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## A MAJOR COMMONWEALTH CRISIS

On March 17, Prime Minister Diefenbaker reported to the House of Commons in the following words concerning the discussion, during the recent conference in London of Commonwealth Prime Ministers, of South Africa's racial policy and the future relations of that country with the Commonwealth:

"...My primary purpose in rising today is to bring before the House something of the events of the last two weeks. The meeting of the Commonwealth Prime Ministers began in London on March 8 and, as the House knows, I was accompanied there by the Minister of Justice and the Secretary of State, and was assisted during the Conference by the High Commissioner to the United Kingdom, Hon. George Drew.

"The Prime Ministers' Conference is a most unusual convocation. We sit around a small table with practically all the races of man and five of the leading religions, Christian, Jewish, Buddhist, Hindu and Mohammedan, represented there. While during the discussions there are always disagreements in detail, there is that feeling that came to me as I visited the Commonwealth countries in Asia and Australia and New Zealand some years ago, a feeling that defies explanation or understanding. It is just impossible to believe that any of the members of the Commonwealth could ever be at war with one another.

## SETTING LESS DARK

"We met in an international setting not as dark as in May 1960, when the last meeting was held, but there are disturbing elements. While the Soviet campaign of vilification against Washington has subsided, and this is encouraging, there has been no sign of restraint in other ways by the Soviet leaders. They have relentlessly pursued Communist aims in countries as far apart as the Congo and Laos. I am not going to deal ... with the Congo except to say that there the United Nations is on trial, and if it does not succeed in restoring law and order in that country the hopes and aspirations of mankind with respect to that institution may very well be diminished.

"While all of us know the situation in Laos, those who live in Asia regard it as fraught with terrible danger.

"The Soviets have maintained with increasing vigour their assault on the United Nations and also on the Secretary-General. Notwithstanding smiles toward Washington, there is much evidence that the Soviet Union is not preparing genuinely for a period of calm and conciliation.

## SHADOW OF RED CHINA

"Everywhere over that Conference came the shadow of Communist China, the leaders of which country show an even greater thirst for domination and influence in the uncommitted

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world than does the Soviet Union. The Prime Ministers were acutely conscious of these uncertainties and dangers. We dealt at some length with the current international situation, and I will deal with that on another occasion.

"What I intend to do today is mainly to emphasize the momentous change that took place in the future relationship of the Union of South Africa with the Commonwealth. Some may say this is being emotional, but my mind goes back to February 1917, when for the first time I had an idea of what this Commonwealth might be. The expression was not in general use at that time, although it had been originally used some 25 years prior to that date. I saw the King going to open Parliament in the darkest days of the War escorted by three or four troops of Boer cavalry, all of whom had served against Britain only a matter of 14 or 15 years before. All of us saw, too, the contribution made by the Union of South Africa in two World Wars.

"Even before the meeting, it was very clear that this would be the focus of general attention. I do not think it is an overstatement to say that in the long history of these Commonwealth or Empire meetings—we have had ten since the War—no issue so severely strained or tested the flexible bonds of the Commonwealth association as did the one which faced this Conference.

#### SOUTH AFRICA AND THE COMMONWEALTH

"You will recall that South Africa first raised the question of its future relationship with the Commonwealth at the meeting of the Prime Ministers in May 1960. The Foreign Minister of that Union gave notice of the intention of his country to hold a referendum on the question of whether South Africa should adopt a republican form of government. At the same time he asked for advance approval of its continuance of membership or readmission to the Commonwealth. At that time we gave to this problem a twofold reaction; the Prime Ministers affirmed that the choice between a monarchy and a republic was entirely a matter for South Africa to decide, but they also agreed unanimously, and I intend to read this because it represented a change in the Commonwealth relationship which had previously existed—

"In the event of South Africa deciding to become a republic and if the desire was subsequently expressed to remain a member of the Commonwealth, the meeting suggested that the South African Government should then ask for the consent of the other Commonwealth governments, either at a meeting of Commonwealth Prime Ministers or, if this were not practicable, by correspondence."

"On October 5, 1960, South Africa's choice was made by a referendum which resulted in a majority favouring the adoption of a republic. Subsequently the Government of that country announced that a republican constitution would

be proclaimed on May 31. I felt and still feel that we had made it clear last May that there was no automaticity about the application of a country which was a member of the Commonwealth and which changed its form of government to that of a republic; and that until the legislative processes had been completed the decision had not finally been made.

"That view did not command general support. I should point out here that the first reading of the bill to set up a republic was given in the South African House of Representatives on January 23, that second reading was given on February 9, and that then the bill was referred to a select joint committee of both Houses, the committee to report to Parliament on March 24. Hence the matter is still before the Parliament of South Africa.

#### WHAT SOUTH AFRICA SOUGHT

"What in effect was being asked was advance approval prior to the final legislative decision being made, something that was denied last May. The wording of the communiqué in May 1960 reflected the general view of the Prime Ministers that a positive act of concurrence was required on the part of each of the other member governments if South Africa's request for consent to remain a member of the Commonwealth was to be granted. It was agreed by the Foreign Minister of South Africa that all governments would have to consent; at least that was the statement he made in May last. It was argued that, even in the face of the wording of the communiqué last May, it was still a virtual formality for countries applying for continuance of membership to remain as members. I think it was the consensus of a majority, if not all of the Prime Ministers, that more than a formality was involved....

"Dr. Verwoerd, the Prime Minister, relied throughout on the argument that the constitutional issue should be dealt with separately, and that on the basis of the precedents there should be no question of South Africa's right to continuing membership. The discussion took a long time. All agreed that South Africa's constitutional change was not in itself an obstacle to continuing membership, but the view was strongly held that the question of membership could not be divorced from the international implications of the Union Government's racial policies. *Apartheid* has become the world's symbol of discrimination; and in the eyes of the Prime Ministers present, other than Dr. Verwoerd, to give unqualified consent to South Africa's application would be to condone the policies of *apartheid*.

"That was the core of the issue which engaged our attention for three days. It was, I have been told, a discussion without parallel in the annals of the Commonwealth association. It is a great organization where men—and a woman this time, the Prime Minister of Ceylon—with strong convictions, can sit down together and yet not speak to one another at

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## GARMENT SIZING REGULATIONS

Mr. George Hees, the Minister of Trade and Commerce, announced recently that National Trade Mark Garment Sizing Regulations had been enacted, and that a "Canada Standard Size" label had been designed to identify garments manufactured to the required specifications.

This standardized system of clothing sizes has been developed by the Canadian Government Specifications Board in response to requests for standard-sized clothing in this country, and more particularly for children's clothing.

### CHILDRENS' WEAR STANDARDS

The size designation of children's clothing, based on age, is considered unsatisfactory, owing to the wide variation in the body measurements of children of the same age. Thus, a system based on standard body measurements was evolved, and adopted after the measurements of many Canadian children had been checked. As a result, standard clothing sizes have been established for boys and girls up to the age of 19 years.

Dimensional standards have been established for 18 kinds of children's underwear and sleeping garments. It is proposed to provide specifications for outerwear, and eventually for women's wear, thereby eliminating many of the frustrating problems that are involved in buying clothing and finding garments that really fit.

It is expected that size-standardized children's under garments will appear on the retail market by the end of 1961. A licence to use the "Canada Standard Size" label will be issued by the Standards Branch, Department of Trade and Commerce, to manufacturers and retailers who are ready to comply with the regulations.

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## NEW EDITION OF CAREER MONOGRAPH

A new edition in the *Canadian Occupations* series, "Printing Trades", has been released, the Department of Labour announces. This, No. 9 in the series of monographs, is a 48-page booklet dealing with the main occupations in type-setting, plate-making, lithography, press work and book-binding. It covers the field under the headings "History and Importance", "Printing Methods and Processes", "Nature of the Work", "Personal Qualities Needed", "Preparation and Training", "Working Conditions", "Distribution of Workers" and "Trends".

The *Canadian Occupations* series covers a wide range of occupations, including many professions. It is prepared by the Labour Department's Economics and Research Branch to meet a demand for current information from young people faced with the need for choosing

an occupation and preparing for it; from parents, teachers and vocational guidance counsellors; from workers wishing to change their occupations; from employment service officers from personnel directors and union officials, and from other quarters.

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## NEW OTTAWA PROTOCOL HEAD

The Secretary of State for External Affairs, Mr. Howard Green, has announced the appointment of Mr. Henry F. Davis, at present Head of the Department's European Division, as Chief of Protocol. He succeeds Mr. H.F. Feaver, whose appointment as Ambassador to Switzerland was announced earlier. Mr. Davis will take up his new duties shortly.

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## COMMERCIAL FAILURES IN 1960

Canadian business failures recorded under the provisions of the Bankruptcy and Winding Up Acts during 1960 numbered 2,699, an increase of 21 per cent over the preceding year's total of 2,229. Defaulted liabilities rose to an estimated \$148,253,000 from \$95,786,000 in 1959, and the average liability to \$54,929 from \$42,973.

Failures in the trade sector rose from 672 in 1959 to 919 in 1960, with increases in general merchandise, automotive products, clothing, hardware and building materials, and furniture and appliances. Bankruptcies in the manufacturing industry increased from 374 to 546, due largely to an increase in failures in the iron and steel, wood products and miscellaneous industries. Insolvencies in the construction business rose from 449 in 1959 to 604, transportation from 76 to 107, and in services from 307 to 322. Estimated liabilities in the mining industry rose from \$697,000 to \$44,442,000. Liabilities in the construction business increased from \$21,868,000 to \$31,049,000, the trade sector from \$32,172,000 to \$33,846,000 and transportation from \$1,388,000 to \$2,799,000. Manufacturing industries, finance, public utilities and services showed lower liabilities in 1960.

### PROVINCIAL FIGURES

There were 1,561 failures in Quebec in 1960 as compared with 1,366 in the preceding year. Total estimated liabilities in Quebec declined from \$50,034,000 to \$47,467,000, with the average liability declining from \$36,628 to \$30,409. Bankruptcies in Ontario increased from 658 to 880 and total liabilities from \$34,156,000 to \$86,798,000; the average estimated liabilities increased from \$51,909 to \$98,634, due largely to failures in the mining industry. The number of insolvencies in the Prairie Provinces increased from 93 to 106 and total liabilities from \$2,886,000 to \$6,007,000. In British Columbia the number of

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failures was 76 in 1959 as compared with 106 and liabilities rose from \$5,429,000 to \$7,071,000. The Atlantic Provinces had 46 bankruptcies in 1960 as compared with 36 in 1959 but liabilities declined from \$2,302,000 to \$1,909,000.

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## BALANCE OF INTERNATIONAL PAYMENTS

There was a contraction in the imbalance in Canada's current transactions in goods and services with other countries in 1960 to \$1,270 million from a revised estimate of \$1,494 million in 1959, according to advance figures that will be contained in the fourth-quarter 1960 issue of "Quarterly Estimates of the Canadian Balance of International Payments", published by the Dominion Bureau of Statistics. At this level in 1960, the current account deficit was less than in any year in the past half decade except 1958.

Inflows for direct investment in foreign-controlled enterprises rose to new heights but there was a sharp contraction in inflows of portfolio capital. Inward movements in other short-term forms supplied a slightly higher proportion of the financing than in recent years.

### DEBTS ABROAD

By the end of 1960 Canadian liabilities of all kinds to other countries, estimated at \$26.1 billion, exceeded the total of Canadian assets abroad of \$9.1 billion by \$17 billion, which compares with net international liabilities of \$15.5 billion at the end of 1959. The principal elements in the liabilities are the foreign long-term investments in Canada with a value estimated at \$22.3 billion in 1960 compared with \$20.8 billion in 1959. Direct investments in foreign-controlled enterprises amounting to \$12.8 billion make up more than half the total of foreign long-term investments in Canada.

The most important single change in the current account in 1960 was the rise in the value of Canadian exports. The increase in receipts from this source was entirely the result of general rises in Canadian exports to overseas countries, which rose by 20 per cent in the face of a contraction in exports to the United States. At the same time, imports of merchandise were slightly less both from the United States and overseas.

While there was, accordingly, a sharp decline in the deficit from merchandise trade to \$148 million, there continued to be a large deficit of \$1,122 million from non-merchandise transactions. The latter was at a higher level than ever but the rise of some 5 per cent from the previous year was more moderate than in earlier years. As has been the case over the years, the continued growth in imbalance was dispersed over most items and in 1960 the deficit from each of the non-merchandise items (except gold and official contributions) was

higher than ever before. One reason the increase was less pronounced than formerly lies in the unusually low level of dividend transfers by subsidiaries to parent companies in the final quarter of the year.

### GENERAL BACKGROUND

The general economic background affecting the Canadian balance of payments for 1960 was one of divergent trends, overseas and in North America. These are exemplified by the strong demands for Canadian exports originating in the United Kingdom and other countries of Western Europe and elsewhere overseas, on the one hand, and the more hesitant economic conditions in the United States and Canada. The effect of the divergent economic trends was, of course, to increase exports to overseas at a time when Canadian exports to the United States were tending to lag and when Canadian imports were no longer showing the tendency to grow so evident during the past decade. Affecting the level of imports more specifically have been such important influences as a reduced scale of business investment in Canada and some reductions in business inventories during part of the year.

In the fourth quarter, following a fairly substantial dip in the current account deficit in the third quarter, the deficit again widened to \$318 million in the last quarter of 1960.

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## GEOLOGICAL SURVEY FINDS, 1960

Geologists of the Geological Survey of Canada made a number of interesting finds in Eastern and Western Canada during the course of their field work in 1960, Mines and Technical Surveys Minister Paul Comtois said recently. The finds comprise: a magnetic anomaly with an intensity of more than 8,000 gammas above background in southern Mackenzie District in the Northwest Territories; seven large bodies of ultrabasic rocks, four of which contain chrysotile asbestos, in the Prince George area of central British Columbia; spodumene (a lithium mineral) and beryl (a beryllium mineral) in southwestern Nova Scotia; and lead and zinc on Cape Breton Island.

Accounts of the discoveries are contained in Geological Survey of Canada Information Circular No. 4, *Field Work 1960*, by Dr. C.S. Lord, Chief Geologist, and Dr. S.E. Jenness of the Survey staff.

The anomaly in southern District of Mackenzie is centred approximately at latitude 61°05'30", longitude 107°46'15". It follows a northeasterly trend and is about one and a half miles long and one mile wide. The bedrock geology of this region is shown on Geological Survey Preliminary Map 8-1959, entitled *Pen-ian Lake - Firedrake Lake, District of Mackenzie, Northwest Territories*.

## ULTRABASIC ROCKS

In the Prince George area of central British Columbia, the seven large bodies of ultrabasic rocks were found by a Survey geologist mapping between latitudes 53° and 54° and longitudes 122° and 124°. All seven bodies contain the type of rock in which asbestos is normally found. One extends 12 miles from near the west end of Norman Lake to the south end of Naltesby Lake and has a maximum width near its south end of five miles. Another, two miles wide and more than six miles long, forms the crest of Sinkut Mountain. Four others occur in Telegraph Range.

In southwestern Nova Scotia, a Survey geologist found spodumene (a lithium mineral) and beryl (a beryllium mineral) in a pegmatite dyke 2,500 feet southeast of Brazil Lake crossroads. The dyke is exposed for 70 feet, with a width of at least 16 feet, and may extend northwards to the crossroads or beyond. On Cape Breton Island, another Survey geologist found lead and zinc in basal Windsor limestone about one-half mile southeast of the settlement of Lake Ainslie.

Commenting on the discoveries, Mr. Comtois pointed out that Survey geologists make no attempt to assess the economic potential of such finds. "The main purpose of most of the Geological Survey field work is to obtain basic data on the geology of Canada", he said. "The Survey then assembles, interprets, and publishes these data as maps and reports to guide those engaged in the search for and development of Canada's mineral wealth."

Mr. Comtois also pointed out that information on the discoveries has, in the public interest, been a closely-guarded secret until the recent publication of the annual information Circular on the results of the previous season's field work. This year, as in other years, the Circular, which is in great demand, was released simultaneously at the Geological Survey offices at Whitehorse in Yukon, Vancouver, Calgary, Yellowknife in Northwest Territories, and at Ottawa. It was also released this year at the Survey's display booth at the annual convention of the Prospectors and Developers Association being held in Toronto.

The Circular describes the 87 field projects undertaken by the Geological Survey in 1960. In addition to accounts of the discoveries, it contains much information of a more academic interest on the regional, glacial and structural geology of many parts of Canada. It is issued free of charge by the Geological Survey of Canada.

## FAIRS IN ACCRA AND LAGOS

The Department of Trade and Commerce, which is organizing trade fairs to be held in Ghana and Nigeria early in 1962, has just published a colourful prospectus that is being distributed to Canadian businessmen and manufacturers. It contains a brief story on Ghana and Nigeria, as well as descriptive details of the proposed exhibit area, and describes the services available to any Canadian company interested in taking part in these all-Canadian shows.

In a brief message contained in the prospectus, Mr. Hees points out that in the past Canada's trade with Ghana and Nigeria has been small and confined to a relatively narrow range of goods, mainly flour and motor vehicles exported from Canada, and cocoa beans, palm oil and manganese ore imported from these two countries. "However," states Mr. Hees, "Our common situation on the Atlantic and our complementary resources, coupled with the desire of Ghana and Nigeria to develop their economies as rapidly as possible, can lead to a very real expansion and diversification in our trade. Of particular interest is the fact that both these countries have recently eliminated their import restrictions on Canadian goods."

"The Canadian trade fairs in Ghana and Nigeria are designed to show these new markets what Canada can offer to meet their growing needs. To be successful, we must have the complete and enthusiastic co-operation of Canadian industry," the Minister concludes.

That the export potential of these new Commonwealth members is tremendous cannot be denied. Nigeria is only a third as large as Canada in area but has a population twice as large--approximately 36,000,000 and its imports have increased over the past five years to more than \$500 million. Ghana, about one-third the size of Nigeria has a population of 6,690,730. Imports into Ghana have doubled in the past five years to more than \$250 million annually.

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## ALBERTA MUNICIPAL LOANS

Alberta municipalities have borrowed a total of \$1,058,831 from the Alberta Municipal Financing Corporation during the first two months of 1961. The money will be used for the following capital purposes: Calmar, \$11,500, water and sewer, and \$11,000, sidewalks; Pincher Creek, \$46,000, water and sewer; Two Hills, \$38,394, water sewer; Spirit River, \$11,000, Water; Clive, \$42,000, sewer; Calgary Auxiliary Hospital District, \$250,000; Jasper Place, \$100,000, water and sewer, sidewalks, etc.; New Town of St. Albert, \$100,000 town hall, Lloydminster, \$180,000, water and sewer; Bowness, \$10,657, water and sewer; Coaldale, \$8,500, water and sewer; Forest Lawn, \$44,000, storm sewer; Leduc, \$56,780, paving; Ponoka, \$39,000, sewer, and Lethbridge R.C. School District, \$110,000.

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any time with bitterness, virulence or in the manner described in some of the articles written by persons who must have secured their information from sources not present at the meeting.

### COMPASSION WITH PRINCIPLE

"I said, and I repeat, that it was a time for the exercise of the utmost compassion, and I have no apology to offer for that. That does not mean an acceptance of what is wrong; and I have found through life that if you follow that course you do not too often have to look back on events and say 'If only I had acted otherwise'. Compassion does not mean sacrifice of principle. It is based on a seriousness of purpose and a desire for accommodation. Though viewpoints were diametrically opposed, there was a determination to explore every possibility of a solution. If that attitude had not been followed the meetings might well have ended in an angry outburst of mutual recrimination.

"Last night at the hour of 11.30 there were gathered in London the Prime Ministers of the Commonwealth—and South Africa is still a member of the Commonwealth—and you could not have detected there the tremendous effect of what had taken place a few hours earlier.

"We tried to do whatever was humanly possible to avoid a break without making a sacrifice of basic principles. South Africa sought consent on the ground that continued membership was a virtual formality. I took the position that, if we were to accept South Africa's request unconditionally, our action would be taken as approval or at least condonation or racial policies which are repugnant to and unequivocally abhorred and condemned by Canadians as a whole. Speaking for Canada—and I do not have to say that this attitude represents no recent conversion—I pointed out that we were opposed to racial discrimination, and made it clear that I could not approve any formula or solution which did not maintain beyond any doubt that non-discrimination in respect of race and colour is an essential principle of the Commonwealth association.

"This was not a stand which was taken then and not before; I have followed that course over the years. All but the Prime Minister of South Africa were in agreement that no expression of consent to South Africa's continuing membership was possible without an expression of the strongest views on their part regarding *apartheid*.

### CANADIAN ATTITUDE

"I shall not go into detail in this connection. We spent a long time on this. The general attitude we took was to criticize strongly and deplore the racial policy of the Union Government and the anxiety which we felt it

was arousing in the hearts and minds of millions of people throughout the world. We expressed our deep concern about its impact on the relations among the member countries of the Commonwealth and on the cohesion of the Commonwealth itself as a multiracial association. I took the stand then, and I have taken it before, that the United Nations answers to these principles, and that the Commonwealth cannot do less.

"The Prime Minister of South Africa stressed strongly the positive aspect of the Union Government's policy. He deplored the accusations of racial discrimination and contended that the other Prime Ministers did not understand the situation as they should. As I have already said, there was a patient and exhaustive search for a formula which would encompass frank criticism of *apartheid*. Somebody said 'We do not want compromise'. Well, the countries which feel discrimination most strongly, and which were the most outspoken critics, showed a desire and readiness at all times to come to agreement without sacrifice of principle, and I say in no bitter sense that there was no corresponding readiness on the part of Prime Minister Verwoerd. When I say that, I do not want Hon. Members to conclude that he was lacking in forbearance. He is a wonderful personality; he is a kindly burgher. In the face of strong and sometimes provocative criticism he maintained throughout an impressive courtesy and calm.

### BASIS FOR COMPROMISE DISSOLVES

"Was there ever a prospect of a constructive outcome? There might have been. There was a time when discussions seemed to give promise of a mutually acceptable solution. Dr. Verwoerd seemed ready then to acquiesce in a formula which would have been coupled with a declaration of principle by the cumulative conscience of the other Prime Ministers. That formula might have been accepted. But as discussion proceeded the basis of the compromise dissolved and it was impossible to find language capable of bridging the gulf. Again I say this; it is a lesson to those in this House who sometimes speak about what they would do if they were there. Those who belonged to non-white races showed an attitude of endeavouring to bring about some compromise.

"When that hope ended, criticism continued. With some evident regret and without any advance notice—although he read from a document which I observed was somewhat dog-eared—Dr. Verwoerd formally withdrew South Africa's request to continue membership. In the tense drama of that moment little remained to be said. The true depth of the cleavage between him and the things he represented and the other members of the Commonwealth was revealed, stretching to the breaking point the will to bridge it.

"As I said a moment ago, South Africa remains a member of the Commonwealth until May 31. Dr. Verwoerd made it clear that tradi-

tional ties with the Commonwealth countries will continue. It is difficult to convey the picture of only a matter of 12 or 15 hours ago, when we were together as guests of the Queen and when such a change came about with so little apparent ill feeling.

#### BREAK UNAVOIDABLE

"Was the result unavoidable? I think it was. Over the years I have contended that in a multiracial association it had to become clear beyond doubt that if the Commonwealth is to be a force for good, as it should be, there must be a measure of general agreement that discrimination in respect of race and colour shall not take place. I do not think we can compromise that principle if we believe that the Commonwealth has a mission for all mankind. It would lose its power to meet challenges and opportunities in the future. I am more convinced than ever as to the power of this institution touching every part of the world.

"I am not going to deal today with the conclusions on disarmament, but I think the discussions on that subject brought about a new relationship among the members of the Commonwealth; but not an institutionalization, or anything that would interfere with the sovereignty of any of us. The influence of India, Pakistan, Ceylon, Ghana, Nigeria and Malaya joining with the other members of the Commonwealth on a subject that has divided the United Nations and on which there has not been that progress that the Secretary of State for External Affairs would have hoped for, represents a major step... toward a realization that only through action now can we save mankind from ultimate self-destruction.

#### EFFECT ON COMMONWEALTH

"The question naturally arises, has the Commonwealth been weakened? Dr. Verwoerd says it is the beginning of disintegration. There are some who view with apprehension the shifting composition of the association. It is a strange thing, but out goes Verwoerd and in comes Archbishop Makarios to represent Cyprus. Sierra Leone was accepted, and other countries will be making application to join within the next year or so. The close intimacy of the days when the present Leader of the Opposition was Secretary of State for External Affairs, with a few members gathered about, is ended.

"There are those who see South Africa's decision as the forerunner of further withdrawals as a result of campaigns of criticism related to national policy. In that connection I should point out this. All of us agreed that no national policy of any country should be examined or considered without the consent of that country. Dr. Verwoerd himself undertook the explanation of the policies of his country.

"I do not minimize the risks inherent in the emerging trends. The task before the Commonwealth is to reduce the risks by building firmly on new foundations. What has happened might be epitomized thus. We have declared

that non-discrimination on the basis of race and colour is the foundation stone of a multiracial association composed of representatives from all parts of the world. No foundation could be broader or more solidly based than the fundamental principle which, though unwritten, has emerged from this meeting.

"I have advocated in the past, and I continue to advocate, a declaration of principles. When I spoke in the House on May 16 last, I referred to the possibility that the time might not be far distant when acceptance by custom rather than by the declaration of certain basic principles, including the equality of all mankind irrespective of race, colour and creed, would be assured. No document was signed on this occasion, but that does not diminish the importance of what happened. I reiterate that we accepted the basic principle and established it as a Commonwealth custom for the future. This is the bedrock of the modern Commonwealth, the assurance, as I see it, of a stronger Commonwealth in the future.

#### STAND OF NEW STATES

"You will have noted... that shortly before the meeting began the Chief Minister of Tanganyika, Mr. Julius Nyerere, published an arresting statement in which it was said that, in so far as Tanganyika was concerned, there would be no question of applying for membership in the Commonwealth if discrimination were condoned. That statement and others by African leaders in territories shortly to achieve independence foreshadowed the course and the promise of the future.

"There will be some who will say, and they will speak with great energy, that we should have pressed for the expulsion of South Africa. I remind those who speak in that vein that Ghana, Nigeria, India, Pakistan, Malaya and Ceylon did not follow that course. I think the fact that this break had to come and that South Africa should have withdrawn its application was the best course that could be followed. It provided a clearer opportunity of registering the principle of non-discrimination; for the Prime Ministers would not have been satisfied with less.

"As the Prime Minister of the United Kingdom said yesterday in the British House of Commons, I regret that South Africa made this choice instead of adopting the attitude of a reasonable acceptance of a primary fact in the world in which we live.

"I have seen the Commonwealth in a different light than ever before. We took the course that anyone who recognizes the fact that Communism marches on the application of discrimination, wherever it is practised, must take. I shall detour a moment to tell Hon. Members that, in the midst of the argument the day before yesterday, Dr. Nkrumah handed me a clipping regarding the denial of admission of two negroes to a hotel in the city of Edmonton. I do not think I have to make any further observation in that connection...."

