21,859 | 22,722 | 54,989 |
| THAILAND..... | — | — | — | 3,542 | 2,845 | 534 | — | 15,616 | 22,537 |
| VIETNAM..... | — | — | — | — | 4,313 | 1,361 | 138,137 | 37,347 | 181,159 |
| Bureau Contributions.... | \$ — | \$ 265,122 | \$ 202,378 | \$ 429,746 | \$ 650,093 | \$ 897,313 | \$ 1,370,505 | \$ 1,394,645 | \$ 5,209,801 |
| | 5,582 | — | 4,106 | 4,210 | 7,211 | 5,081 | 6,041 | 5,114 | 37,345 |
| | \$ 5,582 | \$ 265,122 | \$ 206,484 | \$ 433,956 | \$ 657,304 | \$ 902,394 | \$ 1,376,546 | \$ 1,399,759 | \$ 5,247,146 |

"APPENDIX C"

COLOMBO PLAN ADMINISTRATION IN CANADA

STATISTICAL SUMMARY OF
TECHNICAL CO-OPERATION PROGRAM

1950 - 30 JUNE 1958

TECHNICAL CO-OPERATION SERVICE

INTERNATIONAL ECONOMIC AND TECHNICAL CO-OPERATION DIVISION

DEPARTMENT OF TRADE AND COMMERCE

OTTAWA, CANADA

TABLE 1
 NUMBER OF PERSONS TRAINED IN CANADA THROUGH TECHNICAL CO-OPERATION SERVICE FROM
 1950 to 30 JUNE 1958, BY AGENCY FOR WHICH TRAINING WAS ARRANGED
 AND ARRIVALS AND DEPARTURES EACH YEAR

| | ARRIVALS | | | | | | | | | | DEPARTURES | | | | | | | | | Number in Canada as at June 30, |
|---------------------|----------|------|------|------|-------|-------|------|------|-------|-------|------------|------|------|-------|-------|------|------|-------|-------|---------------------------------------|
| | 1950 | 1951 | 1952 | 1953 | 1954 | 1955 | 1956 | 1957 | 1958 | Total | 1951 | 1952 | 1953 | 1954 | 1955 | 1956 | 1957 | 1958 | Total | |
| Colombo Plan..... | — | 59 | 41 | 61 | 83 | 139 | 253 | 202 | 78 | 916 | 30 | 45 | 32 | 69 | 89 | 182 | 173 | 97 | 717 | 199 |
| United Nations..... | 6 | 31 | 80 | 57 | 32 | 23 | 29 | 31 | 14 | 303 | 28 | 59 | 71 | 37 | 25 | 31 | 32 | 12 | 295 | 8 |
| UNESCO..... | | | 15 | 14 | 5 | 6 | 6 | 14 | 3 | 63 | ..... | 6 | 15 | 13 | 6 | 4 | 16 | 1 | 61 | 2 |
| FAO..... | | | 2 | 6 | 1 | 9 | 6 | 16 | 2 | 42 | ..... | 2 | 6 | 1 | 8 | 5 | 18 | ..... | 40 | 2 |
| ICAO..... | | | 3 | 2 | ..... | 2 | 2 | 3 | ..... | 12 | ..... | 1 | 4 | ..... | 4 | 2 | 1 | ..... | 12 | ..... |
| ILO..... | | | | 1 | 1 | 1 | 2 | 2 | ..... | 7 | ..... |  | 1 | 1 | 1 | 1 | 2 | ..... | 6 | 1 |
| ICA..... | | | | 2 | 6 | 23 | 14 | 61 | 78 | 184 | ..... |  | 2 | 6 | 23 | 14 | 59 | 48 | 152 | 32 |
| OTHERS*..... | | | | | 1 | ..... | 1 | 6 | 18 | 27 | ..... |  |  | 1 | ..... | 1 | 6 | 19 | 27 | ..... |
| TOTAL..... | 6 | 90 | 141 | 143 | 129 | 203 | 313 | 335 | 194 | 1,554 | 58 | 113 | 131 | 128 | 152 | 242 | 308 | 178 | 1,310 | 244 |

I B R D

Canadian—Scandinavian Foundation
 Swedish American Foundation
 Puerto Rican Government
 Harvard University
 Indian Government

TABLE 2

NUMBER OF PERSONS TRAINED IN CANADA THROUGH TECHNICAL CO-OPERATION SERVICE FROM 1950 TO 30 JUNE 1958,
BY COUNTRY AND AGENCY FOR WHICH TRAINING WAS ARRANGED

| Country | CALENDAR YEARS 1950-1957 | | | | | | | | | FROM 1 JANUARY 1958 TO DATE | | | | | | | | | Grand Total |
|---------------------|--------------------------|----------------|--------|-----|------|-----|-----|--------|-------|-----------------------------|----------------|--------|-----|------|-----|-----|--------|-------|-------------|
| | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | |
| Afghanistan..... | | 1 | 1 | | 2 | | | | 4 | | | | | | | | — | — | 4 |
| Alaska..... | | 1 | | | | | | | 1 | | | | | | | | | — | 1 |
| Argentina..... | | | 1 | | | | | | 1 | | | | | | | | | | 1 |
| Australia..... | | 3 | | | | | | | 3 | | | | | | | | | | 3 |
| Austria..... | | 1 | 2 | | | | | | 3 | | | | | | | | | | 3 |
| Belgium..... | | 1 | | | | | | | 1 | | | | | | | | | | 1 |
| Bolivia..... | | 4 | 1 | | 1 | | 4 | | 10 | | 1 | | | | | | | 1 | 11 |
| Brazil..... | | 11 | | | | | 1 | | 12 | | 1 | | | | 5 | 1 | | 7 | 19 |
| British Guiana..... | | 6 | | 1 | | | 1 | | 8 | | | | | | | | | | 8 |
| West Indies..... | | 8 | | 2 | | | 2 | | 12 | | | | | | | | | | 12 |
| Burma..... | 52 | 8 | 2 | 1 | 1 | 1 | | | 65 | 10 | 1 | 1 | | | | | | 12 | 77 |
| Cambodia..... | 10 | 1 | 2 | | | | 2 | | 15 | | | | | | | 11 | | 11 | 26 |
| C/Fwd. | 62 | 45 | 9 | 4 | 4 | 1 | 10 | | 135 | 10 | 3 | 1 | — | — | — | 16 | 1 | 31 | 166 |

TABLE 2—*Con.*

NUMBER OF PERSONS TRAINED IN CANADA THROUGH TECHNICAL CO-OPERATION SERVICE FROM 1950 TO 30 JUNE 1958,
BY COUNTRY AND AGENCY FOR WHICH TRAINING WAS ARRANGED

| Country | CALENDAR YEARS 1950-1957 | | | | | | | | | FROM 1 JANUARY 1958 TO DATE | | | | | | | | | Grand Total |
|----------------------|--------------------------|----------------|--------|-----|------|-----|-----|--------|-------|-----------------------------|----------------|--------|-----|------|-----|-----|--------|-------|-------------|
| | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | |
| B/Fwd. | 62 | 45 | 9 | 4 | 4 | 1 | 10 | | 135 | 10 | 3 | 1 | — | — | — | 16 | 1 | 31 | 166 |
| Ceylon..... | 63 | 1 | | | | | 1 | | 65 | 4 | 1 | | | | 1 | | | 6 | 71 |
| Chile..... | | 8 | 1 | 2 | | | 4 | | 15 | | | | | | | | | | 15 |
| Colombia..... | | | | | | | | | | | | | | | | | 1 | 1 | 1 |
| Colombo..... | | 6 | | 1 | | 1 | | | 8 | | | | | | | | | | 8 |
| Costa Rica..... | | | | | | | 7 | | 7 | | | | | | 3 | | | 3 | 10 |
| Cuba..... | | 1 | | | | | | | 1 | | | | | | | | | | 1 |
| Cyprus..... | | | | 2 | | | | | 2 | | | | | | | | | | 2 |
| Denmark..... | | 2 | 3 | | | | | | 5 | | | | | | | | | | 5 |
| Ecuador..... | | 3 | 2 | 2 | 1 | | | | 8 | | | | | | | | | | 8 |
| Egypt..... | | 19 | | | | | | | 19 | | 1 | 1 | | | | | | 2 | 21 |
| El Salvador..... | | 1 | | | | | 1 | | 2 | | | | | | 2 | 1 | | 3 | 5 |
| Ethiopia..... | | | | | 1 | | | | 1 | | | | | | 2 | | | 2 | 3 |
| Finland..... | | 16 | | 3 | 2 | | | | 21 | | | | | | | | | | 21 |
| France..... | | 5 | 4 | | | | 1 | | 10 | | | | | | | | | | 10 |
| French Togoland..... | | | 1 | | | | | | 1 | | | | | | | | | | 1 |
| C/Fwd. | 125 | 107 | 20 | 14 | 8 | 2 | 24 | | 300 | 14 | 5 | 2 | — | — | — | 24 | 3 | 48 | 348 |

TABLE 2—*Con.*

NUMBER OF PERSONS TRAINED IN CANADA THROUGH TECHNICAL CO-OPERATION SERVICE FROM 1950 TO 30 JUNE 1958,
BY COUNTRY AND AGENCY FOR WHICH TRAINING WAS ARRANGED

| Country | CALENDAR YEARS 1950-1957 | | | | | | | | | FROM 1 JANUARY 1958 TO DATE | | | | | | | | | Grand Total |
|-----------------|--------------------------|----------------|--------|-----|------|-----|-----|--------|-------|-----------------------------|----------------|--------|-----|------|-----|-----|--------|-------|-------------|
| | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | |
| B/Fwd. | 125 | 107 | 20 | 14 | 8 | 2 | 24 | — | 300 | 14 | 5 | 2 | — | — | — | 24 | 3 | 48 | 348 |
| Germany..... | | | | | | | 1 | | 1 | | | | | | | | | | 1 |
| Gold Coast..... | | 3 | | | | | | | 3 | | | | | | | | | | 3 |
| Greece..... | | 1 | 1 | | | | | | 2 | | | | | | | | 2 | 2 | 4 |
| Guatemala..... | | 1 | 1 | 1 | | | | | 3 | | | | | | | | | | 3 |
| Haiti..... | | 6 | 5 | | | 1 | | | 12 | | | | | | | 1 | | 1 | 13 |
| Honduras..... | | | | | | | | | | | | | | | 2 | | | 2 | 2 |
| Hong Kong..... | | 2 | | | | | | | 2 | | | | | | | | | | 2 |
| India..... | 257 | 26 | 4 | 4 | | | 1 | 3 | 295 | 14 | | | | | | | | 14 | 309 |
| Indonesia..... | 129 | 3 | 2 | | 1 | | 9 | | 144 | 5 | | | | | | 1 | 1 | 7 | 151 |
| Iran..... | | 11 | 3 | 1 | | | 5 | 1 | 21 | | 1 | | | | | | 2 | 3 | 24 |
| Iraq..... | | 4 | 1 | 2 | | | | | 7 | | | | | | | | | 3 | 10 |
| Israel..... | | 10 | | 2 | | | 7 | 1 | 20 | | | | | | | | | | 20 |
| Japan..... | | 3 | 1 | | | | | | 4 | | | | | | | | | 2 | 6 |
| Jordan..... | | 4 | 1 | | | | | | 5 | | | | | | | | | | 5 |
| C/Fwd. | 511 | 181 | 39 | 24 | 9 | 3 | 47 | 5 | 819 | 33 | 6 | 2 | — | — | — | 33 | 8 | 82 | 901 |

TABLE 2—*Con.*

NUMBER OF PERSONS TRAINED IN CANADA THROUGH TECHNICAL CO-OPERATION SERVICE FROM 1950 TO 30 JUNE 1958,
BY COUNTRY AND AGENCY FOR WHICH TRAINING WAS ARRANGED

| Country | CALENDAR YEARS 1950-1957 | | | | | | | | | FROM 1 JANUARY 1958 TO DATE | | | | | | | | |
|---|--------------------------|----------------|--------|-----|------|-----|-----|--------|-------|-----------------------------|----------------|--------|-----|------|-----|-----|--------|-------|
| | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total |
| B/Fwd. | 511 | 181 | 39 | 24 | 9 | 3 | 47 | 5 | 819 | 33 | 6 | 2 | | | 33 | 8 | 82 | 901 |
| Korea..... | | 11 | | | | | 11 | | 22 | | | | | | 10 | | 10 | 32 |
| Laos..... | 16 | | | | | | | | 16 | | | | | | | | | 16 |
| Lebanon..... | | 1 | | | | | | | 1 | | | | | | | | | 1 |
| Liberia..... | | | | | | | | | | | | | | | | 2 | 2 | 2 |
| Malaya..... | 10 | | 1 | | | | | | 11 | 3 | | | | | | | 3 | 14 |
| Malta..... | | 2 | | | | | | | 2 | | | | | | | | | 2 |
| Mexico..... | | 4 | | 1 | | | 1 | | 6 | | 1 | | | | 1 | 1 | 3 | 9 |
| Morocco..... | | | | | | | | | | | | 1 | | | | | 1 | 1 |
| Nepal..... | | 3 | | | | | | | 3 | | | | | | | | | 3 |
| Netherlands..... | | 1 | | | | | | | 1 | | | | | | | | | 1 |
| Nicaragua..... | | | | | 1 | | | | 1 | | | | | | | | | 1 |
| Nigeria..... | | 2 | | | | | | | 2 | | | | | | | | | 2 |
| North Borneo..... | 1 | | | | | | | | 1 | | | | | | | | | 1 |
| Norway..... | | 3 | 1 | | | | 1 | | 5 | | | | | | | | | 5 |
| Nyasaland (Netherlands Citizen)..... | | | 1 | | | | | | 1 | | | | | | | | | 1 |
| Pakistan..... | 232 | 28 | 4 | 1 | | 1 | 7 | | 273 | 14 | | | | | 4 | 1 | 19 | 292 |
| C/Fwd. | 770 | 236 | 46 | 26 | 10 | 4 | 67 | 5 | 1,164 | 50 | 7 | 3 | | | 48 | 12 | 120 | 1,284 |

TABLE 2—Con.

NUMBER OF PERSONS TRAINED IN CANADA THROUGH TECHNICAL CO-OPERATION SERVICE FROM 1950 TO 30 JUNE 1958,
BY COUNTRY AND AGENCY FOR WHICH TRAINING WAS ARRANGED

| Country | CALENDAR YEARS 1950-1957 | | | | | | | | | | FROM 1 JANUARY 1958 TO DATE | | | | | | | | | |
|------------------------|--------------------------|----------------|--------|-----|------|-----|-----|--------|-------|--------------|-----------------------------|--------|-----|------|-----|-----|--------|-------|-------------|--|
| | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | Grand Total | |
| B/Fwd. | 770 | 236 | 46 | 26 | 10 | 4 | 67 | 5 | 1,164 | 50 | 7 | 3 | — | — | — | 48 | 12 | 120 | 1,284 | |
| Panama..... | | 2 | | | | | | | 2 | | 1 | | | | | 1 | | 2 | 4 | |
| Peru..... | | | | | | | | | | | | | | | 1 | 1 | | 2 | 2 | |
| Philippines..... | | 5 | | | 1 | 1 | 14 | | 21 | | | | | | | 5 | 3 | 8 | 29 | |
| Poland..... | | | | | | | | | | | 2 | | | | | | | 2 | 2 | |
| Puerto Rico..... | | | | | | | | 1 | 1 | | | | | | 2 | | | 2 | 3 | |
| Sarawak..... | 3 | | | | | | | | 3 | | | | | | | | | | 3 | |
| Saudi Arabia..... | | | | | | | 1 | | 1 | | | | | | | | | | 1 | |
| Singapore..... | 6 | 2 | | | | | | | 8 | | | | | | | | | | 8 | |
| Solomon Islands..... | | 1 | | | | | | 1 | 2 | | | | | | | | | | 2 | |
| South Africa..... | | 1 | 1 | | | | | | 2 | | | | | | | | | | 2 | |
| Southern Rhodesia..... | | | | 1 | | | | | 1 | | | | | | | | | | 1 | |
| Sweden..... | | 3 | | | | 1 | | 1 | 5 | | | | | | | | | | 5 | |
| Switzerland..... | | 2 | | | | | | | 2 | | | | | | | | | | 2 | |
| Syria..... | | | 5 | 1 | | | | | 6 | | | | 1 | | | | | 1 | 7 | |
| Taiwan..... | | 16 | 1 | | | | 3 | | 20 | | 3 | | | | 3 | | | 6 | 26 | |
| Tanganyika..... | | | | 1 | | | | | 1 | | | | | | | | | | 1 | |
| C/Fwd. | 779 | 268 | 53 | 29 | 11 | 6 | 85 | 8 | 1,239 | 50 | 13 | 3 | 1 | — | — | 60 | 16 | 143 | 1,382 | |

TABLE 2—*Conc.*

NUMBER OF PERSONS TRAINED IN CANADA THROUGH TECHNICAL CO-OPERATION SERVICE FROM 1950 TO 30 JUNE 1958,
BY COUNTRY AND AGENCY FOR WHICH TRAINING WAS ARRANGED

| Country | CALENDAR YEARS 1950-1957 | | | | | | | | | | FROM 1 JANUARY 1958 TO DATE | | | | | | | | |
|---------------------|--------------------------|----------------|--------|-----|------|-----|-----|--------|-------|--------------|-----------------------------|--------|-----|------|-----|-----|--------|-------|-------------|
| | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | Grand Total |
| B/Fwd. | 779 | 268 | 53 | 29 | 11 | 6 | 85 | 8 | 1,239 | 50 | 13 | 3 | 1 | | 60 | 16 | 143 | 1,382 | |
| Thailand..... | 3 | 6 | 5 | 2 | 1 | 1 | 16 | | 34 | | | | | | 7 | | 7 | 41 | |
| Tunisia..... | | | | | | | | | | | | | | | 2 | | 2 | 2 | |
| Turkey..... | | 2 | 1 | 9 | | | 1 | | 13 | | 1 | | 1 | | | 2 | 4 | 17 | |
| United Kingdom..... | | | | | | | 2 | | 2 | | | | | | | | | 2 | |
| Uruguay..... | | 4 | 1 | | | | 1 | | 6 | | | | | | | | | 6 | |
| Venezuela..... | | 4 | | | | | | | 4 | | | | | | | | | 4 | |
| Viet Nam..... | 56 | | | | | | 1 | | 57 | 28 | | | | | 6 | 1 | 35 | 92 | |
| Virgin Islands..... | | 3 | | | | | | | 3 | | | | | | | | | 3 | |
| Yugoslavia..... | | 2 | | | | | | | 2 | | | | | | 3 | | 3 | 5 | |
| GRAND TOTAL..... | 838 | 289 | 60 | 40 | 12 | 7 | 106 | 8 | 1,360 | 78 | 14 | 3 | 2 | | 78 | 19 | 194 | 1,554 | |

TABLE 3

NUMBER OF PERSONS TRAINED IN CANADA THROUGH TECHNICAL CO-OPERATION SERVICE FROM 1950 TO 30 JUNE 1958,
BY FIELD OF STUDY AND AGENCY FOR WHICH TRAINING WAS ARRANGED

| Field of Study | CALENDAR YEARS 1950-1957 | | | | | | | | | FROM 1 JANUARY 1958 TO DATE | | | | | | | | | |
|---|--------------------------|----------------|--------|-----|------|-----|-----|--------|-------|-----------------------------|----------------|--------|-----|------|-----|-----|--------|-------|-------------|
| | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | Grand Total |
| AERIAL SURVEY..... | 5 | | | | | | | | 5 | | | | | | | | | 3 | 8 |
| Photogrammetry..... | 8 | | | | | | | | 8 | | | | | | | | | | 8 |
| | | | | | | | | | 13 | | | | | | | | | | 16 |
| AGRICULTURE..... | 16 | | 1 | | | | | | 17 | | 5 | | | | | | | 5 | 22 |
| Agronomy..... | 2 | | | 1 | | | | | 3 | | | | | | | | | | 3 |
| Animal Husbandry..... | 7 | | | | | | | | 7 | | | | | | | | | | 7 |
| Biological Control..... | 2 | | | | | | | | 2 | | | | | | | | | | 2 |
| Botany..... | 3 | | | 1 | | | | | 4 | | | | | | | | | | 4 |
| Cereal Technology..... | | | | | | | | | | 1 | | | 1 | | | | | 2 | 2 |
| Chemistry..... | 4 | | | | | | | | 4 | | | | | | | | | | 4 |
| Dairying..... | 1 | | | | | | | | 1 | | | | | | | | | | 1 |
| Economics..... | 3 | | | | | | | | 3 | | | | | | | | | 1 | 4 |
| Engineering..... | 47 | | 1 | | | | | | 48 | 30 | | | | | | | | 30 | 78 |
| Farm Mechanics..... | 4 | | | 1 | | | | | 5 | | | | | | | | | | 5 |
| Fertilizer Manufacture..... | | 1 | | | | | | | 1 | | | | | | | | | | 1 |
| Grain Storage and Distribution..... | 15 | | | 10 | | | | | 25 | | | | | | | | | | 25 |
| Government Agricultural Administration..... | 2 | | | 1 | | | | | 3 | | | | | | | | | | 3 |
| Helminthology..... | 1 | | | | | | | | 1 | | | | | | | | | | 1 |
| Horticulture..... | 1 | | | | | | | | 1 | | | | | | | | | | 1 |
| Meat Packing & Cold Storage..... | | 1 | | 1 | | | | | 2 | | | | | | | | | | 2 |
| Mycology..... | 2 | | | | | | | | 2 | | | | | | | | | | 2 |
| Plant Pathology..... | 3 | | | 1 | | | | | 4 | | | | | | | | | | 4 |
| Soil Science..... | 8 | | | 1 | | | | | 9 | | | | | | | | | | 9 |
| Tobacco Research & Production..... | 2 | 1 | | 1 | | | | | 4 | | | | | | | | | | 4 |
| Veterinary Science..... | 5 | 2 | | | | | | | 7 | | | | | | | | | | 7 |
| | | | | | | | | | 153 | | | | | | | | | | 191 |
| C/Fwd. | 141 | 5 | 2 | 18 | | | | | 166 | 40 | | | 1 | | | | | 41 | 207 |

TABLE 3—Con.

NUMBER OF PERSONS TRAINED IN CANADA THROUGH TECHNICAL CO-OPERATION SERVICE FROM 1950 TO 30 JUNE 1958,
BY FIELD OF STUDY AND AGENCY FOR WHICH TRAINING WAS ARRANGED

| Field of Study | CALENDAR YEARS 1950-1957 | | | | | | | | | FROM 1 JANUARY 1958 TO DATE | | | | | | | | | |
|----------------------------------|--------------------------|----------------|--------|-----|------|-----|-----|--------|-------|-----------------------------|----------------|--------|-----|------|-----|-----|--------|-------|-------------|
| | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | Grand Total |
| B/Fwd. | 141 | 5 | 2 | 18 | | | | | 166 | 40 | | | 1 | | | | | 41 | 207 |
| ACCOUNTANCY..... | 20 | 10 | | | | | | 1 | 31 | 1 | | | | | 1 | | | 2 | 33 |
| AVIATION..... | 1 | | | | 9 | | | | 10 | | | | | | | | | | 10 |
| BANKING..... | 1 | 1 | | | | | 4 | | 6 | | | | | | 2 | | | 2 | 8 |
| BIOCHEMISTRY & ENZYMOLOGY..... | 5 | | | | | | | | 5 | | | | | | | | | | 5 |
| BUSINESS ADMINISTRATION..... | 3 | 2 | | | | | | | 5 | | | | | | | | | | 5 |
| CEMENT MANUFACTURE..... | 6 | 1 | | | | | | | 7 | 1 | | | | | | | | 1 | 8 |
| Pre-Cast Concrete | | | | | | | | | 1 | | | | | | | | | | 1 |
| Manufacture..... | 1 | | | | | | | | 1 | | | | | | | | | | 1 |
| CHEMICAL INDUSTRY..... | 5 | | | | | | | | 5 | | | | | | | | | | 5 |
| CHEMISTRY..... | 18 | | | | | | | | 18 | 1 | 1 | | | | | | | 2 | 20 |
| COMMERCE..... | 9 | | | | | | | 1 | 10 | | 1 | | | | | | | 1 | 11 |
| CO-OPERATIVES AND MARKETING..... | 41 | 10 | 3 | 7 | | 2 | 5 | | 68 | 2 | | | | | | | | 2 | 70 |
| ECONOMICS..... | 2 | 1 | 1 | | 2 | | | | 6 | | | | | | | | | | 6 |
| EDUCATION..... | 20 | | 37 | | | | 1 | | 57 | | | 2 | | | 8 | | | 10 | 67 |
| Educational Psychology..... | | | 2 | | | | | | 3 | | | | | | | | | | 3 |
| ENGINEERING..... | 5 | | | | | | | | 5 | | | | | | | | | | 5 |
| Agricultural (see | | | | | | | | | | | | | | | | | | | |
| AGRICULTURE) | | | | | | | | | | | | | | | | | | | |
| Applied..... | 19 | | | | | | | | 19 | | | | | | | | | | 19 |
| Chemical..... | 5 | 1 | 1 | | | | | | 7 | | | | | | | | | | 7 |
| | | | | | | | | | 31 | | | | | | | | | | 31 |
| C/Fwd. | 302 | 31 | 46 | 25 | 11 | 2 | 10 | 2 | 429 | 45 | 2 | 2 | 1 | | 11 | | | 61 | 490 |

TABLE 3—Con.

NUMBER OF PERSONS TRAINED IN CANADA THROUGH TECHNICAL CO-OPERATION SERVICE FROM 1950 TO 30 JUNE 1958,
BY FIELD OF STUDY AND AGENCY FOR WHICH TRAINING WAS ARRANGED

| Field of Study | CALENDAR YEARS 1950-1957 | | | | | | | | | FROM 1 JANUARY 1958 TO DATE | | | | | | | | | Grand Total |
|-------------------------|--------------------------|----------------|--------|-----|------|-----|-----|--------|-------|-----------------------------|----------------|--------|-----|------|-----|-----|--------|-------|-------------|
| | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | |
| ENGINEERING (Cont'd) | | | | | | | | | | | | | | | | | | | |
| B/Fwd. | 302 | 31 | 46 | 25 | 11 | 2 | 10 | 2 | 429 | 45 | 2 | 2 | 1 | — | — | 11 | — | 61 | 490 |
| Civil..... | 30 | 9 | | | | | | | 39 | 1 | | | | | | | | 1 | 40 |
| Electrical..... | 25 | 6 | | | | | | | 31 | 4 | | | | | 1 | | | 5 | 36 |
| Hydro-Electrical..... | 29 | 4 | | | | | | | 33 | | | | | | | | | | 33 |
| Irrigation..... | 5 | | | | | | | | 5 | | | | | | | | | | 5 |
| Marine..... | | | | | | | | | | 1 | | | | | | | | 1 | 1 |
| Mechanical..... | 30 | | | | | | | | 30 | 1 | | | | | | | | 1 | 31 |
| Mining..... | 4 | | | | | | | | 4 | | | | | | | | | | 4 |
| Nuclear..... | 32 | | | | | | | | 32 | | | | | | | | | | 32 |
| Thermal-Electrical..... | 3 | | | | | | | | 3 | | | | | | | | | | 3 |
| Thermo-Dynamics..... | 1 | | | | | | | | 1 | | | | | | | | | — | 8 |
| | | | | | | | | | — | 178 | | | | | | | | | — |
| FISHERIES..... | 19 | 1 | | 5 | | | 1 | | 26 | 5 | 1 | | 1 | | | | | 7 | 33 |
| FORESTRY..... | 18 | 2 | | 5 | | | 5 | | 30 | 1 | | | | | | | | 1 | 31 |
| GEOLOGY..... | 10 | 6 | | | | | | | 16 | 3 | | | | | | | | 3 | 19 |
| HEALTH SERVICES | | | | | | | | | | | | | | | | | | | |
| Anaesthesiology..... | 2 | | | | | | | | 2 | | | | | | | | | | 2 |
| Anatomy..... | 1 | | | | | | | | 1 | | | | | | | | | | 1 |
| Bacteriology..... | 3 | | | | | | | | 3 | | | | | | | | | | 3 |
| Cardiology..... | 3 | | | | | | | | 3 | | | | | | | | | | 3 |
| Dentistry..... | 3 | | | | | | | | 3 | | | | | | | | | | 3 |
| Dermatology..... | 1 | | | | | | | | 1 | | | | | | | | | | 1 |
| | | | | | | | | | — | 13 | | | | | | | | | — |
| C/Fwd. | 521 | 59 | 46 | 35 | 11 | 2 | 16 | 2 | 692 | 61 | 3 | 2 | 2 | | | 12 | | 80 | 772 |

TABLE 3—Con.

NUMBER OF PERSONS TRAINED IN CANADA THROUGH TECHNICAL CO-OPERATION SERVICE FROM 1950 TO 30 JUNE 1958,
BY FIELD OF STUDY AND AGENCY FOR WHICH TRAINING WAS ARRANGED

| Field of Study | CALENDAR YEARS 1950-1957 | | | | | | | | | FROM 1 JANUARY 1958 TO DATE | | | | | | | | | Grand Total |
|---------------------------------|--------------------------|----------------|--------|-----|------|-----|-----|--------|-------|-----------------------------|----------------|--------|-----|------|-----|-----|--------|-------|-------------|
| | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | |
| HEALTH SERVICES—Continued | | | | | | | | | | | | | | | | | | | |
| B/Fwd. | 521 | 59 | 46 | 35 | 11 | 2 | 16 | 2 | 692 | 61 | 3 | 2 | 2 | | 12 | | | 80 | 772 |
| Genito-Urinary Surgery..... | 2 | | | | | | | | 2 | | | | | | | | | | 2 |
| Hospital Administration..... | 3 | | | | | | | | 3 | | | | | | | | | | 3 |
| Medical Photography..... | 1 | | | | | | | | 1 | | | | | | | | | | 1 |
| Medicine..... | 2 | | | | | | | | 2 | | | | | | 2 | | | 2 | 4 |
| Microbiology..... | 2 | | | | | | | | 2 | | | | | | | | | | 2 |
| Neo-Natal Pathology..... | 1 | | | | | | | | 1 | | | | | | | | | | 1 |
| Neuro-Pathology..... | 1 | | | | | | | | 1 | | | | | | | | | | 1 |
| Nutrition and Dietetics..... | 5 | | | 1 | | | | | 6 | | | | | | | | | | 6 |
| Nursing..... | 22 | | | | | | | 4 | 26 | 1 | | | | | | | | 1 | 27 |
| Obstetrics and Gynaecology..... | 7 | | | | | | | | 7 | | | | | | | | | | 7 |
| Ophthalmology..... | 2 | | | | | | | | 2 | | | | | | | | | | 2 |
| Otolaryngology..... | 2 | | | | | | | | 2 | | | | | | | | | | 2 |
| Pathology..... | 2 | | | | | | | | 2 | 1 | | | | | | | | 1 | 3 |
| Pediatrics..... | 3 | | | | | | | | 3 | | | | | | | | | | 3 |
| Pharmacy..... | 3 | 2 | | | | | | | 5 | | | | | | | | | | 5 |
| Pharmacology..... | 2 | | | | | | | | 2 | | | | | | | | | | 2 |
| Physiology..... | 4 | | | | | | | | 4 | | | | | | | | | | 4 |
| Psychiatry..... | 1 | | | | | | | | 1 | | | | | | | | | | 1 |
| Public Health..... | 19 | 1 | | | | | | | 20 | 2 | | | | | 1 | | | 3 | 23 |
| Radiology..... | 5 | | | | | | | | 5 | | | | | | | | | | 5 |
| Surgery..... | 3 | | | | | | | | 3 | 1 | | | | | | | | 1 | 4 |
| Therapy..... | 1 | 1 | | | | | | | 2 | | | | | | | | | | 2 |
| Tuberculosis..... | 8 | | | | | | | | 8 | | | | | | | | | | 8 |
| | | | | | | | | | 110 | | | | | | | | | 8 | 118 |
| C/Fwd. | 622 | 63 | 46 | 36 | 11 | 2 | 20 | 2 | 802 | 66 | 3 | 2 | 2 | | 15 | | | 88 | 890 |

TABLE 3—Con.

NUMBER OF PERSONS TRAINED IN CANADA THROUGH TECHNICAL CO-OPERATION SERVICE FROM 1950 TO 30 JUNE 1958,
BY FIELD OF STUDY AND AGENCY FOR WHICH TRAINING WAS ARRANGED

| Field of Study | CALENDAR YEARS 1950-1957 | | | | | | | | | FROM 1 JANUARY 1958 TO DATE | | | | | | | | | Grand Total |
|---------------------------------------|--------------------------|----------------|--------|-----|------|-----|-----|--------|-------|-----------------------------|----------------|--------|-----|------|-----|-----|--------|-------|-------------|
| | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | |
| B/Fwd. | 622 | 63 | 46 | 36 | 11 | 2 | 20 | 2 | 802 | 66 | 3 | 2 | 2 | | | 15 | | 88 | 890 |
| HOUSING AND TOWN PLANNING | | 5 | | | | | | | 5 | | | | | | | | | | 5 |
| IMMIGRATION AND SETTLEMENT | 6 | | | | | | 1 | | 7 | | | | | | | | | | 7 |
| INDUSTRIAL DEVELOPMENT AND MANAGEMENT | 7 | 10 | | | | | | | 17 | | | | | | | | | | 17 |
| INSURANCE | | 1 | | | | | | | 1 | | | | | | | | | | 1 |
| IRON AND STEEL INDUSTRY | 1 | 1 | | | | | | | 22 | | | | | | | | | | 2 |
| LABOUR | 3 | | | | | 1 | 3 | | 7 | | | | | | | | | | 7 |
| LIBRARY SCIENCE | 2 | | | | | | | | 2 | | | | | | | | | | 2 |
| MATHEMATICS | 1 | | | | | | | | 1 | | | | | | | | | | 1 |
| METEOROLOGY | | 2 | 1 | 1 | | | | | 4 | | | | | | | | | | 4 |
| MINING | 7 | 8 | | | | | | | 15 | | | 1 | | | | | | 1 | 16 |
| Labour Safety | | | | | | 2 | | | 2 | | | | | | | | | | 2 |
| | | | | | | | | | 17 | | | | | | | | | | 18 |
| OPTICS | 1 | | | | | | | | 1 | | | | | | | | | | 1 |
| OIL AND GAS WELL CONSERVATION | 1 | 1 | | | | | | | 2 | | | | | | | | | | 2 |
| OIL TECHNOLOGY | 3 | | | | | | | | 3 | | | | | | | | | | 3 |
| PALEONTOLOGY | 1 | | | | | | | | 1 | | | | | | | | | | 1 |
| PATENTS, COPYRIGHTS AND TRADEMARKS | | | | | | | | | | | | | | | | 3 | | 3 | 3 |
| C/Fwd. | 655 | 91 | 47 | 36 | 12 | 5 | 24 | 2 | 872 | 66 | 3 | 3 | 2 | | | 18 | | 92 | 964 |

EXTERNAL AFFAIRS

TABLE 3—Con.

NUMBER OF PERSONS TRAINED IN CANADA THROUGH TECHNICAL CO-OPERATION SERVICE FROM 1950 TO 30 JUNE 1958,
BY FIELD OF STUDY AND AGENCY FOR WHICH TRAINING WAS ARRANGED

| Field of Study | CALENDAR YEARS 1950-1957 | | | | | | | | | FROM 1 JANUARY 1958 TO DATE | | | | | | | | |
|---|--------------------------|----------------|--------|-----|------|-----|-----|--------|-------|-----------------------------|----------------|--------|-----|------|-----|-----|--------|-------|
| | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total |
| B/Fwd. | 655 | 91 | 47 | 36 | 12 | 5 | 24 | 2 | 872 | 66 | 3 | 3 | 2 | | 18 | | 92 | 964 |
| PHOTO GEOLOGY..... | 2 | 1 | | | | | | | 3 | | | | | | | | | 3 |
| PHOTOLITHOGRAPHY..... | 1 | | | | | | | | 1 | | | | | | | | | 1 |
| PHYSICS..... | 5 | | | | | | | | 5 | | | | | | | | | 5 |
| Nuclear Physics..... | 4 | | | | | | | | 4 | | | | | | | | | 4 |
| | | | | | | | | | — | | | | | | | | | 9 |
| POLICE ADMINISTRATION..... | 20 | | | | | | | 6 | 26 | 1 | | | | | | | 1 | 27 |
| PRINTING AND ENGRAVING..... | 1 | | | | | | | | 1 | | | | | | | | | 1 |
| PSYCHOLOGY..... | 1 | | 2 | | | | | | 3 | | | | | | | | | 3 |
| Child Psychology..... | 1 | | | | | | | | 1 | | | | | | | | | 1 |
| | | | | | | | | | — | | | | | | | | | 4 |
| PUBLIC ADMINISTRATION..... | 45 | 41 | | | | 1 | 37 | | 124 | 1 | 1 | | | | 10 | | 12 | 136 |
| PUBLIC FINANCE..... | 9 | 44 | | | | | | 22 | 77 | 4 | 1 | | | | 21 | 19 | 45 | 122 |
| PUBLIC INFORMATION SERVICES..... | 2 | | | | | | | | 2 | | | | | | | | | 2 |
| Journalism..... | 7 | | | | | | | | 7 | | | | | | | | | 7 |
| Film Board..... | 2 | 1 | 5 | | | | 1 | | 9 | 2 | | | | | | | 2 | 11 |
| Radio Broadcasting and Television..... | 11 | 2 | 3 | | | | | | 16 | | | | | | | | | 16 |
| | | | | | | | | | — | | | | | | | | | 36 |
| C/Fwd. | 766 | 180 | 57 | 36 | 12 | 6 | 90 | 4 | 1,151 | 74 | 5 | 3 | 2 | | 49 | 19 | 152 | 1,303 |

TABLE 3—*Conc.*

NUMBER OF PERSONS TRAINED IN CANADA THROUGH TECHNICAL CO-OPERATION SERVICE FROM 1950 TO 30 JUNE 1958,
BY FIELD OF STUDY AND AGENCY FOR WHICH TRAINING WAS ARRANGED

| Field of Study | CALENDAR YEARS 1950-1957 | | | | | | | | | FROM 1 JANUARY 1958 TO DATE | | | | | | | | |
|-----------------------------------|--------------------------|----------------|--------|-----|------|-----|-----|--------|-------|-----------------------------|----------------|--------|-----|------|-----|-----|--------|-------|
| | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total | Colombo Plan | United Nations | UNESCO | FAO | ICAO | ILO | ICA | Others | Total |
| B/Fwd. | 766 | 180 | 57 | 36 | 12 | 6 | 90 | 4 | 1,151 | 74 | 5 | 3 | 2 | | 49 | 19 | 152 | 1,303 |
| PULP AND PAPER MANUFACTURE | 14 | | | 2 | | | | 1 | 17 | | | | | | | | | 17 |
| RAILWAYS..... | 19 | 24 | | | | | | 3 | 46 | | 1 | | | | | | | 47 |
| REFRIGERATION..... | 1 | | | | | | | | 1 | | | | | | | | | 1 |
| RIVER SURVEY AND CONSERVANCY..... | 3 | 1 | | | | | | | 4 | | | | | | | | | 4 |
| ROAD AND/OR RIVER TRANSPORT..... | 5 | 3 | | | | | | | 8 | 1 | | | | | | | 1 | 9 |
| SOCIAL WELFARE..... | 7 | 46 | 2 | 1 | | | 1 | | 57 | 1 | 5 | | | | | | | 63 |
| STATISTICS..... | 16 | 27 | 1 | 1 | | 1 | 15 | | 61 | | 3 | | | | 24 | | | 88 |
| TECHNICAL TRADES..... | | | | | | | | | | | | | | | 2 | | | 2 |
| TELECOMMUNICATIONS..... | 7 | 8 | | | | | | | 15 | 1 | | | | | 3 | | | 19 |
| TRADE FAIR TECHNIQUES..... | | | | | | | | | | 1 | | | | | | | | 1 |
| TOTAL..... | 838 | 289 | 60 | 40 | 12 | 7 | 106 | 8 | 1,360 | 78 | 14 | 3 | 2 | | 78 | 19 | 194 | 1,554 |

TABLE 4

NUMBER OF EXPERTS RETAINED FOR SERVICE ABROAD FOR COLOMBO PLAN COUNTRIES AND THE WEST INDIES FROM 1950 TO 30 JUNE 1958, BY COUNTRY AND DEPARTURES AND RETURNS EACH YEAR

| | SENT ABROAD | | | | | | | | | RETURNED TO CANADA | | | | | | | Number Abroad as at 30 June 1958 | |
|----------------------------|-------------|------|------|------|------|------|------|------|-------|--------------------|------|------|------|------|------|-------|--|---|
| | 1951 | 1952 | 1953 | 1954 | 1955 | 1956 | 1957 | 1958 | Total | 1953 | 1954 | 1955 | 1956 | 1957 | 1958 | Total | | |
| COLOMBO PLAN— | | | | | | | | | | | | | | | | | | |
| Burma..... | | | | 1 | 1 | 1 | 3 | 2 | 8 | | | 1 | 1 | 1 | | | 3 | 5 |
| Cambodia..... | | | | 2 | 1 | 1 | | | 4 | | 1 | 2 | 1 | | | | 4 | |
| Ceylon..... | 2 | 5 | 7 | 9 | 5 | 5 | 5 | 1 | 39 | 3 | 5 | 5 | 5 | 3 | 7 | 28 | 11 | |
| India..... | | | | 3 | 3 | 3 | 7 | 1 | 17 | | | | 2 | 10 | 3 | 15 | 2 | |
| Indonesia..... | | | | 1 | 1 | 2 | 1 | 1 | 6 | | | | 2 | | | 2 | 4 | |
| Laos..... | | | | | | | 1 | | 1 | | | | | 1 | | 1 | | |
| Malaya..... | | | 6 | 2 | 1 | 6 | | | 15 | | 3 | 1 | 4 | 4 | | 12 | 3 | |
| North Borneo..... | | | | 1 | | | | | 1 | | | | 1 | | | 1 | | |
| Pakistan..... | | | 4 | 4 | 3 | 2 | 1 | 2 | 16 | 1 | 1 | 7 | 1 | 3 | 1 | 14 | 2 | |
| Sarawak..... | | | | | | | 3 | | 3 | | | | | | | | 3 | |
| Singapore..... | | | | | | 1 | 1 | 1 | 3 | | | | | 1 | 1 | 2 | 1 | |
| Thailand..... | | | | | | | 1 | | 1 | | | | | | | | 1 | |
| Two or more Countries..... | | | 4 | 1 | | | | 1 | 6 | 4 | 1 | | | | | 5 | 1 | |
| TOTAL COLOMBO PLAN..... | 2 | 5 | 21 | 24 | 15 | 21 | 23 | 9 | 120 | 8 | 11 | 16 | 17 | 23 | 12 | 87 | 33 | |
| WEST INDIES..... | | | | | | | | 5 | 5 | | | | | | 2 | 2 | 3 | |
| GHANA..... | | | | | | | | 1 | 1 | | | | | | | | 1 | |
| GRAND TOTAL..... | 2 | 5 | 21 | 24 | 15 | 21 | 23 | 15 | 126 | 8 | 11 | 16 | 17 | 23 | 14 | 89 | 37 | |

TABLE 5

NUMBER OF CANADIAN EXPERTS SERVING ABROAD UNDER THE UNITED NATIONS AND SPECIALIZED AGENCIES AS AT 30 JUNE 1958, BY COUNTRY AND AGENCY

| Country | Total | UNTAAs | UNESCO | FAO | WHO | ICAO | ILO |
|-----------------------|-------|--------|--------|-----|-----|------|-----|
| Argentina..... | 2 | 1 | | 1 | | | |
| Bolivia..... | 1 | | | | 1 | | |
| Burma..... | 4 | 1 | | 1 | 1 | | 1 |
| Brazil..... | 1 | | | 1 | | | |
| British Honduras..... | 1 | | 1 | | | | |
| Cambodia..... | 2 | | | 2 | 2 | | |
| Ceylon..... | 1 | | | 1 | | | |
| Chile..... | 1 | 1 | | | | | |
| Columbia..... | 1 | | | 1 | | | |
| Costa Rica..... | 3 | 2 | | | 1 | | |
| Egypt..... | 1 | | 1 | | | | |
| Ethiopia..... | 1 | | | | | 1 | |
| Ghana..... | 2 | 1 | | 1 | | | |
| India..... | 6 | 1 | | | 5 | | |
| Indonesia..... | 7 | 1 | 2 | 1 | 2 | | 1 |
| Iran..... | 6 | 1 | 1 | | 4 | | |
| Iraq..... | 1 | | 1 | | | | |
| Israel..... | 1 | | | | 1 | | |
| Latin America..... | 1 | | 1 | | | | |
| Libya..... | 2 | | | 2 | | | |
| Manila..... | 1 | | | | | | 1 |
| Mauritius..... | 1 | | | | 1 | | |
| Morocco..... | 2 | 1 | | | 1 | | |
| Nepal..... | 1 | 1 | | | | | |
| Pakistan..... | 3 | 1 | | | 2 | | |
| Philippines..... | 1 | | | | | | 1 |
| Sarawak..... | 1 | | | | 1 | 1 | |
| Seychelles..... | 1 | 1 | | | | | |
| Singapore..... | 2 | | | | 2 | | |
| Sudan..... | 4 | 1 | | | 3 | | |
| Syria..... | 1 | | | 1 | | | |
| Tanganyika..... | 1 | | | 1 | | | |
| Thailand..... | 3 | 1 | 1 | | 1 | | |
| Venezuela..... | 2 | 2 | | | | | |
| General Projects..... | 7 | 2 | | 3 | 2 | | |
| TOTAL..... | 76 | 19 | 8 | 14 | 30 | 1 | 4 |

The Technical Co-operation Service has assisted in arranging some of the appointments summarized above, but many people have been recruited directly by the agencies concerned. The summary is substantially accurate but, since it is based on incomplete information, there are probably some experts now abroad who have not been included.

SUMMARY: The following shows the number of Canadian experts engaged on United Nations Technical Assistance projects during the calendar years 1952, 1953, 1954, 1955, 1956 and 1957.

| Year | UNTAAs | UNESCO | FAO | WHO | ICAO | ILO | Total |
|---------------|--------|--------|-----|-----|------|-----|-------|
| (1) 1952..... | 19 | 7 | 20 | 26 | 3 | 10 | 85 |
| (2) 1953..... | 16 | 7 | 24 | 24 | 3 | 4 | 78 |
| (3) 1954..... | 15 | 4 | 16 | 28 | 2 | | 65 |
| (4) 1955..... | 17 | 10 | 26 | 27 | 2 | | 82 |
| (5) 1956..... | 23 | 11 | 26 | 43 | 5 | 3 | 111 |
| (6) 1957..... | 30 | 13 | 27 | 47 | 8 | 4 | 129 |

HOUSE OF COMMONS

First Session—Twenty-fourth Parliament

1958

STANDING COMMITTEE

ON

EXTERNAL AFFAIRS

Chairman: H. O. WHITE, Esq.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 6

MONDAY, AUGUST 11, 1958
TUESDAY, AUGUST 19, 1958



MAIN AND SUPPLEMENTARY ESTIMATES OF THE
DEPARTMENT OF EXTERNAL AFFAIRS—1958-59
INCLUDING SECOND REPORT TO THE HOUSE

WITNESSES

Messrs. W. D. Matthews, Assistant Under-Secretary of State for External Affairs; J. H. Cleveland, Director, American Division, Department of External Affairs; and statement by General A. G. L. McNaughton, Chairman, Canadian Section, International Joint Commission.

EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1958

STANDING COMMITTEE ON EXTERNAL AFFAIRS

Chairman: H. O. White, Esq.

and Messrs.

| | | |
|-------------------------------|-------------------------------|---------------------------------|
| *Aitken, Miss | Jung, | Nugent, |
| Argue, | Kucherepa, | Paul, |
| Brassard (<i>Lapointe</i>), | Lafrenière, | Pearson, |
| Cardin, | Lennard, | Pratt, |
| Crestohl, | MacLellan, | Richard (<i>Ottawa East</i>), |
| Deschatelets, | Macnaughton, | Smith (<i>Calgary South</i>), |
| Dinsdale, | Mandziuk, | Stinson, |
| Dorion, | Martin (<i>Essex East</i>), | Valade, |
| Fairfield, | McCleave, | Van Horne, |
| Garland, | McFarlane, | Vivian—35. |
| Herridge, | McGee, | |
| Jones, | McGrath, | |

J. E. O'Connor,
Clerk of the Committee.

* Replaced on Saturday, August 9, 1958 by Mr. Murphy.

ORDER OF REFERENCE

SATURDAY, August 9, 1958.

Ordered,—That the name of Mr. Murphy be substituted for that of Miss Aitken on the Standing Committee on External affairs.

THURSDAY, August 14, 1958.

Ordered,—That the name of Miss Aitken be substituted for that of Mr. Murphy on the Standing Committee on External Affairs.

Attest.

LEON J. RAYMOND,
Clerk of the House

REPORT TO THE HOUSE

WEDNESDAY, August 20, 1958.

The Standing Committee on External Affairs has the honour to present the following as its.

SECOND REPORT

On Friday, July 25, 1958, the House referred to your Committee for consideration Items numbered 85 to 111 inclusive, Item 502, Items 542 to 549 inclusive, and Item 655 of the Main and Supplementary Estimates 1958-59.

Your Committee has held nine meetings during which it heard statements and evidence from The Honourable Sidney E. Smith, Secretary of State for External Affairs; Mr. Jules Leger, Under-Secretary of State for External Affairs; Mr. W. D. Matthews, Assistant Under-Secretary; Mr. J. H. Cleveland, Director, American Division; and Mr. R. Grey, Economic Division; assisted by the following: Messrs. H. B. Robinson, Special Assistant to the Secretary of State for External affairs; H. B. M. Best, Executive Assistant; W. T. Delworth, Private Secretary; H. F. Clark, Director, Finance Division; H. F. Davis, Director, European Division; H. J. Armstrong, Financial Adviser to the Department; Rose Campbell, Director, Middle Eastern Division; M. Grant, Director, Supplies and Properties Division; M. Shenstone, Middle Eastern Division; F. G. Hooton, Defence Liaison Division (1); A. G. Campbell, United Nations Division; and d'I. Fortier, Economic Division; of the Department of External Affairs. *From the Department of Trade and Commerce:* Mr. R. W. Rosenthal, Acting Administrator of the International Economics and Technical Co-operation Division, assisted by Messrs. F. E. Pratt, Chief, Capital Projects Section; and D. Bartlett, Chief, Technical Co-operation Service. *From the Canadian Section of the International Joint Commission:* General A. G. L. McNaughton, Chairman, assisted by Messrs. D. G. Chance, Assistant Secretary; J. L. MacCallum, Legal Adviser; and E. R. Peterson, Engineering Adviser.

Your Committee has considered the above listed estimates, approves them, and recommends them to the House for approval.

The announcement by the Prime Minister of the preliminary step toward the establishment of a Parliamentary Committee to meet with a United States Congressional Committee, to examine problems common to both countries and to exchange views and interpret developments to their respective governments was welcomed by your Committee. Such a joint committee it is felt could be invaluable in the promotion of a greater degree of understanding between the two legislative bodies.

With regard to the recent report of the United Nations Scientific Committee on the effects of Atomic Radiation, your Committee expresses a hope that the Government will keep under constant review its policy on the suspension of nuclear tests, taking into account the results of the current meetings of scientists at Geneva on the methods of detecting nuclear explosions.

Your Committee endorses Canada's position with regard to preventing the spread of the development and manufacture of nuclear weapons.

The continuation of studies on the possible establishment of a permanent United Nations force to ensure peace and deter aggression, is considered of great importance.

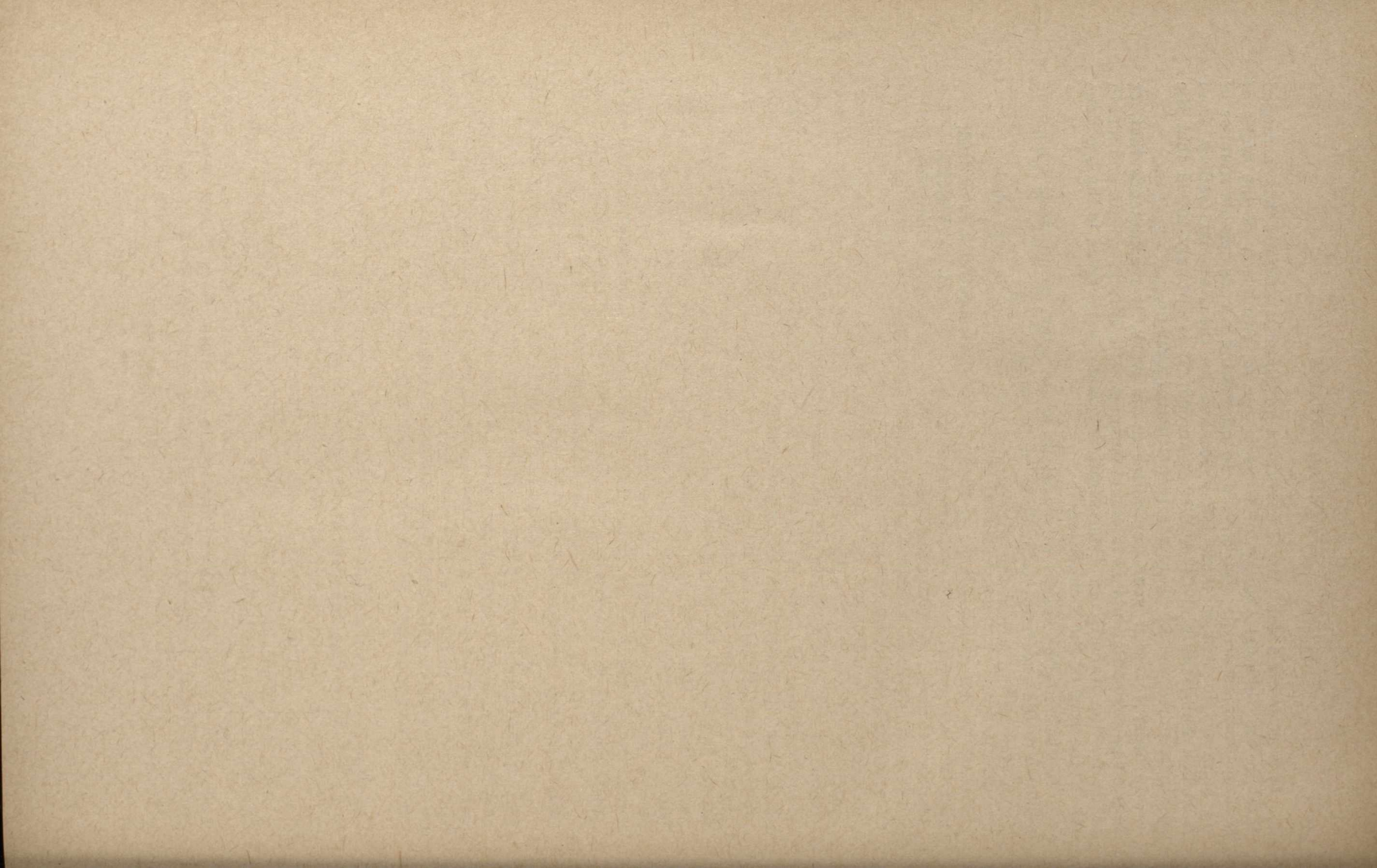
It was learned that the Department of External Affairs has arranged through the National Gallery of Canada, for an exhibition of the work of certain Canadian artists with a view to purchasing a considerable number of oil paintings to replace those being recalled by the National Gallery from Canadian Embassies and Chancelleries abroad. It is strongly urged that the paintings purchased be truly representative of Canada.

In order to assist your Committee in its work, it recommends that, at future sessions of Parliament it should commence its sittings within one month of the meeting of the House. Consideration should also be given to the broadening of the role of the Committee.

Your Committee wishes to record its appreciation to all those who contributed to the successful completion of its work.

A copy of the Minutes of Proceedings and Evidence is appended.

Respectfully submitted,
H. O. WHITE,
Chairman.



MINUTES OF PROCEEDINGS

MONDAY, August 11, 1958.

The Standing Committee on External Affairs met at 2:00 p.m. this day. The Chairman, Mr. H. O. White, presided.

Members present: Messrs. Cardin, Dinsdale, Fairfield, Herridge, Jones, Jung, Kucherepa, Lafreniere, Lennard, Martin (*Essex East*), Mandziuk McCleave, McFarlane, McGee, McGrath, Murphy, Stinson, Vivian and White—(19).

In attendance: From the Department of External Affairs: Messrs. W. D. Matthews, Assistant Under-Secretary of State; and J. H. Cleveland, Director, American Division; From the Canadian Section of the International Joint Commission, General A. G. L. McNaughton, Chairman, and Messrs. D. G. Chance, Assistant Secretary; J. L. MacCallum, Legal Adviser; and E. R. Peterson, Engineering Adviser.

The Chairman observed the presence of quorum and called on Mr. Matthews to answer certain questions asked at previous meetings.

On Item 102—Salaries and Expenses of International Joint Commission; Item 103—To provide for Canada's share of the expenses of studies, surveys and investigations of the International Joint Commission; and Item 544—Salaries and Expenses of the International Joint Commission—Further amount required; General McNaughton was introduced to members of the Committee and made a comprehensive statement concerning the work of the International Joint Commission.

Mr. White being summoned from the Committee, Mr. Kucherepa took the Chair. Upon his return Mr. White again assumed the Chair.

Following the questioning of General McNaughton and Mr. Cleveland, they were thanked and retired.

Items 102, 103 and 544 were adopted.

The question of the selection of paintings for Canadian diplomatic posts abroad having been raised, Mr. Matthews was recalled and questioned.

At 5:00 p.m. the Committee adjourned to the call of the Chair.

TUESDAY, August 19, 1958.

The Standing Committee on External Affairs met *in camera* at 10:05 a.m. this day. The Chairman, Mr. H. O. White, presided.

Members present: Messrs. Garland, Herridge, Jones, Kucherepa, Lennard, MacLellan, Mandziuk, McGee, Paul, Richard (*Ottawa East*), Stinson, Valade, Vivian and White—(14).

A draft "Report to the House" containing the observations and recommendations of the Committee was read, and following discussion and amendment was adopted and ordered to be presented to the House as the Committee's "Second Report".

The Chairman thanked members of the Committee for their attendance and co-operation, and in turn, was thanked by Members of the Committee.

At 10:30 a.m. the Committee adjourned to the call of the Chair.

J. E. O'Connor,
Clerk of the Committee.

EVIDENCE

MONDAY,
August 11, 1958.

The CHAIRMAN: Gentlemen, will you please come to order. Let us commence our deliberations.

Mr. Matthews of the Department of External Affairs has some answers to questions which were asked during our last meeting. So I shall now ask Mr. Matthews to carry on from here.

Mr. W. D. MATTHEWS (*Assistant Under Secretary of State for External Affairs*): Mr. Chairman, I think these are the answers to a number of questions.

Mr. Richard inquired as to the wages paid to locally engaged chauffeurs in Moscow.

One chauffeur receives 25,800 rubles per annum, which is \$2,493.12 at the current rate of exchange.

Three other chauffeurs receive 24,000 rubles each which amounts to \$2,319.24 at the current rate of exchange.

I think everyone will agree that that is far below what it would cost us to send over and maintain Canadian chauffeurs.

Mr. Crestohl inquired whether any political refugees who have run away from iron curtain countries have recently sought asylum in Canada. No cases have recently arisen of political refugees seeking asylum in Canada. However, it is certain that many recent immigrants to Canada have been persons who have escaped from iron curtain countries, but they have been admitted to Canada as immigrants rather than as persons seeking asylum—for example, the Hungarians. They came in as immigrants and not by direct request for asylum. And there are probably some amongst the other immigrants from Europe who would be in the same position.

Mr. Herridge inquired whether there have been any cases in recent years where delegates to ILO conferences from Canada have been non-Canadians.

At the 36th meeting of ILO in 1953, one of the employers' delegates was an American citizen who had resided for some 40 years in Canada.

The same man was an adviser to the employers' delegate at the 39th meeting in 1956.

There was also a representative at a session of the inland transportation committee of the ILO in 1954 who was not a Canadian. There have been no non-Canadian representatives since those dates.

Mr. HERRIDGE: That non-Canadian was Mr. Harold Banks?

Mr. MATTHEWS: Yes. He was the representative at the inland transportation committee meeting in 1954.

Mr. HERRIDGE: It is an awful state of affairs to have a "bloke" like that representing us.

Mr. MARTIN (*Essex East*): What was this conference?

Mr. MATHEWS: It was the inland transportation committee of the ILO.

Mr. MARTIN (*Essex East*): Would he not have been selected by the unions and not by the workers?

Mr. MATTHEWS: Yes; he certainly was an employee delegate.

Mr. MARTIN (*Essex East*): I doubt if Mr. Herridge would want to express the view that the unions should not be entitled to have their own representative.

Mr. HERRIDGE: No, I am not saying that the unions should not be entitled to have their own representative, but in the first place, a Canadian union should have, as its representative, a Canadian citizen, and in the second place, it should be a person who had some standing in the country.

Mr. MATTHEWS: Mr. Vivian inquired concerning the relationship of UNICEF to WHO.

The united nations childrens' fund aims at assisting governments to develop permanent or long-range health and welfare services for children and mothers and in so doing it cooperates closely with the world health organization which is the agency primarily concerned with world health problems. UNICEF conducts mass campaigns where per capita cost per child is low aimed at controlling or eradicating tuberculosis, yaws, malaria, trachoma and other diseases to which children are particularly susceptible. UNICEF submitted all such programs to WHO for technical opinions as to their soundness. In addition any international technical staff required to carry out these programs is recruited by WHO and in most cases is paid from WHO funds.

The relationship between UNICEF and WHO is a very close one. There is a UNICEF/WHO joint committee on health policy which will hold a session in October of this year in Geneva. At this session it is expected that the joint committee will consider progress and policy issues in jointly aided programs in leprosy and trachoma. It may also consider malaria eradication and tuberculosis control (chemotherapy and the use of dried BCG vaccine) if it appears that a review of these subjects is warranted at that time.

I think that indicates how closely the two programs are working together, and indicates that there is no overlapping.

Mr. Dinsdale inquired concerning Canadian non-governmental contributions to UNICEF.

Canadian non-governmental contributions have been as follows:

| | |
|-----------------------------------|----------|
| 1955 halloween campaign | \$15,000 |
| sale of greetings cards etc. | \$13,000 |
| 1956 halloween campaign | \$42,000 |
| sale of greetings cards etc. | \$17,500 |
| 1957 halloween campaign | \$75,000 |
| sale of greetings cards etc. | \$19,700 |

Mr. Dinsdale inquired how many Canadian experts Canada had abroad. This question was, I believe, answered by a paper filed at the last meeting by Mr. Rosenthal.

Finally, Mr. Herridge asked whether pictures of Canadian chanceries and Canadian residences abroad might be made available to the committee.

I have two volumes of such pictures but I must ask that after they have been examined by members of the committee, that they be returned to the department as these are required in the operation of our supplies and properties division. I would like to have them back ultimately.

I think that disposes of all the questions that were outstanding.

The CHAIRMAN: Perhaps we can pass them around now and you may look at them carefully.

Are there any questions arising out of Mr. Matthews' answer today?

Mr. MARTIN (*Essex East*): I was not here when the question was asked about the overlapping between UNICEF and WHO, but I would like to say simply that it should be recognized that UNICEF depends for much of its revenue upon profit and contributions—as well as contributions from governments.

I have myself seen the results of both UNICEF and WHO particularly in the malaria districts—notably Thailand.

I am sure Mr. Dinsdale was not being critical when he asked that question, because these two organizations do such a tremendous work in south, and southeast Asia that there should be no misunderstanding about the fact that they do complement one another in those terribly diseased areas.

The CHAIRMAN: Dr. Vivian.

Mr. VIVIAN: Mr. Chairman, if I may correct the honourable member, it was my question, and I was merely asking for clarification.

Mr. MARTIN (*Essex East*): UNICEF provides the funds and WHO makes the disbursements.

The CHAIRMAN: Any further questions?

I am now calling item 102 dealing with the International Joint Commission, and item 103. We are glad today to again welcome to this committee General McNaughton. Those of you who were here last year and heard the General's very detailed explanation of the work of the International Joint Commission were, I believe greatly impressed. I understand that today he has decided to condense his summary, and I suggest you look up the minutes of the last meetings of this committee, if there is some detail that you wish to pick up.

Except for the work of the International Joint Commission, it is just possible that some of our control over some of our waterways may have before now slipped into the hands of Americans. I just want to mention that to you, and I will now ask General McNaughton to tell us of his work on the International Joint Commission.

We also have with us today Mr. Harrison Cleveland, from the External Affairs Department who is an expert on our relations with the U.S.A.

Without any further introduction, I am going to ask General McNaughton to make his statement now.

General A. G. L. McNaughton, M.C. (Chairman, Canadian Section, International Joint Commission), called.

The WITNESS: Gentlemen, before making a brief statement of the work of the commission during the past year, I would like to outline the financial estimates which have been presented for your approval.

As is shown in the blue book, the commission's funds are divided into two main votes, one for the administration of the office and the other to provide funds for the various studies and surveys which are being carried out for the commission.

Under the administration vote, a slight increase is shown due primarily to general salary and statutory increases. The other primaries show in general a slight decrease. Under the studies and surveys vote there are decreases in air pollution, principally because of the transfer of a senior chemist to another department. There is a nil item under the primary for Lake Ontario levels as the continuance of most of this work has now been consolidated under the international St. Lawrence river board of control. The Passamaquoddy tidal power project shows an increase this year because of the stage reached in the progressive development of the fisheries research required and also because of the related economic studies being carried out by the engineers with the aid of the university of New Brunswick. It is possible that a reference on the Yukon river will be given to the commission, and with this in view preliminary studies are being carried out for the IJC by the Department of Northern Affairs and National Resources.

In accordance with arrangements made some years ago, to simplify administration the item for the Columbia river studies appears under the estimates for the Department of Northern Affairs and National Resources. This year this item stands at \$227,780 which is a substantial reduction made possible by the completion of certain phases of the field work.

Passamaquoddy tidal power reference

On August 2, 1956, the governments of Canada and the United States directed a reference to the commission requesting the commission to determine the estimated cost of developing the international tidal power potential of Passamaquoddy bay, whether this would be economic, and the effects on the local and national economies. Particular attention was invited to a consideration of the effects which the structures in the bay would have upon the fisheries in the region.

The commission established two international technical boards, one to study the engineering problems and the other to study the fisheries aspects. Canada undertook to provide a total of \$300,000 to cover Canadian expenditures in relation to all aspects of the studies which were expected to require three years, but because of the particular importance of the Canadian fisheries in the area most of this money will be used in the studies of the fisheries problems. The United States will spend up to \$3 million mainly on the engineering studies. If the project proves feasible and is carried out, the funds used in the present investigation will be credited to each country in the amount expended.

The commission visited the area last year and since then has received periodic reports from the engineering and fisheries boards. Test drilling is being carried out to determine foundation conditions. A number of possible plans have been developed, one of which has been selected for comprehensive study.

Investigations carried out by the fisheries board have established that the herring spawn outside of the project area, but the young fish enter this area to feed. Studies are continuing as to the effects the selected plan may have upon the feeding habits and the migration of the fish.

I am pleased to report that the fisheries and engineering boards are working in close cooperation, and in mutual understanding and sympathy with the problems of the other.

It is planned that at the time of the semi-annual meeting of the commission in October, which will take place in Ottawa, the commission and the board will meet to review progress, and for a general discussion.

In connection with the memorandum, for convenience I am going over the various projects from east to west.

St. Croix River reference:

The Canadian and United States governments, on June 10, 1955, sent a reference to the commission directing it, in general terms, to study the redevelopment of the St. Croix river basin for the improvement of the use, conservation and regulation of the waters of the basin.

According to the usual practice of the commission, an international engineering board was established to carry out the detailed investigations and studies required. Since these included serious questions of water pollution, and fisheries rehabilitation, experts in these aspects from each country were included in the membership of the board.

In October of 1957, the commission received the board's preliminary report and in April of this year, after further discussion with the board, the commission issued a notice of public hearing setting forth in broad outline the proposals of the board for the improvement of conditions on the river. This was sent to all persons known to be interested in the questions at issue.

This hearing was held on June 27, 1958, at Calais, Maine, when the commission heard comments from all the interested parties. The information received is under study and review by the commission and the engineering board with a view to determining the conclusions which it is expected will be presented in a joint report to the two governments in the near future.

Saint John River reference, 1950, as amended July 7, 1952:

As I mentioned last year, an interim report relating to the development of the Saint John river was presented to the two governments on January 27, 1954. Since that time the engineering board has continued to keep the commission informed in regard to new developments in the basin.

In this connection, I would mention that the Beechwood project, which was recommended in the interim report, has been constructed by the New Brunswick hydro-electric commission and placed in operation with two units installed. Provision for a third unit has been included in the design for installation when additional upstream storage becomes available.

Among other matters the commission recommended that it would be mutually advantageous to provide electrical interconnection between the power systems in New Brunswick and Maine, and arrangements to this end have been approved by the Canadian and United States authorities concerned and are now in operation to a limited extent.

St. Lawrence power project:

Under date of June 30, 1952, the commission received applications from the governments of Canada and the United States in similar terms for the issue of an order of approval, under the terms of the jurisdiction conferred on the commission by the Boundary Waters Treaty of 1909, covering the construction of works across the international boundary in the St. Lawrence river at Barnhart island a short distance upstream from Cornwall, Ontario.

The commission's jurisdiction does not extend to the works for navigation in the St. Lawrence seaway, but the commission was invited by the governments to facilitate this undertaking.

The commission's order approving the power works was issued on October 29, 1952, and after some delay consequent on litigation in the U.S.A., New York State power authority was named as the U.S. entity and the work of construction was placed in hand jointly with the hydro-electric power commission of Ontario.

As members will know, closure of the dam structure was made on July 1 last and with the raising of the pool generation of power commenced. Work on the completion of the power plants and navigation channels continues on schedule, and it is expected that the channels will be completed to the 27-foot basis by next spring.

Under date of July 2, 1956 the commission issued a supplementary order of approval clarifying requirements for the regulation of the St. Lawrence river to provide for the protection of downstream and upstream interests. The commission, with its international St. Lawrence river board of control, has continued its studies of these matters, and under date of July 14 last, technical approval was given to a system of regulation known as plan 1958-A which the commission is confident will fully satisfy all the criteria laid down by the commission in its order of approval of October 29, 1952, and its supplementary order of July 2, 1956, for the protection and benefit of all interests downstream and up.

Mr. Chairman, at this point I wish to pay tribute to the devoted service of the engineers of both countries who have been engaged on these studies for many long years and to whom we are indebted for proposals which the commission has been able to accept with every confidence and satisfaction.

I might mention that the commission's objectives which have been approved by the governments are set out in its order of approval, and provide for the greatest possible generation of power at Barnhart island consistent with raising low levels in the interest of navigation, and reducing high levels in the interests of property owners along the shores of Lake Ontario and the upper portion of the international section of the St. Lawrence. All this must not adversely affect the riparian owners and other interests downstream from Barnhart island, including Lake St. Louis and the port of Montreal.

The range of mean monthly stage on Lake Ontario which has been recommended by the IJC and prescribed by the U.S. and Canadian governments runs from 244.0 to 248.0, as near as may be. This compares with a mean monthly range in nature of 242.68 to 249.29. The contraction reduces the storage available for the production of power when compared to the natural range of stage, but it is expected that the improved regulation of flows will give substantial benefits in compensation.

The St. Lawrence river is, naturally, one of the best regulated rivers in the world and because of the large storage capacity of the Great Lakes, spring floods are very much smaller than in rivers of comparable size elsewhere. In a stream already so well regulated the problem of further improvement is difficult. Nevertheless, the commission expects that the natural range of stage of 6.61 feet will be reduced to 4 feet as desired by the governments under control from the Iroquois regulating works located a few miles upstream from the power dam.

With the technical approval of plan 1958-A the commission is ready to place the regulation of the St. Lawrence in effect. There remains the question of responsibility for the operation of the regulating works at Iroquois. A decision on this point has been sought from the governments, and I expect this matter will be cleared shortly with a view to initiating Plan 1958-A as soon as practicable.

Lake Ontario levels:

Closely related to the St. Lawrence power project is the question of the Lake Ontario levels.

Members of the committee will recall that in 1952 the levels of lake Ontario, then not under any control, became so high that damage occurred to properties along the shore, both in Canada and the United States.

In consequence the governments of Canada and the United States directed the commission to study the matter, with a view to proposing means for reducing the extremes of stage which had been experienced in the past. Particular information was requested in respect to Gut dam, a small structure across the international channel between Adams and Galops islands in the St. Lawrence which had been built many years ago to facilitate the operation of the Canadian 14-foot canals, and which had been asserted to have had a material effect in raising levels. In the reference the governments instructed that these studies were not to delay the St. Lawrence projects for power and navigation.

In order to proceed expeditiously the commission established an international Lake Ontario board of engineers to assemble the factual data required, and to study the possibility of setting up a method of regulation which could give the desired effects.

Most of the work of this board has now been completed, and its report on the requirements for regulation of the levels of lake Ontario and its suggestions as to various plans which might be adopted was passed last year to the international St. Lawrence river board of control which had the responsibility of taking these requirements into consideration together with the needs downstream on the St. Lawrence and then evolving a specific plan which would satisfy conditions both upstream and down.

This, as I have reported under the St. Lawrence power applications, has now been done.

The only other matter remaining before the Lake Ontario board of engineers is the report on the effects on Lake Ontario levels of various changes in the outlet, including Gut dam, the studies of which are now complete with a report well in hand and expected to be presented to the commission shortly.

Air Pollution Reference, 12 January 1949

The reference from the two governments dealing with the problem of the pollution of the atmosphere in the Windsor-Detroit area was given to the commission on 12 January 1949 and I wish to report that the work of the technical advisory board is now almost completed so that it is hoped that the commission will be able to make its report to the governments during this fiscal year.

The primary task of the commission was to ascertain whether vessels plying the Detroit river were polluting the air by discharging excessive smoke and, if so, to recommend corrective measures. It has been shown that some vessels were polluting the air but also there were other contributing factors to the pollution problem.

In so far as the ships are concerned, I am pleased to say that, through the voluntary cooperation of the shipping companies, the objectives for smoke emission proposed by the technical advisory board and approved by the commission have been met by all but a relatively small number of the smaller ships. This reduction in vessel smoke has cost the shipping lines a considerable amount of money. The small hand-fired coal burning vessels which still do not comply with the objectives are mostly old and obsolescent and their conversion to cleaner firing methods does not appear to be economical at this time.

In the circumstances, the commission's purpose has been to seek to prepare proposals that would best suit the conditions existing after the seaway is opened next year and meanwhile to secure the best possible performance of these smaller canal type hand-fired ships short of restrictions which would stop their use prior to that time when it is expected that most of them will be withdrawn from service in the face of the competition of the larger and more economical ships which then will be able to sail from Montreal to the lakehead.

The commission held a hearing in Detroit in February of this year to discuss, with the ship owners, the draft recommendations of the technical advisory board. We had then, I believe, a very frank and useful exchange of views.

It appears that in the United States there are doubts as to whether the enforcement of smoke abatement legislation is a matter for the state or federal authority. In Canada, however, it seems clear that the authority to regulate the amount of smoke emission from ships rests with the federal government. Also, the respective Canadian and United States ship owners associations seem to have somewhat different ideas as to how the present smoke emission objectives should be enforced. However, I can report a high degree of cooperation between all agencies interested and I feel that a satisfactory solution will be reached eventually.

For my own part I would suggest that, regardless of which agency or agencies is to enforce any regulations that might be enacted, these regulations should be on the basis of a uniform code of permissible smoke emission for all parts of the seaway in both countries from Montreal to the lakehead. I do not think that ship captains should, upon entering the seaway at Montreal, be confronted with a multiplicity of codes, with possibly differing requirements for equipments, with which they would be expected to comply in succession.

The commission will continue to maintain its laboratory at Windsor for the study of smoke during the present fiscal year to ensure that the service of collecting relevant data is continued and to advise ship captains traversing the Detroit river when they are exceeding the permissible smoke emission objectives.

Water Pollution

Article IV of the Boundary Waters Treaty of 1909 reads in part that "boundary waters and waters flowing across the boundary shall not be polluted on either side to the injury of health or property on the other", and it is under this article of the treaty that the commission has made two reports to governments and continues to exercise supervision in this matter in the connecting channels of the Great Lakes.

The first report of the commission on water pollution was made in the 1920's and in that report the commission suggested that it be given the responsibility to enforce regulations which it proposed. Fortunately, I think, this proposal was not acted upon by the governments as it would have involved the establishment of some kind of international regulatory force and this, I believe, would have raised many legal and constitutional problems and difficulties.

It was in 1946 that the commission was again directed by the governments to study the water pollution problems in the connecting channels of the Great Lakes and in 1950 the commission submitted its report recommending certain "objectives for Boundary Waters Quality Control" as the criteria to be met in satisfying Article IV of the treaty of 1909, part of which I have quoted. The commission also recommended that it be given authority to undertake continued supervision of the waters in question and to bring to the notice of competent local authorities in the two countries all cases of pollution in excess of the objectives whether caused by municipalities, factories, or other industrial establishments.

These recommendations were approved by the governments and since that time the commission, through the good offices of its various advisory boards, has been able, largely by suggestion, to bring about a marked improvement in lessening the amount of pollutants being dumped into these channels particularly by industrial establishments. I cannot as yet report satisfactory progress on the cleanup of the sewage problem by Canadian municipalities but I do express confidence that with the institution of the Ontario Water Resources Commission, with which body we are in close touch, progress will be made to match that being achieved in the United States. Already a number of Ontario communities along the Great Lakes connecting channels have applied for assistance to construct sewage disposal plants and still others are at least making plans which we may hope will eventually be carried out.

It is, I think, very important that our international obligations in respect to the pollution abatement of boundary waters should be promptly and fully discharged.

Souris River Reference, 1940

As I mentioned last year, the Souris river is a small stream by comparison to some of the other streams along and across the boundary with which the International Joint Commission is concerned. Nevertheless despite its small size the Souris is of vital and growing importance to the people living in southeastern Saskatchewan, northern North Dakota and southwestern Manitoba through which it flows on its way to Lake Winnipeg and Hudson's Bay.

The reference of 15 January 1940 requested the commission to seek a just apportionment of the waters of the river between the three political entities concerned, but because of the absence of hydrological data the basis for a final apportionment was not readily apparent. Therefore, in 1940 the commission recommended an interim apportionment to take care of the immediate needs of the people, particularly the people in Manitoba who were suffering then from an extreme shortage of water.

Since that time the commission has been endeavouring to work out some acceptable system of apportionment. This, to date, has not proved possible, but the commission did submit on 19 March 1958, a further interim report to

governments which in effect, I believe, provides on a temporary basis a method of division which will satisfy existing requirements, in the state of North Dakota and in the provinces of Saskatchewan and Manitoba.

Columbia River Reference, 9 March 1944

I now turn to the question of the development of the Columbia river basin, a question which I know has interested the members of this committee and, indeed, the general public.

Before commenting on the events of the past year, I feel that I should mention the background which led up to the reference of 1944 from both governments.

You will remember that in the 1930's there was a strong movement in the United States to develop the land along the Columbia river by irrigation for farm purposes and Coulee dam was proposed to provide a reservoir from which water could be pumped into the prehistoric channel of the river known as Grand Coulee and also hydroelectric power could be obtained to attract industries to the area.

This project was started in 1933 or thereabouts and the first power came on the line at just about the time the United States entered the Second World War. With this additional block of power, war industries, such as the Aluminium industry and the atomic energy plant at Hanford were set up in the area and a heavy new demand for power was created. That demand for power continued and continues to increase and in 1944 the United States government and the Canadian government submitted a reference to the commission to ascertain what further development could be made of the river both to supply this forecasted increased demand for hydro power and to meet developing needs for irrigation, fish and the like.

The commission thereon established the International Columbia River Engineering Board composed of federal engineers from both countries which in turn established working committees now composed of engineers from federal, provincial and state organizations.

Up to that time the Canadian portion of the river had not been fully surveyed and the first efforts in Canada were directed to ascertaining the topographical, geological and hydrographical facts necessary for the study under hand.

This has been done and today the engineering board and its working committees are completing their studies as to the various alternative projects by which power can be developed in the basin. I expect the board's report will be received by the commission in late November or early in December, and then the commission will take it under close study. I expect that the report will be made public in preparation for public hearings in the basin during the calendar year 1959.

With this report available, everyone interested will be supplied with the basin data necessary to an objective discussion of the problems at issue.

In the engineering board's report three sequences of projects have been selected for detailed study all with the purpose of maximizing the production of power in the basin. One of these envisages the positioning of the storages of the waters of Canadian origin which might be most beneficial to the United States; another, the positioning of storage which will be most beneficial to Canada and which will make it possible for Canada to obtain the best use of Canadian water in the interest of Canada which means British Columbia; the third is a compromise.

In the United States, studies are in progress in connection with a revision of their 308 report. These will no doubt develop plans which will be to the best advantage of the U.S.

Since most of the beneficial effects to power from Canadian water which can be obtained in the United States derive from Canadian storage and the possible regulation of flow in the interest of power production, it has been agreed that particular attention will be given to the possibilities of interconnection of Canadian and United States transmission systems and the cooperative use of Canadian storage with the return to Canada as downstream benefits of a portion of the extra power thereby generated.

The commission has just completed a 2,000 mile traverse of the Columbia and Kootenay basins during which we were able to view nearly all of the possible dam and reservoir sites, and the commissioners and the advisers who were with us were enabled to have most useful discussions on the ground of the various problems which require solution.

The presentation of the engineering board report will mark the culmination of a long continued effort in the collection and assembly of basic information, other required data and its analysis in detail related to the wide range of problems which are before the commission concerning power production, flood control, irrigation, fish, wildlife, recreational facilities, etc.

I bear tribute to the personnel both of Canada and the United States who have carried through their great task. They have given most able and valued service, and I feel they have laid the ground work for an agreement between the two countries which could result in immense benefits to each and in which I hope the commission will be able to propose an equitable basis of allocation.

Mr. Chairman and gentlemen, I have confined my remarks to a very brief sketch of what is actively proceeding under the auspices of the commission in the various regions from the Atlantic to the Pacific.

I now place myself entirely at your disposal, sir, to answer any questions on any parts that you may care to ask.

Mr. HERRIDGE: Mr. Chairman, I would suggest, in order to have a logical form of questioning, we should start with the first project mentioned by General McNaughton and ask questions in regard to that, and then proceed to the other sections. Otherwise, the questions will be all mixed up.

The CHAIRMAN: Mr. Herridge, you took the words right out of my mouth. I was going to suggest that we proceed from east to west.

Mr. HERRIDGE: It is surprising how wise men think alike.

By Mr. McCleave:

Q. Mr. Chairman, I wonder if I may ask a question regarding the Passamaquoddy? This is not in my province but I do not believe there are any members from New Brunswick present.

Is it your understanding that a place has been found in Passamaquoddy bay in which the footings might be secure enough for one of these dams, General McNaughton?—A. That is correct. The engineers are now satisfied that these dams could in fact be built.

This involves a matter of building dams in some places in 12 knot currents in up to 200 feet of water with marine clay coverage of the foundation rock in places from 50 to 70 feet. This is a matter of very considerable difficulty. However, the engineers are satisfied that the difficulties can in fact be overcome.

The real question at issue is one of economics. Is this worth while or not? That is the subject of study; finding a particular layout which the commission, on the board's recommendation, approves as giving the most possibilities for the greatest amount of power.

These studies in regard to economics and practicalities are proceeding.

I would not like to indicate at this stage—it would be quite wrong to do so—that we are satisfied with the economics. We simply do not know at this stage.

By Mr. Jones:

Q. I do not want to be unnecessarily curious, Mr. Chairman, but I notice in the corner that there is a number of things that look like maps. Last year when General McNaughton appeared before this committee he had an excellent number of maps with him that greatly assisted the committee in discussing these matters. If those could be presented at the time these matters are under discussion I think it would be of great assistance to us?—A. I do not know whether I can pass this map around or not, but this shows the outlines of the Passamaquoddy and various installations.

The low pool is largely located in the United States. The high pool is largely located in Canada.

The method of operation of the project is that the valves in these upper dams work inwards so that as the tide rises, the water flows through the passages into the high pool. As soon as the currents drop to zero, at the upper dam the valves close and remain closed during the low stages of the tide.

The low pool works exactly in the opposite manner.

The emptying dam is located at the seaward part of the lower pool. These valves work outwards. Whenever the tide is low any water which has got into this pool drains out.

The powerhouse is situated across the narrow neck in between the two pools.

The contemplated installation will produce about 300,000 kilowatts.

It is of interest that even with the two pool scheme—one pool kept constantly high and one pool kept constantly low—we still are not able to achieve a uniform flow of power, either in the daily or in the various cycles of the moon. In consequence, before we can expect a tidal power scheme to be economical, some means of firming up that power must be found. That is, we must make the products of the plants uniform so that we can meet power demands of industry and so on in the area.

There are two means suggested in regard to that firming up. One means is to build a pumped storage plant somewhere north of the tidal project. That possibility is being investigated.

The other means of doing this is to take advantage, in relation to the Passamaquoddy project, of the possibilities for very large storage on the Saint John river above Fort Kent at a place called Rankin rapids.

The topography of the region gives hope that somewhere between 1.4 million and 2.6 million acre feet of storage could be created. That storage used down the Saint John river through the plants, which no doubt would be built to give additional capacity to the present plant at Beechwood, could be so timed as to be complementary to the tidal power project and so serve the region to good advantage.

Gentlemen I would not like to take the responsibility for forecasting the outcome of these studies, but the authorities are still in the process of taking the information, which the engineers have supplied, and putting it together in order to consider the practicalities of the project, most particularly from the point of view of economics. There is no use having great projects unless they can be economical in serving the people of the region.

One of the things that we are anxious about, of course, is the use of the storage on the Saint John river. That is the primary reason for the reference to the Saint John river being kept open.

The commission did, in our report to governments in 1954, recommend the development at Rankin rapids for storage. If this was done it would be the key to these other great possibilities on the Saint John river at various sites.

We are particularly interested in that aspect of this investigation at the moment.

I might say that we are in the closest touch, and continue to keep in touch, with the government of the province of New Brunswick and the power commission there. There is a constant interchange of information, and studies are continually going on. I do hope that in the end something of value to the province of New Brunswick will come out of this.

By Mr. Kucherepa:

Q. Are you conducting cost benefit studies on this project?—A. It would be fair to describe these studies as cost benefit studies. Actually, what would be compared would be the costs of the supply of power from the tidal power project as compared to other alternatives which are open.

The CHAIRMAN: Are there any further questions on the Passamaquoddy project? If not, let us pass on to the St. Croix river reference. Are there any questions on it?

The WITNESS: This is a map of the St. Croix region. The St. Croix river constitutes the boundary between the state of Maine and the province of New Brunswick.

It was at one time a very fine salmon river, but there are now a number of industries in the region which are mostly pulp and paper mills located in the state of Maine.

Unfortunately it has happened—as it has happened in so many other places—that the refuse from these mills has polluted—and very seriously polluted the river.

Now the two governments have asked us to give consideration to cleaning this matter up and to rehabilitate the running of the anadromous fish and to improve the basin from the recreational point of view, and naturally to make our plans in such a way that there would be no undue adverse effects on the industries of the region.

By Mr. McGee:

Q. What kind of fish are involved?—A. Salmon. That is an anadromous fish which spawns in fresh water but which goes to the sea for the purposes of growth and then returns to fresh water again. In this case it is the Atlantic salmon.

Q. This has had a deteriorating effect on the Atlantic salmon fisheries?—A. It has eliminated them, and wiped them out on the St. Croix.

By Mr. Murphy:

Q. Are the head waters in the United States?—A. Some of the waters of the main river are. The main river runs up here until it reaches this lake which is half in Canada and half in the United States. These lakes and the tributaries are all in the United States (pointing to the western portion of the basin).

We have had, as I have informed the committee, very good public hearings in the earlier part of the year. We also have this board composed not only of hydrological engineers but we have also had fisheries and pollution experts on it from each country.

The engineers in this case have come forward with very positive recommendations as to what the two nations should do.

These recommendations are now in the process of being reviewed in the light of the observations of the people in the locality in both countries. Very shortly I hope we shall be able to present the governments with constructive reports.

By Mr. Kucherepa:

Q. Without asking you to disclose any information at this time which should not be disclosed, may I ask what general measures should be employed to solve a problem of pollution, such as the one you have described?—A. Pollution which comes from pulp mills is of many sorts.

First of all, there is the bark which is stripped by the barkers, or which comes off the logs when they are driven down the river, and which bark becomes waterlogged and forms a deposit all over the bottom, and becomes refuse on which the fish cannot spawn. It also is very objectionable for recreational purposes.

The answer to that is, first of all, to adopt modern methods of delivering the logs. The river is not necessarily the best means of moving that kind of pulp wood. It is better—although it may be a little more costly initially—to put the logs on trucks and to deliver them right into the enclosed ponds at the mills, from which they may be picked up. So there is a complete answer to that.

The next problem down there is the waste which comes from the stills in which the wood is digested with chemical solvents which are put in.

You can imagine that in a small river such as the St. Croix where the yearly average flow is from two to three thousand cubic feet per second—and sometimes a good deal lower than that—that if spent digesters put this liquid into the river, there are not many fish which will live anywhere.

There are ways and means by which that problem can be handled, however, they are somewhat costly.

I would like to say that we have to be careful in our recommendations so that no burden is thrown on an industry which might result in its being destroyed, because the livelihood of a great many people in the region depends on employment in that particular industry. So these matters cannot be approached altogether from what is theoretically desirable.

The commission has the practical responsibility to make sensible plans and recommendations, and that is what we are trying to do.

By Mr. McGee:

Q. How does the size of the St. Croix river compare to the size of the Ottawa river here?—A. The Ottawa river is five times bigger. The Rideau river would be more like it.

By Mr. Murphy:

Q. With respect to these rivers which have their head waters in the United States, has there been any attempt by the United States to apply the Harmon doctrine in their dealings with Canada?—A. In this basin article two of the treaty does not apply because the St. Croix is a boundary water or stream.

The Harmon doctrine only applies in the case of rivers which flow across the boundary. So we have not been concerned with that particular problem in this basin.

Q. I meant—since we are discussing rivers—I was referring particularly to rivers that originate in the United States and have their head waters in the United States yet which flow into Canada—if the United States has made any attempt at any time to apply the Harmon doctrine such as is did with Mexico and indeed with Canada?—A. I would answer you in the most positive affirmative.

The first case of the sort was the closing off of the flow out of Chamberlain lake on the upper Allagash which reversed the flow into the Allagash river a tributary of the Sain John, and sent it into the Penobscot, in Maine.

It would be within the memory of the people from New Brunswick that that caused a great deal of annoyance to the people of the region, particularly to lumbermen, because these flows were required at the time to carry timber down to the main stem of the Saint John river, and it was most important for traffic.

In fact, it got to the point where, in this case, the people concerned took the law into their own hands and a gentleman who was afterwards a member of parliament, put some dynamite in that very dam and caused it to be removed.

Q. That was in 1930?—A. It was a little earlier than that, sir. Anyway the dam was restored, and the diversion was put into the Penobscot, and it goes down that route and continues to generate power.

One of our difficulties in that particular incident was that it preceded the treaty of 1909.

By the terms of the treaty of 1909 we are debarred from going back into past history of what went on before. But that does not prevent us from recalling it for the purpose of instruction.

Q. That is not the only incident in which the Harmon doctrine was applied?—A. No sir. I can give you a more recent one, if you would like me to mention it.

Q. First of all, would you please explain to the committee just exactly what the Harmon doctrine is so that they may understand it.—A. The Harmon doctrine is, in essence, an assertion by the United States of complete sovereignty over the waters of the United States while within the United States; it is an assertion of the right to divert those waters and to turn them to the fullest account of the United States without giving an account thereof, to anybody else.

This doctrine has been asserted on many occasions. It is only practical, of course, in regions where the United States is the upper riparian owner of the watershed, and where the water crosses the boundary. It seems now people realize that in most of the areas of real interest, like the Columbia basin, indeed in the St. John basin, and other regions along the boundary, it so happens that Canada is the upper riparian owner of the watershed. So, as soon as this has been realized, we have seen a remarkable change of attitude.

Mr. MCGEE: We can invent a doctrine too.

Mr. HERRIDGE: We don't need to invent one.

By Mr. Murphy:

Q. Does not the United States recognize our right to divert waters that have their head waters in Canada?—A. Article II of the treaty is a very interesting prescription of the rights of the two countries. We believe, and our advice is, that we have jurisdiction and the right to divert waters within Canada. We have asserted it. There have been a number of discussions in legal circles, official and otherwise, in which this right has been contested, and we believe as of now there is a general acceptance of our right to divert waters within Canada, subject to the conditions of article II of the treaty.

I think it might be worth while if I were to read an excerpt from that treaty into the record:

Each of the High Contracting Parties reserves to itself or to the several State Governments on the one side and the Dominion or Provincial Governments on the other as the case may be, subject to any treaty provisions now existing with respect thereto, the exclusive jurisdiction and control over the use and diversion, whether temporary or permanent, of all waters on its own side of the line which in their natural channels would flow across the boundary or into boundary

waters; but it is agreed that any interference with or diversion from their natural channel of such waters on either side of the boundary, resulting in any injury on the other side of the boundary, shall give rise to the same rights and entitle the injured parties to the same legal remedies as if such injury took place in the country where such diversion or interference occurs; but this provision shall not apply to cases already existing or to cases expressly covered by special agreement between the parties hereto.

It is under that last clause that we have had no right in regard to the diversion of the waters of Chamberlain lake.

By Mr. McGee:

Q. There is one other question I wanted to ask the General before we leave the St. Croix. Is it possible to float logs in a clean manner downriver so the pollution does not come into the river and kill thousands of salmon?—
A. I understand that can be done, but at heavy expense. They can be floated down, provided the logs are peeled first. But that is a heavy burden to be placed on the industry.

I think it has become evident that in the St. Croix basin, sufficient good roads exist, and it would not be too much of a hardship to move the pulpwood to the side of the mill by truck now, and avoid this business of floating the logs down. It is not the bark that causes the trouble; it is the sinkage. The bed of the river is cluttered up with logs. If they want to re-establish the salmon run—and it was one of the finest rivers in its day—someone will have to go into the river and pull those old sunken timbers out.

By Mr. Murphy:

Q. Mr. Chairman, I have a couple of questions respecting diversion. The first one: in view of this Ontario waters commission which has been set up—and I guess Lake Huron and Lake Erie are boundary waters—will there be any restriction on that commission taking the water from either lake, to supply cities and towns?—A. You are referring to taking water for pollution abatement?

Q. Well, for instance, St. Thomas wants to be assured of a supply of water. There is a movement afoot now to get that up from either Lake Huron or Lake Erie, not only to supply St. Thomas, but London and many other towns.—A. There is not any question the St. Lawrence basin and these lakes you have mentioned come under the category of boundary waters.

Q. That is right; you just quoted article II.—A. Well, article II has no application to boundary waters. Article II applies only in the case of rivers which flow across a boundary. These boundary waters come within article VIII of the treaty, in the question of priorities, which states:

“The following order of precedence shall be observed among the various uses enumerated hereinafter for these waters, and no use shall be permitted which tends materially to conflict with or restrain any other use which is given preference over it in this order of precedence—”

And then the order of precedence is:

- (1) Uses for domestic and sanitary purposes;
- (2) Uses for navigation, including the service of canals for the purposes of navigation;
- (3) Uses for power and for irrigation purposes.

It has been under these sections of this article VIII that all these projects have gone on in Canada. The use of which you speak would appear to come under uses for domestic and sanitary purposes. As long as it is used, having regard to this purpose, I would not imagine there would be any difficulty about it.

Then, when you come to consider the problem we contemplate, it is not really unrelated to the vast project of the St. Lawrence seaway.

Q. I have no idea—it is only a guess by the engineers, but the amount of water to be taken is not an alarming figure at the moment.—A. The figure is very small compared with the flow of the St. Lawrence, and under the treaty—

Q. There is something that is confusing to me. Lake Huron is partly in Canada and partly in the United States; yet Lake Michigan is wholly within the United States, and without any reference to Canada or the International Joint Commission, they can, of course, divert an additional flow of water which affects the level of the Great Lakes. I wonder if you can explain how that comes about?—A. This particular matter is not actually before the International Joint Commission at the moment, although I do not pretend that we are not thoroughly familiar with what is going on. I think, since this subject of Lake Erie has been under discussion and has been a very live issue, and I have been away for the past three weeks, I would suggest Mr. Cleveland might answer that.

Mr. HARRISON CLEVELAND (*Department of External Affairs*): Mr. Chairman, I think the point, as General McNaughton began to say a few minutes ago, was that there is a distinction drawn in the treaty between article II and article III. Whether the distinction is one which is good in logic, I suggest, makes no difference.

It is like any other agreement, or any other treaty; the parties can agree to whatever they decide. One of the points is that there has been a distinction drawn between the kinds of water, one kind of water which runs along a boundary, one runs across a boundary and crosses at a certain point. Those are two things you have to keep separate. The one that runs across a boundary at a point, or runs into a boundary water at a point, comes under article II, which General McNaughton read a few moments ago. As he says, the interpretation which has generally been given to that by the Canadian government has been that it means what it seems to say on this basis, that there is a certain right in the upstream state to divert water while it is in that state, without actually having to make any request of the downstream state.

The other situation is, of course, a boundary water; where a boundary runs between the countries, usually right down the centre of the body of water. Article II seems to be the appropriate article to invoke when you are dealing with the matter of a diversion of water. Lake Michigan comes under this article. The government of Canada some fifty years ago decided to agree with the government of United States that Lake Michigan was different from Lake Huron.

Mr. MURPHY: Who negotiated that treaty for Canada—Lord Bryce, was it?

Mr. CLEVELAND: Well, I think a Mr. Gibbons was the man who was doing the work in Canada, as far as I can recall. It went through various government departments.

Mr. MURPHY: Well, the government of Canada had their right to say something, did they not?

Mr. CLEVELAND: From reading the record they had quite a good deal to say at the time.

Mr. MURPHY: I thought the treaty was actually negotiated with England acting for Canada and Lord Bryce as ambassador?

Mr. CLEVELAND: I think, Mr. Chairman, the document will bear me out when I say that the actual drafting was done on our side, by Canadians. It is true that at that time, of course, in negotiation we dealt through London, and the United Kingdom ambassador in Washington.

Mr. MURPHY: And is it right that they can divert or are diverting about 1,000 cubic feet or 1,500 cubic feet?

Mr. CLEVELAND: At the moment I understand in accordance with an order of the Supreme Court of the United States in 1930, there is a diversion taking place at Chicago of 1,500 cubic feet per second, on the average, plus another 1,600 or 1,700 cubic feet per second, which is known as domestic pumpage. So the total amount of water going into Chicago runs around 3,200 or 3,300 cubic feet per second.

Mr. MURPHY: But it is a fact that they can increase the diversion there from that lake, without having any conference or consultation with Canada?

Mr. CLEVELAND: Subject to the provisions of article II of the boundary waters treaty which provides two things—first of all, that if it is feared that there will be an effect upon navigation, the downstream state may “object”, whatever that may mean, and, secondly, that if damage is done downstream, certain legal rights are created to go into the courts of the country in which the diversion takes place.

Mr. MURPHY: You would not be very apt to get damages in the United States, suing in a United States court?

Mr. CLEVELAND: Well, Mr. Chairman, I notice there are several lawyers here, and I think they would agree that to predict the outcome of a horse race is easy, but predicting the outcome of a lawsuit is dangerous.

Mr. MURPHY: Is there not an act before Congress allowing for another 1,000 cubic feet per second?

Mr. CLEVELAND: I believe it is before the United States Senate at the moment.

Mr. MURPHY: What effect will that diversion have on our hydro potential and the St. Lawrence seaway?

Mr. CLEVELAND: It would have an effect. The measurement of the effect is something that I would not try to give precisely because it requires examination of engineering tables. It varies with the lapse of time from the moment that the abstraction of the water begins, and it continues for a certain period after the abstraction of the water ceases—diminishing gradually. It also has a different effect at various points downstream. So that a simple answer of that sort is not a correct answer.

Mr. MURPHY: Has there been any survey made of the increased barge transportation on the Mississippi on account of the increased diversion? How is that going to affect the St. Lawrence seaway?

Mr. CLEVELAND: We have not, of course, made any surveys of that. There is a survey, as I think Mr. Murphy knows, of the corps of engineers of the United States army about one and a half years ago, which does go into that question, and as I read that report, there is very little advantage to navigation on the Mississippi River from the amount of water which might be added by a diversion at Chicago.

Mr. JONES: It is article II that Senator Neuberger wishes to emasculate in regard to the Columbia river and that Chicago wishes to keep in the case of the St. Lawrence.

Mr. CLEVELAND: I think Senator Neuberger has referred to article II of the boundary waters treaty as having to have similar application to rivers which rise in Canada and cross the boundary, and to the abstraction of water from Lake Michigan at Chicago.

Mr. MURPHY: Mr. Cleveland, is it not according to the corps of engineers—and I have heard them make the statement—the extra diversion they want is for navigation, and not for sewage disposal purposes?

Mr. CLEVELAND: Well, Mr. Chairman, our impression and understanding is that the primary concern is to use this water for the purpose of carrying on

certain experiments with respect to improved sewage disposal at Chicago. If I recall correctly, it is related to navigation to this extent, that shipping or barges using the canal are finding it disadvantageous to have polluted water from which to draw; and to that extent it is tied in with navigation.

Mr. MURPHY: Have you any idea or is there anyone in your department who can give us any information in respect of Canada's position, say, in the harbour installations and so on, if this diversion is allowed to continue to increase?

Mr. CLEVELAND: I think, sir, the answer is simply this: to the extent that water is withdrawn where there is a tight fit at the present time, additional dredging would have to be done to that extent in order to give you the amount of protection which you have at the present time. This would vary from harbour to harbour. It would vary directly with the amount of water extracted.

Mr. MURPHY: Is there any way in which we can increase the flow into Lake Superior or into other of the Great Lakes in order to increase and maintain a level within three or four feet?

Mr. CLEVELAND: We have all the water we can get into Lake Superior now by now the Long Lac and Ogoki those last two diversions. This matter has been discussed with the Ontario Hydro Electric Commission with respect to adding any water to Lake Superior which could be added. They have assured us that if they could do so they would be delighted to divert more water from the Albany watershed into Lake Superior, but they cannot undertake to provide a dependable diversion of water because they are getting now as much water as is there available for diversion.

Mr. MURPHY: Did we make any protests or representations to the United States regarding this latest application for diversion?

Mr. CLEVELAND: Representation was made to the United States government on January 6, 1958. I believe a copy of that was printed as an appendix to Hansard on August 2, this year.

By Mr. Murphy:

Q. You mentioned a moment ago about damage to Lake Ontario residences due to high water. Is there any indication of—perhaps this is not a fair question. I have an idea that the United States residents, residents of New York, were placed in a position where they could claim damages from some body, perhaps the government. Could they?

General McNAUGHTON: The matter of the levels of Lake Ontario was made the subject of a reference to the international joint commission to study the matter and to report. That reference was made almost simultaneously with the applications for the construction of power works in the St. Lawrence. At that time the commission was told that the study of this complicated business of the levels of Lake Ontario was not to delay the power applications. We have governed ourselves accordingly in the commission.

As I reported earlier today, the studies on what is known as the Lake Ontario reference are almost complete. They were done very exhaustively and the results in respect of the various effects on the levels and on navigation works and so on, including the Gut dam, will very shortly be given to the governments in the form of very comprehensive reports. In advance of its being passed by the commission, I do not think I should go into that subject.

Q. I will not pursue the question. While we are on this area, Mr. Chairman, the General referred to pollution. I come from the Sarnia area in western Ontario. You, I know, are cognizant of what the industries have done there to meet the regulations which have been established. That has been pretty much a success.—A. I would pay the greatest tribute to the way in which the

industries on all the connecting channels have cooperated with the commission in attacking this very difficult problem of pollution of boundary waters. I believe it would be correct to say, due to the cooperation which the industries have given this important matter, that industrial pollution is well in sight of being ended.

By Mr. Murphy:

Q. At their own expense?—A. At their own expense. I have not got a table of the amount of expenditures which have been made, but they are very large. It has been done for the benefit of the public and the country generally and we have, in the commission and in our board, most wonderful cooperation. Where our difficulty has been primarily, on both sides of the line, is with the municipalities who claim that there is a lack of funds to carry out these improvements and changes which are required. The United States has moved very drastically in the matter and has taken legislative authority to compel compliance by the municipalities. They are citing municipality after municipality which has lagged in the provision of proper sewage treatments to reduce the objectionable effluents they discharge into the river.

Ontario is now moving, through the Ontario Later Resources Commission under Mr. F. F. Snyder. We have the very closest relations with Mr. Snyder and his colleagues. You cannot expect movements of the size contemplated to be done overnight; but there is activity right along the line in an effort to clean up, and getting ready to clean up, these communities. Some communities have started in this and others are getting out plans; we hear regularly from Mr. Snyder and his colleagues, and some of his technical officers are serving on our boards. There is a very close and useful tie-in between the two organizations. I believe it is only a matter of time and patience before this matter is cleared up. We feel we are on the road to getting these connecting channels put in proper shape.

Mr. MURPHY: Mr. Cleveland—I do not know whether or not this is a fair question—was there any request by any representative of the government to alter that old treaty which we have been discussing?

Mr. CLEVELAND: The Boundary Waters Treaty?

Mr. MURPHY: Yes. To change at least one paragraph which we have been discussing, which would apply to Lake Michigan, inasmuch as it would have the same lake level as Lake Huron.

Mr. CLEVELAND: As far as I am aware, there has not been at any time any movement on the part of the Canadian government to seek any change or variation in the Boundary Waters Treaty of 1909.

Mr. MURPHY: We came out on the short end in that treaty?

Mr. CLEVELAND: That is an opinion which I think—

Mr. MURPHY: Is shared by most people.

Mr. CLEVELAND: There would have to be an official opinion on that from the government. It is not mine. I would, in all fairness say, if I may make a personal comment on it, that the treaty has, in practical application, revealed that our forebears fifty years ago were very capable draftsman and they foresaw a great many things which, if perhaps we were trying to legislate today for conditions fifty years hence, we might find difficult to foresee.

Mr. MURPHY: Do you remember any treaty which we have had with the United States where we got the better of the deal?

Mr. CLEVELAND: My colleagues in the state department believe sometimes we do.

The ACTING CHAIRMAN: This has been a very interesting discussion. We have gone into the treaty between the United States and Canada relating to boundary waters and have discussed some of the specific paragraphs. However, the original plan suggested by the chairman was that we would have a progressive discussion. At this point I think we should get on to the St. Lawrence power project.

The WITNESS: Could I answer one point which came up in respect of this diversion and the use of the waters for domestic and sanitary purposes in Ontario. The matter would only come before the international joint commission if there was an affect on the natural level of the boundary water on the other side of the board. As far as I know, these diversions which have been contemplated for sanitary purposes, which have high priority, would not have any effect on the level on the other side, the United States side, of the boundary.

The ACTING CHAIRMAN: If there are no further questions I think we can now go on to air pollution and the report which the general presented earlier. Are there any questions on this?

We will go on further in the report and consider water pollution. Are there any questions on this aspect of the report?

Mr. MURPHY: Mr. Chairman, I asked a few questions on that and as far as I am concerned I think the answers which General McNaughton gave were very satisfactory.

The ACTING CHAIRMAN: Thank you. If there are no further questions we will go on to the Souris river reference.

By Mr. Dinsdale:

Q. Mr. Chairman, General McNaughton indicated in his remarks that a plan which is acceptable to the provinces of Saskatchewan and Manitoba and the state of North Dakota had been drawn up with reference to the problem on the Souris river. Would it be possible for us to have an indication as to what that plan is and whether or not it is about to be implemented, or what is the present situation?—A. The commission, as I reported, under the reference of 1940 was invited to make a permanent allocation of the waters of the Souris river. It has not been possible in all these years, and I can assure you there has not been a meeting of the commission twice yearly at these regular meetings and at a number of other meetings as well at which this problem concerning the Souris has not been discussed. It has been a very active, contentious and a very difficult question, because there simply is not enough water in the Souris to go around in order to meet the needs of the people on both sides of the line. However, our forebears on the commission of 1940 recognized that position and made an interim arrangement. We in this current year have had to do the same thing. We had to admit this time that we could not solve it and we have had to make a suggestion to governments for an interim solution by which it would be more urgent that the requirements for the province of Saskatchewan would be met. They would be empowered to withdraw up to 50 per cent of the flow at the boundary and that would enable them to care for this new thermal plant which is being established—at Estevan. It would also enable the uses which have come into effect along the Souris in the United States—the uses for domestic and sanitary purposes, and services to municipalities and cities and so on, to be discharged. It would guarantee to Manitoba what Manitoba has expressed as its current need from the Souris, namely for flow of twenty cubic feet per second across the boundary—a guaranteed flow of this amount across the boundary during the five summer months, so as to maintain the Souris as a live stream and to give enough water for the uses in Manitoba, which are presently largely for stock watering and domestic purposes for the farmers along the stream. But

it allows the United States to put into their storage reservoirs all the rest of the flows of the stream, as they have in fact been doing, on the wildlife refuges; and the result of it is that these flows at that point are largely used for the benefit of ducks, and not for humanity. By putting up an interim solution in the Canadian section of the commission—we have recognized it is only a question of time until Manitoba will need the waters of the Souris river for irrigation purposes. More particularly is that the case because as of the present time there is an arrangement being developed to supply extensive areas, some 2 million acres of ground in the area immediately south of the boundary, from water from the Missouri basin, to support irrigation or to give possibilities of irrigation in this region, in place of the present type of farming where you have to get it with the natural flows of water. We have no comparable source of supply for Manitoba. When the habit of irrigation spreads—as it undoubtedly will—up the Souris basin in Manitoba, we anticipate in the Canadian section, in following the effects that will result from the Souris waters being taken into use, that there will be an increasing demand on the Souris water. And so in the commission the best we could do was recognize conditions as they presently exist. We agreed that Manitoba would have what Manitoba now wants that is, twenty cubic feet per second as a guaranteed flow, whenever it can possibly be given in the five summer months. When these other demands develop, then we will have an opportunity to reopen the reference and see what can be done about it in the way of an equitable distribution. That has been recommended to governments by the commission. It took from approximately 1942 up to the present time to get that order in an agreed recommendation; it is before the governments now. It will possibly require consideration by various departments of the two governments, and it may be some months before the commission is given an answer. That is about all I can say about the Souris reference at the moment—it is an interim solution, and only that.

By Mr. Dinsdale:

Q. You have given a very comprehensive statement. The point I was trying to discover was whether this interim plan had been accepted officially by the governments concerned, and apparently it has not as yet; it is under consideration.—A. The plan is under consideration by the governments, and I would not say they have had an adequate opportunity yet to arrive at a conclusion.

By Mr. Murphy:

Q. General, could I ask you in submitting this particular type of agreement of the three governments, Saskatchewan, Manitoba and—is it North Dakota?—A. Yes.

Q. Is the acceptance of this agreement inasmuch as this river has its headwaters in the United States— —A. They are in Canada, in Saskatchewan.

Q. All right; the same principle applies. Is it going to affect our position with respect to the doctrine we maintain is legal in that we have control of these waters that flow across into another country when the head waters are in Canada?

By Mr. Jones:

Q. In other words, is it a precedent?

By Mr. Murphy:

Q. Are we prejudicing our interests by this sort of an agreement?—A. The Souris is a river of a very special class, in that it originates in Canada and flows across the boundary from Saskatchewan into North Dakota. It flows

in a great loop of 150 miles or so in North Dakota and recrosses into Manitoba, then on to join the Assinaboine river, thence into Lake Winnipeg and on to the Hudson Bay. So, it is a river in which Saskatchewan is upstream in regard to North Dakota, and North Dakota is upstream in regard to Manitoba; thus it is full of difficulties that are not entirely rationalized by the terms of the treaty of 1909. Our instructions from the government, given in 1940 are to try to find an equitable arrangement to dispose of this complicated situation which, of course, is not fully described by the treaty.

By Mr. McGee:

Q. In regard to the part you are discussing, the needs of Manitoba, I am wondering what is likely to develop or is developing as far as the needs in Saskatchewan are concerned, where there are obvious irrigation problems. Are those irrigation attempts in the headwater; in other words, have there been demands from the area in Saskatchewan for further use or development of that water for irrigation purposes?—A. I am unable to answer it entirely to your satisfaction, but I would like to say that generally speaking when we have had to come to grips with various problems of rivers flowing across a boundary, and more particularly in these rivers which are in regions where the waters are needed for irrigation purposes, the final result has been an attempt to divide the flow equally. Now that is not a rule under the treaty of 1909 in any sense, but it is a practical solution which has been attempted in a great many cases, notably in the Mary and Milk rivers, which flow in and through the province of Alberta, and which was an area the commission had to deal with in its early days. It is a solution which in the presentations made to the commission by the province of Saskatchewan they have expressed every willingness to adopt. As Saskatchewan said, "if we could have an assurance of half the flow at the boundary, it appears to us an equitable solution of this difficulty". The trouble comes not in the case of Saskatchewan, which is prepared to have a fifty-fifty apportionment of the water of that river, but we have to take into account what their neighbours need, and keep enough for their own purposes.

By Mr. Murphy:

Q. That is after it goes into Dakota?—A. Yes—an equal division at the boundary. It is acceptable as a reasonable solution to the government of Saskatchewan. They are looking at this, I think, and have looked at it in a very broadminded way, realizing that it is not only their own people but their neighbours to the south who have to be fairly dealt with on this matter, and that equality requires equity of division.

Q. What about the principle of the water that goes back into Canada?—A. When it comes around through North Dakota, as far as the use, the needs for the use of these waters by the various municipalities along the line they have all been met willingly by the commission from time to time by special orders; and so they should, because human needs under these waters must, of course, take priority over everything else. Our difficulty with North Dakota, of course, is that a federal department has moved in and established immense refuges for wild ducks. The water of the Souris river go into these refuges, and being impounded in that climate the evaporation runs to several feet a year. Therefore, all the water for the benefit of ducks is going up in the form of evaporation.

Now because this federal department concerned in the United States is able to take these waters actually into use, waters they claim as refuges for ducks, they feel that they have established a priority claim, a priority right, to have those waters continued for that purpose. Now it would be one thing to take a definite stand and force an issue on this matter if we could say that in point of actual fact the people downstream in Manitoba were being badly treated by all this shortage of water under other conditions.

By Mr. Murphy:

Q. What position do we take on that?—A. The position that we would allege, if there was a sustainable use for the water, would be since we are willing to divide it equally at one boundary, it ought to be divided equally at the other boundary also. But we cannot force that issue unless and until—and I use that word advisedly—the requirement for irrigation water in Manitoba develops to the point it is necessary to do so.

At the moment Manitoba is satisfied with the allocation of the flow of 20 cubic feet per second in the five summer months of the year. They get a lot more than that but they are quite satisfied with that for the moment.

By Mr. Murphy:

Q. The thing that disturbs me is this: we have three governments—two provinces and one state—that have entered into an agreement. We accept that agreement. Then the federal government comes along and, as you say, establishes these refuges for ducks, overriding that whole agreement. Is that what in effect happens?—A. That is substantially what happens. The federal government came in and established these refuges and cut right across the state authority in the matter, as we are told they have a right to do. These refuges were set up. They are, of course, of some advantage to the people in the vicinity. There is a lot of revenue comes from these refuges to the people.

As long as this water is not needed for some important purpose nobody should complain about it.

The point has been arrived at now where there is the likelihood that the downstream interests in Manitoba will not be properly provided for, with the present allocation of 20 cubic feet per second across the boundary during the five summer months.

If it had been made evident to the Canadian section of the commission that there was an immediate need for Manitoba to have more water, we would not have agreed, naturally, to the interim arrangement which has been recommended. But, in point of fact, the 20 cubic foot per second flow does satisfy the present need of the province of Manitoba. We have the conviction that this will not be so for long because of the changing pattern in the use of the Souris river in that region. We have reserved the right, under this proposal to the government, to reopen the matter and to take Manitoba's then requirement into full account.

By Mr. McGee:

Q. What about the relationship of this particular area to the area of the south Saskatchewan dam, coming back to my original question, if there is a requirement for irrigation purposes in the farming areas of Saskatchewan? The federal government is undertaking a rather substantial investment in providing this. I am trying to locate the geography more than anything else. What are the distances?—A. The distances are too great. This is theoretically possible. I know the country very well. I was born and brought up in that region and have gone in and out of it all my life, so I can speak with some personal knowledge of the Moose Mountain region and the Souris basin. It is theoretically possible to take water from the Saskatchewan river down into the Souris basin but I would not regard that as a practical possibility at all. The two problems are not really inter-related. The Souris is a small river. It is a self-enclosed basin. We have to live with the water we have there.

Q. What are we dealing with in terms of area?—A. This is the water shed line between the rivers that run eventually into the Saskatchewan river. The

nearest point from which water could be brought to this basin would be from the Qu'Appelle, which comes about here.

I think we have to regard this, apart from the importation of waters from the Missouri river, which would flow northeast to the Souris. The United States is now practically proposing the bringing in, from roughly this line and fanning out from there, 2 million acre feet of Missouri water. They are going to be in the lap of luxury as regards waters, whereas, we have to subsist with what we can get by conserving the flows of the Souris river itself.

Saskatchewan is satisfied to follow the same rules that have been adopted in other basins where rivers were needed for irrigation purposes, and so on, which flow across the boundary, namely; an equal division of flows. With those flows they feel that this region can be looked after. There are other such basins further along the Saskatchewan border.

The precedent we think of, of course, is the situation in regard to the Mary and Milk rivers in Alberta. If we can get over some statements in regard to priorities of small amounts, first to one and then to the other, then the flows could be divided fifty-fifty respectively between the two countries.

Saskatchewan has said that it would be happy to agree to the retaining of half of the flow of the Souris river and to allow the other half of the flow to pass into North Dakota. There is a considerable increment of flow into North Dakota.

By the same rule it would be equitable if the flow at this point were equally divided between North Dakota and Manitoba.

Actually at the moment Manitoba is satisfied with a guaranteed flow of 20 cubic feet per second during the five summer months. They have warned us that that condition cannot persist because there will be a developing need as a result of the changing pattern in the farming communities where irrigation waters will be required.

We have represented that as a fair division between the Saskatchewan end and North Dakota here. Namely, a fifty-fifty division of the flow at the boundary.

That is also a fair arrangement to contemplate in the future as a division between North Dakota and Manitoba.

The thing that stands in the road of that business is the fact that the United States Wildlife Service has moved in here and dammed up these streams.

Q. Do those pink areas represent the refuges?—A. These pink areas represent sections reserved for ducks.

The result of that is that most of the flows through here, after satisfying the needs of farmers along here in regard to their ordinary water supplies—the little city of Minot, which draws a lot of water out of the stream, and other areas all along which have comparatively minor uses—is that most of the water that crosses the boundary goes into these areas for the ducks and goes off in the form of evaporation and is not doing anything for humanity.

Q. There are no power developments along there, are there?—A. The only use of water for power is the condensing water for the steam plants. We have a plant here at Estevan. This plant uses Estevan coal and the water down here. This dam is being added to supply water for condensing in the steam plants.

By Mr. Murphy:

Q. How much water flows into the Dakotas from Saskatchewan?—A. It varies from nothing—literally nothing—to perhaps 200,000 acre feet per year.

Q. How many cubic feet per second on the average does it amount to?—A. I cannot give you that figure in terms of cubic feet per second from memory. This is a very intermittent stream. I could tell you that what we have provided

here for summer flow is a minimum of 20 cubic feet per second which must be released. That is just about enough to supply the domestic requirements along that river in this section of Manitoba. That provides for stock watering and for watering of gardens, and so on.

By Mr. Dinsdale:

Q. On that point, General, you emphasized the need from the Manitoba side in terms of irrigation and domestic use. Is the recreation function taken into consideration in those negotiations with the States?—A. Yes, the recreation function has been taken into consideration. This has not been a particularly live issue because, with the number of dams—there are half a dozen dams along the Souris river built by the Prairie Farm Rehabilitation administration of Manitoba—this is all live flow in the summertime, and it seems to satisfy everybody.

Q. This has been an issue in the past few years especially around the town of Souris, for example.—A. This has not been represented as a serious issue to the commission.

Q. Oh, it has not.

Are all the duck refuges on the American side sponsored by the Wildlife service and not by Ducks Unlimited?—A. No, no. Ducks Unlimited is a private organization. The Wildlife Service is a United States Department of Interior Service.

These areas were originally marsh land, I suppose, and now the evaporation is several feet. I cannot recall the exact figure in the course of the average summer but most of the water goes up in the form of vapour.

The United States has maintained, of course, that having put their wildlife service into operation first, they have the right to maintain it. First in time, first in use is the doctrine that the United States adopts. We say that it has no application.

By Mr. McGee:

Q. How recent was this action of theirs?—A. Of the Wildlife Service, you are speaking?

Q. Yes.—A. It has been going on for the last 30 years. I am speaking of the building up of these refuges down there and the drawing of ducks into them—as if there were not enough sloughs up here to look after the ducks, and so on. They have them anyway and they maintain they have a priority of right.

Q. That is not recognized?—A. We do not believe it is in accordance with the treaty as the treaty has been written. However, the more you have to deal with these international problems—I think one ought to say—the more we find we must look for interim solutions which will give practical satisfaction to peoples of the communities that have to be served. It is not useful to press a theoretical right beyond certain practical limits. If this is needed, then we do press for it.

We have reserved our rights and the commission has reserved its jurisdiction by confining the recommendation, which is presently before the governments, to interim temporary solutions. The moment that these foreseeable irrigation uses in Manitoba develop—they have not developed yet—beyond the limits of what they are now, the governments will have the opportunity to say that it is not a final solution and that they want the commission to go ahead with negotiations.

By Mr. Murphy:

Q. If you want a review later, does one government have to give one year's notice, or two years' notice to the other government?—A. No. This is an

interim order and the procedure to re-open these recommendations, providing the governments approve what we put before them, involves notice from either government at any time.

By Mr. Dinsdale:

Q. Manitoba has apparently approved of this?—A. The original commission's order provided only 10 cubic feet per second as flow during the five summer months. When the matter was critical and that was found to be insufficient Manitoba made representations to the commission, and the flow was raised to 20 cubic feet per second during the summer months. That is continuing. I think there is a change in the pattern of agriculture in the Souris basin of Manitoba.

Manitoba is entirely satisfied, but has reserved its rights. It has not given away any rights, and that is why we call it an interim border.

By Mr. Murphy:

Q. Your commission does not have the power to enforce regulations, does it? The international Joint Commission does not have the power to enforce regulations. Is that done through the governments?—A. That is right, sir. We have no jurisdiction. We may issue an order, and then it is up to the governments. We have jurisdiction—it is a conflicting term; it is hard to explain sometimes.

In this particular case it is not a matter ordinarily under the jurisdiction of the commission. In a case where we have been asked to give what is an equivalent to an advisory opinion, then having given that opinion, the governments adopt it, and it is up to the governments to give effect to it.

Q. The same principle applies to sewage disposal and to the law forcing municipalities to put in proper sewage?—A. It is a matter for the governments to deal with, not for us.

Q. But you would recommend it in the first place?—A. Under the treaty of 1909 the governments entering into the treaty gave jurisdiction to the commission only on certain aspects of boundary waters and so on, and they set the commission up as an authority to do things.

Those conclusions when arrived at by the commission are enforceable, but not in this case, when these are advisory opinions which are given.

I think in all these matters—and these are very very difficult matters concerning the diversion of waters in a region which has not got too much water, the test of what you do is: does what you propose provide a practical solution to the situation at the moment, or is there another situation which you can see developing where something additional has got to be done.

If so, if you feel you have the thing settled, you can give a firm conclusion as to what the governments ought to do. But if you feel a situation is developing in such a way that it will require a change, then you say to the governments: do this for the moment, and when the situation becomes acute, we shall take it up again and clear it up, and reopen it. We would suggest to the governments that they make only an interim solution.

In making recommendations we have had full agreement with the province of Saskatchewan and the government of Manitoba. With the United States commissioners, we have agreed that it is the reasonable thing to propose, and we are waiting to hear whether North Dakota and the United States government will give effect to it. But that is not for us to say: it is for the governments.

The CHAIRMAN: Shall we now pass on to the Columbia river conference?

By Mr. Jones:

Q. In connection with the Columbia river, I think that General McNaughton indicated there was, in the course of preparation, a report which would be presented later this year. Is that right? An engineering study of the Columbia will be presented later this year?—A. I made reference to the studies which have been carried on for the commission by our international Columbia river engineering board which, in accordance with the agreement reached at the meeting in New York in January of this year, will be focused on what we call the three sequences.

The word sequence is merely a name for a particular study of storage and power sites in the basin.

These studies, which are all related to the use of the waters within Canada, are proceeding.

The engineering board, we expect, will report on those studies sometime in November or thereabouts; and we have those reports before us, then the commission will come to grips with what can be done.

Q. It is not possible to come to grips with them until you do get those reports?—A. That is right. These three sequences are as follows: one positions the water very much as the United States would like to see it positioned. That is known as sequence seven.

Sequence nine is a positioning of the waters as we in Canada would like to position them, and to build up storage.

It puts the water high up in the basin, and it will possibly combine a diversion of these waters through the Monashee mountains through a tunnel which runs from Revelstoke, for instance, down to the Eagle river and so into the Columbia, for use through heads of whatever the diversion is agreed upon.

This involves the amount of water which would be used in the Fraser basin, which is a very large block of power to Canada. That study has gone on.

Now the problem with which the commission will have to come to grips is really this: Canada believes it has the right to make this diversion. They have every reason to think that that is what the treaty means.

The right to divert has been asserted and used by the United States; and what is possible for one in equity may be possible, fair and right for the other.

By Mr. Murphy:

Q. Would you elaborate on that? I am confused about waters being used. Do we have the responsibility to supply all the water for the United States that we do now, that they are now using?—A. I am not quite sure just what you mean, Mr. Murphy.

Q. Suppose we divert the whole stream and the United States would not get any. Is there not a principle in effect that the water they have been using—a certain amount of water—that we must furnish them with that amount of water from those rivers which have their head waters in Canada?—A. The situation in the Columbia is this: that this whole matter of the use of waters was referred to the commission in 1944 for an advisory opinion, and only an advisory opinion has been tendered. No one has any right to assume that they can take the waters out.

By Mr. Jones:

Q. Perhaps in view of what the chairman says we might await further consideration on this until we have the reports at the next session. I presume they will be available at that time?—A. I think that is right. On this matter there is very little elucidation I can give in detail until the reports of the

board are available to the commission except to say, as I have said, that these reports will cover, as has been arranged, the possible uses to the best advantage of the United States, and the possible uses to the best advantage of Canada as we see it under the treaty, and the possibilities of diversion, in degree, if that should possibly be done.

When these reports are made available, the board will give consideration to them under the duty and obligation of getting the governments to come up with some positive recommendation if we can as to what should be done about it.

By Mr. Murphy:

Q. I had the impression that the two federal governments were dealing with this matter at government level—am I wrong in that? Or is the Columbia still completely within the jurisdiction of the International Joint Commission?—

A. The matter has been referred to the International Joint Commission under the reference of 1944, and the commission is proceeding at this time under that reference.

Q. The reason I make that statement is that I was under the impression that a few months ago a discussion took place between the Prime Minister of Canada and the President of the United States on this problem.—A. In answer, I would say unquestionably that there have been discussions at a diplomatic level taking place, but there has been no alteration in the terms of reference and the instructions given to the International Joint Commission. As a consequence, the International Joint Commission is proceeding with the task which has been given to it, and will endeavour in due course to put an appropriate report before the governments.

This is a matter which we have before the International Joint Commission under the provisions of article nine, and it is to make an inquiry into the situation and to make proposals for a solution to whatever the difficulties are. It is not one in which the commission exercises jurisdiction. It can only report, and then it would be for the governments to decide what to do about it.

Q. As I see that report—maybe I am wrong—you will be representing the interests of Canada, that is, the Canadian members of the Commission, and the American members of the commission will be representing the interests of the United States.—A. It may well work out that way, I would say; and again, as a commission, there is a certain collective responsibility to arrive at a reasonable solution.

I do not think that the problem that we have in the Columbia is more difficult than a lot of others. I think we will manage to find a solution, not to everybody's liking, but one which is essential to the best interests of both countries.

Q. The United States authorities do agree to our rights to these rivers, where the head waters are in our country, on the same basis that they have exercised those rights affecting Canada and Mexico. Do they recognize in law that we are legally justified in that assumption?—A. I would hesitate to go as far as to say that I could answer you affirmatively. I do not believe I can.

The interpretation of these matters is somewhat different. It depends from which direction they are being looked at.

By Mr. Herridge:

Q. I must apologize for being absent from the committee for half an hour, as I promised to be in the house. But I would like to ask General McNaughton one or two questions.

You have just concluded a survey in respect to the Columbia river basin with the commission.—A. Yes sir. The commission, with representative members of the engineering board and a number of other advisers made a complete

traverse of the Columbia basin starting in the United States and going along the Kootenay river and crossing the divide from the Kootenay to the Columbia and along lake Windermere and following around Big Bend and back down to Revelstoke, then on down through the Okanagan, picking up the Columbia again and following the Columbia right down almost to the sea, visiting such plants as the Bonneville plant, and then going on to Portland which is the headquarters of the Bonneville power administration where we had talks with the administration.

We covered by bus something over 2,000 miles in about twelve days. This enabled not only the members of the commission to see to a degree the bigness of the whole problem facing us under the Columbia river reference, but it also enabled the commission and its advisory personnel to see, at first hand, the stages of these developments which will be under very active discussion starting in the fall as we get these reports from the boards.

Q. You would meet quite a number of the local people in travelling through there. Did you not find a tremendous interest in the development of the basin, and an increasing understanding on the part of the local people of what is being done to protect Canadian interests, and how fortunate it is that these things have been done?—A. In answer to that, Mr. Herridge, travelling at that rate—we started early in the morning, and spent most of our days on the bus, and getting in fairly late—nevertheless we did have some opportunity to talk to the people in the various localities.

But where we spent the nights, I can assure you that there is a growing awareness of the very acute problems which have been presented in this reference to the commission.

We started off some years ago with almost a complete lack of appreciation of this immense heritage which we have in the Columbia river. But today most people know that in the Columbia basin in Canada the potentialities for hydro-electric development within that basin alone, run to something over 4 million kilowatts of installed capacity. The possibilities of it and the importance of it to Canada are seemingly pretty well understood throughout the region, on the part of the people we talked with.

Q. I too found that to be the case in travelling around.

Mr. JONES: I am sure the committee would like to express its appreciation for the clarity of the evidence of the two witnesses who have testified today.

By Mr. Herridge:

Q. I have one more question. I do not know when the committee will adjourn and I do not want to delay it; but I was going to ask this: what physical surveys are still unfinished in this connection in Canada?—A. In the Columbia basin, the basin has now been very thoroughly—I think I can use this term without exaggeration—very thoroughly canvassed and surveyed.

In due course we shall have not only the reports and comprehensive studies which have been made under the auspices of our own committee, but in addition there have been other surveys made and carried out for the government of Canada by the British Columbia engineering group, and still others by the Montreal engineering people, and these reports in due course will be made available to us.

British Columbia has had a separate investigation carried out by the firm of "Crippen Wright"; their report is due shortly. No doubt we shall receive a copy of it in due course.

In addition a number of other special studies have been carried out from time to time.

A good many proposals which differ somewhat from one another depending on the evidence that is presented, will, in due course, become matters of public knowledge. The commission will have them before it when they try to find the best way through these difficulties.

Q. There are no field parties out now. The field parties have finished their work?—A. I would not say that. There is mention in some of the reports of what is being done from time to time by parties which are still in the field. But substantially, the phase of investigation in the field is over, and the engineering boards are now busy analyzing the results and coming up with the answers.

By Mr. MacFarlane:

Q. I would like to ask about the International Joint Commission report published in 1950. I have read it with a great deal of interest. I would like to ask General McNaughton how close we are to reaching an agreement with the United States on the construction of the Libby dam—or are we close to an agreement even yet?—A. If you want a straight answer from the shoulder, I can say that we are not in agreement.

Q. There is a great number of residents in what we call the south country who will be flooded out by the high water of the Libby dam if it is ever built.

At the present time they are just sitting there. They do not want to build, repair, or do anything because they are afraid that as soon as they do, they may be flooded out. What we would like to find out is: what progress is being made for the proposed construction or completion of this project?—A. The matter, of course, is not for final determination by the commission. The report which we will make will be advisory to the two governments. Our hope is that when we get these reports of which I have spoken in November or in December we will be able to get to the next stage in the consideration of these important matters.

The United States, as you know, made an application to build a dam at Libby, Montana, or rather ten miles above Libby where the dam would be finally located. The effect of that dam would be to raise the water level at the boundary by 150 feet of head and to deny to Canada the opportunity of using that head to the advantage of Canada. But Canada, and in this case I mean the province of British Columbia, carries the rights to power within its borders.

The alternative which has been under discussion is to take a portion of the water of the Kootenay river across the low divide into the Columbia lake, the source of the Columbia river, down that river and joining up again when the Columbia and Kootenay rivers come together in the vicinity of Castlegar. Now, through that route the effective head which can be developed along that route is increased for Canada to something over 1,000 feet of which nearly 600 feet is in the West Kootenay. That represents an addition of something more than half a million kilowatts of installed capacity in Canada which it appears Canada, or British Columbia, has the right to do if the governments decide that should be the case.

The United States have an alternative, if Canada should permit the flow to go down to Libby, which would give 150 feet of the Canadian head to the United States and then there would have to be some recompense in all justice to Canada. If the United States is prepared to make an equitable proposal along those lines, that, in due course, will be considered. Consideration of these matters is pending the studies which are now approaching completion under the auspices of the International Columbia River Engineering Board.

Sequence 7 disposes of the waters in accordance with the suggestions made by the United States, namely, which provide that the flows continue down the Kootenay river and that the Libby dam would be developed and if

other dams along the river should be developed in the United States these flows would continue down to the Kootenay loop in the United States and back into the Columbia as the river runs at the present moment.

Sequence 9, which has been proposed by Canada—and by Canada I mean the Canadian section of the International Joint Commission—is a proposal which would use the water to the best advantage of Canada. It provides that this immense advantage of the use of the Kootenay flow through the Columbia lake down through Windemere and down around the Big Bend would actually add about 700,000 kilowatts of installed capacity in Canada which would not otherwise be available. That is a lot of power. That is included in the sequence 9 studies which are up for comparison.

Then there is this sequence 8 to which I referred which is a sort of compromise between the two proposals.

These are the matters on which the International Columbia Engineering Board will report to the commission, as I have mentioned, in November or in early December of this year.

The matter which the commission must make up its mind on is how it is going to report to Canada.

Q. I do not know whether or not this is a fair question to ask. Do you think that the construction of the Libby dam will be in the foreseeable future?—A. I would like to say this about the general power situation there which dominates the issue: the question of power development and of making some sites available for power in British Columbia has now become very acute. It has become equally acute for the United States. There is a most urgent need to rationalize this whole problem in the Columbia, Kootenay and Fraser basins in order that the power which is possible could be developed. The reason why the commission has not been able to come to grips with this problem at an earlier time is because of the physical difficulty of collecting, assimilating, and studying, the engineering facts of the situation.

As I say, the Canadian government has spent about \$4½ million on these studies and the British Columbia government has provided a large amount of assistance; members of their staff are on the various committees under the Columbia River Engineering Board. For the first time we are going to deal with comprehensive proposals based on factual information.

Now, in respect of Libby, the whole history of it was explained at the last committee. Mr. Chairman, I could go over it again, but it is all on the record of this committee. I have nothing new to add in respect of Libby except to say that it is an expensive project as I pointed out last year. The cost per acre foot measured on a basis of storage is considerably higher than the cost of the storages which are available elsewhere in Canada. It gives up a tremendous advantage to Canada. I am not saying that Canada cannot be compensated for it—by Canada, I mean, of course, always British Columbia. As I just mentioned a minute ago, the difference in installed capacity using the water to the north rather than to the south is in the order of an installed capacity of 700,000 kilowatts, which is a lot of power.

With the full engineering reports, these things will be before the commission itself to reconcile and endeavour to find out what is best to recommend to the two governments. We hope they will be able to agree on it, but we do not know yet.

Q. In the event that the Columbia river is diverted into the Fraser river, would that have any effect on the proposed construction of the Mica dam?—A. The Mica dam is a project which appears in all three sequences.

Q. I know.—A. When I say that I am not saying that that is a final project, because there are a number of other alternatives which are under study demanding use of the head. The Mica dam was proposed at an early stage in our engineering studies and it certainly at that time, and on the basis of informa-

tion, stood out as a project which would serve the needs of power development and so on. The dam is capable of storing 11.7 million acre feet in the worst year on record of water, and that is a very large amount of water upstream; it represents a tremendous advantage. However, as time has progressed a number of other ways in which the head might be used have been studied and there are alternatives to Mica which, at this stage, I would not attempt to assess the advantages of one way or another. For the purpose of our forthcoming studies we have agreed upon certain heads for certain developments in sequence. There will be some modification. It would be strange if there were none, because a lot of effort has since been spent on this. Those will only represent what might be termed secondary adjustments in the positioning of the waters and so on. It will not effect the amounts appreciably of the overall contribution of the basin, but there will be some adjustments as we go along, and Mica might very well be one; but I will not say so at this stage. As I say, these studies are going on.

From the reports of the Columbia River Engineering Board we will have an opportunity to see exactly and precisely what these particular arrangements represented in each sequence will give. I make it as a forecast that before development takes place on these studies they will be modified somewhat by the more recent foundation information. The critical thing in this river is the difficulty of finding foundations. If you find another site which is cheaper and better from the foundation point of view the countries will take advantage of it.

The CHAIRMAN: Are there any other questions on this matter?

By Mr. Cardin:

Q. Mr. Chairman, the subject of my question is not covered by the topics which the General discussed this afternoon. I think, General McNaughton, you are aware that there has been a considerable amount of discussion on the possibility of going on with the Richelieu waterway. I am wondering whether or not the International Joint Commission has been asked by the government to open up the study on the Richelieu waterway. I believe it was started in 1937 or 1938?—A. The date of the commission's report on the possibilities of the Richelieu was in 1937 or 1938. At the time that report was made the commission reported to the government that until the St. Lawrence project itself had been constructed and some experience had been gained in respect of its effect on the transportation economics of the country that we should mark time on the studies of the Richelieu waterway. That is the way the matter stands at the moment.

The commission could hardly take up the matter again without a re-direction from the government. We have no direction of that sort as yet. It is a question for decision by competent authority as to whether this is the appropriate time or whether we should gain some experience with the operation of the St. Lawrence project so that we would be able better to see what the effect of the St. Lawrence project on the general economics of the river is likely to be. That is a matter for determination and the commission will operate under instructions from the governments in due course.

Q. Apparently the state of New York recently had a considerable interest in the development of this waterway. I am wondering whether or not either the government of the United States or the government of the state of New York made any representations to the International Joint Commission?—A. I can only answer that by saying the commission—both my American colleagues and ourselves—is constantly in receipt of letters from many interests in both countries advocating the reopening of the hearings and so on. The

determination of whether or not that should be done is a matter for the government and a matter on which the commission in due course will no doubt be instructed.

Q. No representations have been made either by the government of Canada or the government of the United States?—A. We have instructions from the governments as of today to proceed in this matter. It is for determination by the government as to whether or not this is the opportune time to undertake that or whether or not it might be better to have some experience with the St. Lawrence project before this great undertaking is reopened again.

Q. Thank you.—A. That is the way it was left and still remains as far as the commission is concerned. I think Mr. Cleveland will agree.

Mr. CLEVELAND: That is correct.

The CHAIRMAN: Gentlemen, we have been dealing with items 102, 103 and 544. Shall these items carry?

Agreed to.

The CHAIRMAN: Before we adjourn, there are one or two other things with which I want to deal. First of all we should extend a very hearty vote of thanks to General McNaughton. I feel that he has given us a very complete explanation. With hardly any reference to notes he can answer practically all the questions which the committee fire at him. I think we ought to extend our appreciation to him.

The WITNESS: Thank you very much. It is always a pleasure to appear before you.

The CHAIRMAN: In respect of number 3 of the minutes of proceedings and evidence of this committee, an error occurred in the first printing which unfortunately dealt with some international affairs and I felt it wise to have a reprint ordered because not only today but also perhaps in the years from now somebody might make reference to it. And so there will be a little delay in receiving that report.

Are there any other matters that you wish to bring before the committee before we adjourn? Oh yes, I have one myself. Earlier I suggested that members of the committee write me a letter or note with suggestions as to what should or might be incorporated in the report, and in the preparation of the report I will bring these letters to the attention of my steering committee. Are there any other questions that you wish to bring up?

Mr. LENNARD: There is a matter, Mr. Chairman, in regard to the pictures and selected paintings that were to be selected and forwarded to embassies abroad. I have a question on the order paper to which I have not received an answer. I am a little concerned about the selection of these paintings—as to what nature they will follow. I myself feel they should be more or less landscapes depicting Canada at its best, and not these futuristic things we have to put up with these days. I am absolutely opposed to a lot of pictures where you do not know whether or not they are being hung upside down. I am very concerned as to the ultimate selection of these 150—or whatever the number is—which are to be selected, and I want to know—

The CHAIRMAN: Shall I call Mr. Matthews in regard to this matter? I believe he is acquainted with some of the aspects of this question.

Mr. LENNARD: I might say in passing—I do not want to delay the committee—but several years ago I attended a public exhibition of paintings and the person in charge met me. I met him, but I had just about completed my inspection of this exhibition and he asked me what I thought of them. I said there were several landscapes I did appreciate and one or two portraits I thought were fine, but some of these modern dabs he had in the exhibition, I did not know whether they were hung upside down or not. He assured me that was

not the case; but he was otherwise informed and six months later when I met him he said that three of them were. He said his attention had been drawn to it, and he was put out because these modernistic dabs were hung upside down. I do not want anything like that to go abroad from Canada.

The CHAIRMAN: We would be glad to hear from Mr. Matthews at this point.

Mr. MATTHEWS: We can assure you the ideas of the department as to what are suitable are ones we think will appeal to you. As was mentioned in the under-secretary's statement, we are having an exhibition from which we hope to be able to choose a good many pictures this year. When the under-secretary wrote to the director of the gallery suggesting the type of painting he wanted, these are the words he used:

What we require are oil paintings which would not only illustrate the best work of contemporary Canadian painters, but also serve to interpret Canada for persons visiting our embassies and chanceries abroad. I have in mind Canadian landscapes and townscapes, genre paintings of all kinds, figure paintings and still lifes. As controversy would be out of place in this connection, I consider that non-representational paintings, and paintings of the nude, unless of exceptionally high quality and by internationally recognized Canadian artists, should not be accepted.

That is a description of the type of painting that we suggest.

Mr. LENNARD: That sounds fairly good.

The CHAIRMAN: I think that explanation would meet the wishes of the committee. Are there any further questions on this matter?

Mr. KUCHEREPA: It sounds good on the surface, and I agree with the general content of the statement made by Mr. Matthews. However, it might be a good idea that a subcommittee of this committee, possibly chaired by the chairman, check on the selections before final approval is given, so that there will be no question in the future that we had purchased paintings which were not agreeable to the members of the committee.

Mr. JONES: Include me out.

The CHAIRMAN: Would anyone else like to express his opinion on this?

Mr. HERRIDGE: I think, Mr. Chairman, the statement is pretty clear and definite. I think it gives effect to what Mr. Lennard was expressing, to a great extent. The only question I would like to ask is: what is the objection to nudes? Are Canadian nudes not considered proper pictures?

Mr. MATTHEWS: It might follow that some people might object, if these were hung in Canadian embassies. We prefer not to have anything that might give rise to controversy.

The CHAIRMAN: I think Dr. Kucherepa's suggestion is very good.

Mr. JONES: Perhaps, Mr. Chairman, that is an item that might be dealt with at another time. I understand we will probably have to meet again to deal with the report.

The CHAIRMAN: Yes.

Mr. JONES: And if this matter is to be proceeded with perhaps it could be dealt with at that time, as we finish our reference.

The CHAIRMAN: It is your idea that some reference could be made in the report?

Mr. JONES: I would say that we could consider whether it is necessary to include that in the report, when we meet to consider the report.

Mr. HERRIDGE: I think that is a good suggestion. A discussion could be carried on when the report is being considered in camera.

Mr. KUCHEREPA: I should point out the original selection will be made by experts, but just as a final approval the subcommittee might have a look at what is being purchased and express their views as members of the committee. They seem concerned that we obtain a type of painting which would be descriptive of Canada.

The CHAIRMAN: Might I ask when will this exhibition and selection take place?

Mr. MATTHEWS: It will probably be some time in October.

The CHAIRMAN: If it was while we were in session it would be probably easy for the whole committee to view it, but if we are not in session it might make it rather difficult. I might ask another question; will there be any supervision exercised by the Department of External Affairs?

Mr. MATTHEWS: Oh yes, very definitely.

The CHAIRMAN: In the choice of these.

Mr. MATTHEWS: Yes. Representatives of the department, together with the officials of the National Gallery, will decide. They recommend to us; but the final decision must be a departmental decision for which the minister is responsible.

Mr. HERRIDGE: I think we should leave it to the persons choosing the pictures originally. We will leave it to those who are more suited to make a choice.

Mr. FAIRFIELD: I am afraid you would never satisfy the members of the committee in total. It would probably take 150 years to select 150 pictures.

The CHAIRMAN: I think it is generally agreed then in the committee that the Department of External Affairs and through them the gallery will understand the expressed wishes of this committee, and we can leave it in the hands of the Department of External Affairs. We will consider a reference to it in the report.

Mr. LENNARD: My only concern is, if there is a rabbit in the painting we want to be able to distinguish it as such.

The CHAIRMAN: I think we have covered the subject pretty well.

Now, there is one other matter. It is hoped that we will have the report in shape to present by next week, and until that time this meeting stands adjourned.

