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EXTERNAL AFFAIRS

CHAIRMAN—MR. J. A. BRADLEY

MINUTES OF PROCEEDINGS AND EVIDENCE

THURSDAY, MAY 10, 1951

TUESDAY, MAY 22, 1951

U.S. DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

THE FOLLOWING IS A SUMMARY OF THE PROCEEDINGS

AND EVIDENCE TAKEN AT THE HEARING

SESSION 1951
HOUSE OF COMMONS

STANDING COMMITTEE

ON

EXTERNAL AFFAIRS

CHAIRMAN—MR. J. A. BRADETTE.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 1

THURSDAY, MAY 17, 1951

TUESDAY, MAY 22, 1951

ITEM 84—

Main Estimates of the Department of External Affairs—Departmental
Administration.

The Honourable LESTER B. PEARSON

STANDING COMMITTEE

ON

EXTERNAL AFFAIRS

Chairman: J. A. Bradette, Esq.

Vice-Chairman: Gordon Graydon, Esq.

Messrs.

Balcer	Fournier (<i>Maisonneuve- Rosemount</i>)	MacInnis
Bater	Fraser	MacKenzie
Benidickson	Gauthier (<i>Lac St. Jean</i>)	Macnaughton
Bradette	Gauthier (<i>Portneuf</i>)	McCusker
Breithaupt	Goode	Murray (<i>Cariboo</i>)
Coldwell	Graydon	Mutch
Cote (<i>Matapedia- Matane</i>)	Green	Picard
Croll	Higgins	Pinard
Decore	Jutras	Queleh
Dickey	Leger	Richard (<i>Ottawa East</i>)
Diefenbaker	Lesage	Robinson
Fleming	Low	Stick

Clerk: Antonio Plouffe.

REPORT TO HOUSE

FRIDAY, May 18, 1951.

The Standing Committee on External Affairs begs leave to present its

FIRST REPORT

Your Committee recommends that it be empowered

1. To print from day to day 500 copies in English and 200 copies in French of its minutes of proceedings and evidence, and that Standing Order 64 be suspended in relation thereto.
2. To sit while the House is sitting.
3. To reduce its quorum from 10 to 8 members, and that Standing Order 63 (1) (l) be suspended in relation thereto.

All of which is respectfully submitted.

J. A. BRADETTE,
Chairman.

ORDERS OF REFERENCE

FRIDAY, 16th February, 1951.

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

Messrs.

Balcer,	Fournier (<i>Maisonneuve-Rosemount</i>),	MacInnis,
Bater,	Fraser,	MacKenzie,
Benidickson,	Gauthier (<i>Lac St. Jean</i>),	Macnaughton,
Bradette,	Gauthier (<i>Portneuf</i>),	McCusker,
Breithaupt,	Goode,	Murray (<i>Cariboo</i>),
Coldwell,	Graydon,	Mutch,
Cote (<i>Matapedia-Matane</i>),	Green,	Picard,
Croll,	Higgins,	Pinard,
Decore,	Jutras,	Queleh,
Dickey,	Leger,	Richard (<i>Ottawa East</i>),
Diefenbaker,	Lesage,	Robinson,
Fleming,	Low,	Stick—36

(Quorum 10)

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 them by the House; and to report from time to time their observations and opinions thereon, with power to send for persons, papers and records.

MONDAY, May 14, 1951.

Ordered,—That votes No. 84 to No. 111 inclusive, and vote 566, of the main estimates 1951-52 be withdrawn from the Committee of Supply and referred to the said Committee, saving always the powers of the Committee of Supply in relation to the voting of public moneys.

FRIDAY, May 18, 1951.

Ordered,—That the said Committee be authorized to print from day to day 500 copies in English and 200 copies in French of its minutes of proceedings and evidence, and that Standing Order 64 be suspended in relation thereto.

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

Ordered,—That the quorum of the said Committee be reduced from 10 to 8 members, and that Standing Order 63(1) (l) be suspended in relation thereto.

Attest.

Leon J. Raymond,
Clerk of the House.

MINUTES OF PROCEEDINGS

THURSDAY, May 17, 1951.

The Standing Committee on External Affairs held an executive meeting at 2 o'clock. Mr. J. A. Bradette, the chairman, presided.

Members present: Messrs. Bater, Benidickson, Bradette, Côté (*Matapédia-Matane*), Croll, Decore, Fraser, Gauthier (*Lac St. Jean*), Green, Jutras, Leger, Low, MacInnis, MacKenzie, Macnaughton, Murray (*Cariboo*), Quelch.

The Orders of Reference of Friday, February 16 and Monday, May 14, were taken as read.

The Chairman thanked the members of the Committee for their confidence and continued co-operation. He referred to the appointment of Mr. Jean Lesage, Member for Montmagny-L'Islet, as Parliamentary Assistant to the Secretary of State for External Affairs. He also referred to other members of the Committee who have been delegated during the past year to various meetings of the United Nations Organization and its Councils, both in New York and abroad.

The Chairman recalled the untimely death of Mr. R. G. Riddell, Chief of the Permanent Canadian Delegation to the United Nations in New York. He mentioned the happy relations he enjoyed with the members of the Committee and the delegates who had occasion to seek his advice. The Committee was unanimous in its expression of sympathy to Mrs. Riddell and family.

On motion of Mr. Croll, Mr. Gordon Graydon was elected vice-chairman.

On motion of Mr. Bater,

Resolved,—That authority be sought to print from day to day, 500 copies in English and 200 copies in French of its minutes of proceedings and evidence.

The Clerk was instructed to ascertain whether the above-mentioned quantities were too small or too large.

After discussion, on motion of Mr. Low,

Resolved,—That the Committee seek permission to sit while the House is sitting.

After debate, on motion of Mr. Jutras,

Resolved,—That leave be asked to reduce the quorum from 10 to 8 members.

After discussion, Mr. Low suggested that the Chairman do appoint an AGENDA COMMITTEE. The Chairman thereupon announced its composition, viz: Messrs. Côté (*Matapédia-Matane*), Decore, Graydon (Vice-Chairman), Leger, Lesage, MacInnis, Pinard, Quelch and himself.

A discussion followed on routine proceedings and the dates of subsequent meetings.

At 2.35 o'clock the Committee adjourned until Tuesday, May 22, at 4 o'clock.

TUESDAY, May 22, 1951.

The Standing Committee on External Affairs met at 4 o'clock. Mr. J. A. Bradette, the Chairman, presided.

Present: Messrs. Balcer, Bater, Bradette, Breithaupt, Coldwell, Côté (*Matapédia-Matane*), Croll, Decore, Dickey, Fraser, Goode, Graydon, Jutras, Leger, Lesage, Low, MacInnis, Macnaughton, Murray (*Cariboo*), Picard, Quelch, Robinson, Stick.

In attendance: The Honourable Lester B. Pearson, Secretary of State for External Affairs, Mr. A. D. P. Heeney, Under-Secretary, Mr. H. O. Moran, Assistant Under-Secretary, S. D. Hemsley, Chief of the Finance Division, and F. M. Tovell, Private Secretary to the Minister.

The Chairman welcomed His Excellency, A. H. J. Lovink, Netherlands Ambassador.

Item 845,—Departmental Administration—was called.

Honourable Lester B. Pearson made a general statement on the world situation and was questioned on:

1. Formosa.
2. Proposed Japanese Treaty.
3. The Korean crisis.
4. Membership in The North Atlantic Pact.
5. The Iran question.
6. Western Germany, its armament and its relation to the defence of Europe.
7. International Service broadcasts and personnel.
8. The Pan American Union.
9. Canada's relations with the United States.
10. Allocation of commanders under the North Atlantic Council.
11. Nature of the European Army.
12. Shipping of strategic goods to Hong Kong and China.

At 5.50 the Committee adjourned until Friday, May 25, at 11 o'clock to hear again the Secretary of State for External Affairs.

ANTONIO PLOUFFE,
Clerk of the Committee.

MINUTES OF EVIDENCE

MAY 22, 1951.

The CHAIRMAN: Gentlemen, I will call the meeting to order. I thank you for coming so early and in such numbers, and I take that as a good omen for our future meetings.

We have the honour to have present the Honourable A. H. J. Lovink, Ambassador for the Netherlands. I hope he will realize that he is very welcome to attend any of our meetings and we appreciate his presence here this afternoon.

As you know, gentlemen, our reference is the estimates of the Department of External Affairs. We will start off with them now on this our first meeting. We have with us the minister, the Honourable Mr. Pearson, who, I understand, will address this committee, and he will be available throughout our proceedings. If it is your wish I will ask Mr. Pearson to make his statement and then this meeting will be open for discussion. I will now ask Mr. Pearson to come forward. Shall item 84 carry?

Hon. Mr. PEARSON: Mr. Chairman and members of the committee, I welcome this opportunity of appearing before you and subjecting myself to your questions on the work and policy of the department over which I have the honour to preside for the time being. I have not, Mr. Chairman, any prepared statement. I thought it would suit your wishes and the wishes of the members of the committee if I made a few introductory observations and then attempted to deal with points which will be raised by members of the committee. I assume, Mr. Chairman, that the procedure of the committee will be similar to that which was followed, I think quite successfully, last year. The administration of the department and the expenditures of the department will receive careful scrutiny and the officials of the department will be on hand to deal with the details of expenditures and explanations concerning them. I need hardly say that I am available not only for this meeting but any meeting of the committee at which my presence is desired, and more particularly for the purpose of dealing with questions of policy—the policy of the government in this field—with which it would not, of course, be appropriate or desirable for the officials to deal.

In so far as the administration and organization of the department at home and abroad are concerned our aims this year, even more I think than in other years because of the special exigencies of the situation, has been to keep expenses down to a minimum, and I think we have; although I am no doubt a prejudiced witness, I think we have succeeded in that desire. You will note that from the estimates, and you will be able to confirm that, I hope, through supplementary information that will be available; we have reduced our expenses, and we have reduced our members, we hope, without any sacrifice of efficiency. I am inclined to think that this is an achievement in which we can have some pride, because the Department of External Affairs through circumstances over which we have no control is a department which is dealing with an increasing amount of business. That is inherent in the nature of international developments these days. We are for that reason a growing department and our business is growing all the time, international business generally is growing. However we have attempted during the past year and will attempt during the present year to deal with this increasing amount of business with the same or indeed with a reduced staff. That has meant that we have had to pay particular attention to the efficiency of our operations and that the members of the department have

had to work even harder than they have in the past. I may say quite frankly, Mr. Chairman, that we are getting a little worried lest perhaps we are going too far in this respect, because I would not like to think and I know the committee would not desire that because of a lack of staff we should not be able adequately to take care of the international problems that face us these days.

We have not made any provision in our plans this year for any expansion of our departmental activities. We have not yet, I think, reached the limit of such expansion, but there have been circumstances this year which seem to make it desirable not to open any new offices. We are under almost continuous pressure from countries, who wish to be represented in Canada for reasons which seem important to them, to reciprocate by opening diplomatic missions in their countries; it is difficult for a country to send a diplomatic representative to Ottawa if we are not able to reciprocate. This inability of ours to reciprocate—and I am not complaining about it, it is a question of policy that we should not do so under present circumstances—has at times left us open to a certain embarrassment. It is not easy for us to explain to these countries where we have no diplomatic representation, we are not able to have such representation. However, at the present time and under the present circumstances we are not taking any steps of that kind. I remember one country which shall be nameless which complained quite firmly that our reasons for not exchanging diplomatic representation were not very impressive. We explained that we were devoting all our energies and resources during the present emergency to defence; the reply to that was that the furtherance of international relations amongst friendly countries was a serious aspect of defence, and furthermore that some of the countries which we are hoping to be able to assist in defence these days through mutual aid are actually maintaining diplomatic representation in countries where Canada is not represented. I mention this merely to indicate that we are not a static department.

I feel that in view of the growing importance of Canada and the growing importance of international problems for Canada we will not be able to resist pressure for the extension of our foreign representation when circumstances make that extension desirable and possible.

What I have said about the department at home in the matter of keeping down expenses and staff applies also abroad, and I hope we will be able to produce evidence that will support my statements and that you will be able to elicit that evidence and make up your own minds on it. As has been the case in past years there will probably be a good many detailed questions of administration and organization which I will be glad to discuss with you later if that is required, but I think, Mr. Chairman, that is all I need to say about that aspect of our work at the present time. Possibly some of these details may be brought up later for discussion this afternoon, but I would rather hope we could postpone discussion of administrative questions to a subsequent meeting. However, I am in the hands of the committee.

Then there is the other side, and the most important side of our work, the policies of the government which it is the duty of the department to administer and carry out. Linked with that subject, of course, is the general international picture. I suppose you expect me to say a word or two about that, but I would prefer to make any extended comments on questions which may arise—there may be particular aspects of the international situation which are of interest to you and which I could deal with as such. I know also you will understand, as the committee always has understood in the past, that there will be some matters which I cannot discuss in public session and indeed which I should not discuss; but within the four corners of that limitation, which I think will be accepted by us all, I will be happy to be as full and frank as possible when dealing with questions of policy.

The general international picture has, of course, changed radically since we met last year as a committee, and the most dramatic expression of that change has been the war in Korea. We have had a great deal of discussion in the House about that conflict and the Canadian policy in regard to it; and I do not think it would be necessary for me to make any general observations on that subject at the present time. Just now, as I said in the House recently, the efforts of United Nations diplomacy to bring that conflict to an end are subordinated to the efforts of United Nations forces in the field to the same end. That does not mean I hope that any of us lose sight of the importance of ending this conflict by negotiation. As far as I am concerned I attach as much importance to that now as I did during the days of December and January when I was very intimately concerned with that process; but the Chinese communist government in Peiping have repudiated a negotiated settlement in no uncertain terms. While the battle wages—and indeed rages—in Korea, it is difficult to see what the United Nations, or what an agency of the United Nations can do at this time to start the wheels of negotiation going again. This does not mean, of course, that no thought is being given to that. It is being given by the governments most concerned and we are exchanging views with those governments on possible ways of reaching a negotiated settlement which would be an honourable settlement—the only one which we have ever contemplated—one that would not betray the purposes and principles of the United Nations charter; and one that would not constitute a reward for aggression.

At the moment, however, little progress has been made in that direction and the fault, of course, lies in Peiping. There has been a good deal of rumour lately that the authorities in Peiping, and in Moscow—and these latter are of course, concerned with this aggression—have been throwing out feelers for a negotiated settlement. We have no information in the department, nor have we been able to elicit any information from other governments which would support any confirmation of these rumours. We can only hope, however, that those who have brought about this aggression and are continuing it in defiance of the United Nations, will soon realize that they have no hope for success and that they had better canvass the situation to see if the conflict can be ended by negotiation. I suspect that one reason for these rumours is the improved military situation in Korea itself. The best military information we can get leads us to be reasonably optimistic that the Chinese communists with their north Korean allies will not be able to achieve a military victory in the field—unless they deploy far greater resources of men and material than they have in the past—which means they would have to get some assistance from some other quarters. The news of the last twenty-four hours seems to vindicate that optimism. At a time when the military situation has improved our thoughts naturally turn to negotiation because we can then negotiate from strength rather than the relative weakness of last December. It was not an easy job to talk of a peaceful settlement to a government in the flush and excitement of the ephemeral military triumphs its forces had been able to achieve over a greatly outnumbered enemy last December. It may be that they feel a little differently now—I do not know; I hope so.

If I can leave Korea for the moment, and no doubt we will come back to it, there is a question which though not related directly to the conflict, is important—the question of the Japanese peace settlement. I have no doubt members would like to know something about that. All I need to say at this time is that very real progress has been made in the last month or so in the negotiation of a Japanese peace treaty, the initiative for which has been taken by the United States. We had thought a year or two ago that the procedure in regard to a Japanese peace treaty would be somewhat as follows: that a treaty would be drawn up by a small committee of the powers principally concerned; that the

draft would be submitted to a Japanese peace conference which would include all of the countries which had been at war with Japan, and, by a process of discussion and negotiation at that conference an agreed draft would be reached which could be signed at a conference.

It does not look as if that procedure can be followed now. In fact, it is not the procedure that is being followed now. The United States has submitted a draft of a peace treaty to certain associated powers of the Pacific, and also to the USSR, and has asked for comments from those separate governments on that draft. It will take those comments into consideration. It is doing that now and a second draft will soon be circulated. As soon as agreement can be reached—the treaty will be signed at a conference which will be called merely for the purpose of signing. The work will all have to be done before the conference is summoned.

Very considerable progress has been made in that direction. The points of difference in the countries concerned have been narrowed; they have not yet been removed. The United Kingdom has been a very active member in the process of drafting and has indeed, I believe, submitted a draft of its own. We have submitted our own detailed comments on these drafts and I am optimistic enough to hope that before the summer is over we will have an agreed text of a Japanese peace treaty.

It does not look as if that text will be signed by the USSR. They have submitted a counter proposal for the formulation of a Japanese peace treaty which is quite unacceptable to the United States and I should think to other people.

There remains the very serious problem of China in a Japanese peace treaty. Everybody agrees that China should be invited to a Japanese peace conference; China should sign a Japanese peace treaty. Such a treaty without the inclusion of China would seem to be a little unreal, but there is not that same measure of agreement as to who should sign for China—and that difficulty and that difference is tied up with the whole question of recognition of the communist government in Peiping. It is quite ridiculous to think the United States could accept, under present circumstances, the signature of a representative of the Chinese communist government. I am not arguing the merits of that case but it is quite ridiculous to think the United States could be expected to accept that. That is not to say that other countries would be able to accept the signature of the Nationalist government on Formosa as representing China at a Japanese peace treaty. Therefore, that problem remains.

One possible method of solution, never a very satisfactory method of solution, is to postpone the question of who shall sign for China, and allow the rest of us to go ahead. I do not know whether that device will be adopted.

Moving down from Japan—and I am doing my well-known tour around the world now—

Mr. FRASER: By air?

Hon. Mr. PEARSON: By air, and at very little expense to the government this time.

I will not be able to stop at all spots on the way around but Indo-China is of course an important part of Asia. The situation there seems considerably better than it was a few months ago when we had reason to believe that the communist forces of Ho Chi Minh, with whatever support they were getting from China, might be able to do very serious damage indeed to the government of Bao Dai. The military situation seems to have been stabilized to some extent. It is due, I suppose, to the strength of the French there under vigorous leadership and, also I hope, to the fact that the Viet Nam government is better established now than it was a year ago in more ways than one, and it is commanding more support. In any event, the situation is better. It may be that

one reason for that improved situation is the preoccupation of the Chinese government in Peiping with other issues in Korea. The utilization by the Chinese of such strong forces in Korea may have resulted in easing of the tension in other areas of Asia. I say it may have—it may even make the situation a little easier about Hong Kong.

I am not going to say anything about India, Pakistan, or Indonesia at this time; I am jumping those great countries and no doubt we will be able to discuss them later.

Then, we come to Iran which, I suppose at the present time is about the most explosive, and about the most tense place in the world—with the exception of that area of Korea where the fighting is actually going on. The possibility of serious damage to the democratic cause, from the wrong kind of development in Iran, is very great indeed. As you know, the oil supplies of Iran are very important. It would be serious if they were lost to the free world; it would be worse if they were diverted to other people. I am not suggesting that is necessarily going to happen because very strenuous efforts indeed are being made to bring about a solution to this difficulty which will reconcile the national aspirations of the Iranian government and people to control their own oil resources, and the inevitability, from any point of view, of someone assisting them in the management of those resources. It is quite obvious they would not be able to operate, administer and manage their own oil resources at the present time without such assistance, and we must hope that the reconciliation I have mentioned can be made.

In the middle east the Levant remains an important part of our defence and there are elements of disturbance there. One must note with regret of course the impossibility at the present time of the Arab world to establish a *modus vivendi* with the state of Israel, and the disturbances that have been developing on the border of Israel and Syria.

Going north we come to the Balkans. The most important spot there, from the point of view of our defence interests at the present time, I suppose, is Yugoslavia. The Yugoslavians are in very considerable economic difficulty as a result of the bad harvests of last year and as a result of the economic pressure being brought to bear on them by the Cominform countries; but they have stood up to those difficulties extremely well and have not shown a disposition of any kind to submit to this Cominform pressure. It has become an important part of the United States and western European policy to give to Yugoslavia all possible support in its resistance to any threat of aggression, economic or otherwise; and the relations between Yugoslavia and the western world are closer than they were.

Now we come to western Europe, and that brings up the whole question of the North Atlantic developments and the relationship, more particularly, of Germany to those developments. The western European countries are in the process of strengthening themselves militarily and economically. They are making far greater defensive efforts under the North Atlantic arrangements than they were able to make a year ago; and I think that the general situation for that reason is better than it was at that time. They have been getting fine leadership from General Eisenhower in the formation of the integrated NATO force. But there are some important problems which have not been settled. One of the most important of those problems is the relationship of western Germany to western European defence, and how western Germany can be associated with other free nations in the defence of the western world against communist aggression. It is a tough problem, I do not need to tell you, and one which has political, strategic, economic, and even moral implications. But encouraging progress has been made.

A conference has been taking place in Paris on the way by which Germany can be militarily associated with the western European countries; and the gap between both France and some of the other countries and Germany in this regard has certainly been narrowed in the last month or so. That is a cause for encouragement.

There are a good many other questions that I could discuss, but I think I can leap across the Atlantic now from western Europe and, with your permission, rest easily again in Ottawa, until you begin to move me away.

So if you will permit it, I will finish my general remarks there and try to deal with any question which may arise out of what I have said or, indeed, out of what I have not said.

The CHAIRMAN: Are you able to say a few words about Formosa?

HON. MR. PEARSON: Well, I missed Formosa in my jump from Japan to Indo-China. The Formosan problem—I suppose we can call it that—is a very real one. The Declaration of Cairo which was drawn up in 1943 said that Formosa should, as a part of the peace settlement, be returned to China. Those countries which signed the Declaration of Cairo, and those who gave acceptance to it afterwards—we indicated at that time in Canada our approval of that declaration, again because of facts as they were in 1943—said that Formosa should become a part of China in the peace settlement.

But there are other provisions of the Declaration of Cairo which have not been carried out and possibly it may be that some of the countries feel they should not be held to a literal implementation of that declaration if other parts of it are not carried out. Nothing has been done about the implementation of the Declaration of Cairo concerning Formosa because of the inability to bring about a Japanese peace settlement. That was the situation when the Korean aggression began.

At the beginning of the North Korea attack the United States government said that in order to protect the flank of the United Nations forces against the aggressors, Formosa would have to be neutralized in this conflict. Therefore they extended the protection of the United States Seventh Fleet to the waters around Formosa and they also—I am not sure in what form it was done—tried to make sure that the Nationalist army in Formosa would not provoke a new struggle by action against continental China.

As the hostility of the Chinese communist government to United Nations action in Korea became more implacable and more aggressive and expressed itself in military action, so the position of certain other states in regard to the disposition of Formosa began to harden; and it is now felt in some quarters that Formosa cannot be returned to any Chinese government as a result of any settlement, if that Chinese government is unfriendly and hostile to the free democracies.

I think, without going into the merits of the case one way or the other, Mr. Chairman, it is correct to say that our policy as a government has been to avoid any action, even from Formosa, which would extend the conflict into China but at the same time, to realize that while the Chinese communists are taking aggressive military action in Korea, it is not possible even to consider turning over of Formosa to them.

I am not prepared to say anything about the eventual solution at this time. I hope possibly in that eventual solution some people who are now overlooked in this matter, I mean the people of Formosa themselves, might be given some consideration. I do not know what they would decide if they were asked what they wanted to do. I suspect, however, that their decision might be a surprising one.

MR. STICK: Might I ask a question, Mr. Chairman? It seems to me that there is a big difference of opinion between the United Kingdom and the

United States over Formosa. It looks to me a little as if the United Kingdom wants to pass Formosa over to the communists, whereas the United States takes the opposite position. As I see it, for I am only an amateur at this game, if Formosa should go to the communists, we would then have Japan out-flanked on both the north and the south; and it would also pen up the Philippines to communist penetration, as well as the islands to the west, I mean the Indonesian Archipelago. I think also that Australia would be concerned if that should happen. I wonder if the minister would care to comment on the difference between the United Kingdom and the United States with regard to that position?

Hon. Mr. PEARSON: There is a difference, of course, between the United Kingdom and the United States, but I am not sure that it is as wide as sometimes is suggested in the press.

Mr. STICK: What is our present position with regard to it?

Hon. Mr. PEARSON: Our present position with regard to it is that we should postpone any discussion or decision on this matter until we bring the Korean war to an end. Also we feel we are still bound by the Statement of Principles of the United Nations of January 12 which was accepted by all the members of the United Nations except the Soviet bloc and one or two countries which abstained.

That statement of principles laid down the basis for a possible solution of Far Eastern problems including Korea. In fact, Korea was the main problem. And if you read that Statement of Principles you will discover—no doubt you have read it—that we commit ourselves to a willingness to discuss with the Chinese communist government the question of Formosa, once there has been a satisfactory cease-fire negotiated in Korea and once steps have been taken to settle the Korean problem. We will then be willing to discuss with the Chinese government in Peiping other Far Eastern problems including Formosa, and in recognition, in accordance with principles already laid down in international agreements covering these problems. These would include the Cairo Declaration, and they would also include the United Nations Charter.

So we have not taken a final position, any more than Great Britain has taken a final position, nor are we anxious or willing to take such a position at this time that Formosa must not in any circumstances be returned to China if there is a government in Peiping of which we do not approve. We think that tying ourselves down to that kind of position at this time would not give us very much ground on which to manoeuvre. Moreover, conditions may change in the future. And to say now that no government in Peiping of which we do not approve—if you want me to call it a communist government, I do not mind—that no government of that kind in Peiping can expect any agreement on the part of other countries to the return of Formosa to the Chinese, would be going too far, we think, in the present circumstances.

Mr. STICK: Would the question of Formosa hinder the signing of a Japanese peace treaty?

Hon. Mr. PEARSON: I hope it won't hinder the signing of a Japanese peace treaty in so far as we are concerned or other countries are concerned, because we have considered that matter in our discussions of the draft treaty. But it would certainly be an important factor in any Chinese attitude to a Japanese peace treaty.

Mr. GOODE: Would it be possible for the members of the committee to have a copy of that statement of principles?

Hon. Mr. PEARSON: Yes. It is in the White Paper which was circulated to all members with the documents on the Korean crisis.

Mr. GOODE: I do not remember it.

Hon. Mr. PEARSON: You will have it; and it will be found at page 28.

Mr. HEENEY: It is dated January 11.

Hon. Mr. PEARSON: It is called "Supplementary Report of the group on cease fire in Korea". The statement of principles is included in it.

Mr. COLDWELL: How many of them were printed?

Mr. GOODE: I do not remember getting one.

Hon. Mr. PEARSON: It was tabled in the House, as I recollect it, and circulated to all members.

Mr. COLDWELL: How many copies of it were printed?

Mr. HEENEY: I do not remember, off hand, but I could find out for you.

Mr. COLDWELL: There is not sufficient of that kind of thing placed in the hands of the general public of Canada for them to understand this matter. I know that I asked for a number of copies on one occasion, but I could not get any.

Mr. CROLL: Policy varies so quickly that they won't be up to date.

Hon. Mr. PEARSON: We printed all we could afford to!

Mr. CROLL: When you were delivering your speech I could not interrupt you, but has any member of this committee ever told you to curtail your activities because of the expense?

Hon. Mr. PEARSON: I never said that this committee had.

Mr. CROLL: The House has always taken its duties from you and has never attacked the expenditure.

Hon. Mr. PEARSON: I am very glad to hear that. I gave utterance to my own worries.

The CHAIRMAN: Could the minister be allowed to carry on, and when he finishes the question period can come on? The minister says he has finished. Are there any questions? Should we have a rotating system?

Mr. DECORE: Would the minister be permitted to express his opinion as to what extent we can rely upon Yugoslavia if war should come with Russia? It is true they are anti-Russian, but it is also true they are very much communist. So how much can we depend on Yugoslavia for assistance?

Hon. Mr. PEARSON: I doubt very much if I should express any opinion as to what extent we could count on any particular government for assistance in an emergency or in a war, and whether that government would carry out its obligations under the United Nations charter after another country had been attacked. That is what you are asking me; and I would not care to comment on the likelihood of any government either carrying out or defaulting on its obligations. I think it would be more appropriate for me to comment on the policy of our own government in respect to any other government. I might have my own views about others and of course I know that you have to take your own views into consideration in the formulation of policy; but I do not think I should express my views about any other government in public.

Mr. GRAYDON: Have there been any developments leading to an enlargement of the number of members under the North Atlantic Pact?

Hon. Mr. PEARSON: That is a very important question and it also is one which I discuss with a little embarrassment because we are right in the middle of this matter now; but I would like to explain the situation to the committee. Last September, at the meeting of the North Atlantic Council the question of the association of Greece and Turkey with the North Atlantic organization was introduced. At that time it was decided that while no decision could then be reached regarding membership of these two governments or regarding their accession to the North Atlantic Pact, it was felt that there should be an examination of ways and means by which they could be more closely associated with military planning under North Atlantic arrangements; particularly in the Mediterranean and the Middle East. Steps have been taken to implement that

suggestion, but meanwhile it has been felt in certain quarters and more particularly, I think, in the United States—I think I can say that because the United States has declared itself on this matter—that we should consider as a matter of some urgency the question of a closer association or indeed even membership of Turkey and Greece in the North Atlantic organization. That matter is under very active consideration at this moment, and views are being exchanged about it with the governments concerned and, of course, with the governments of Turkey and Greece who are among those most concerned.

There are two main considerations involved, one is strategic and the other is political. The strategic aspect of the question is how would the closer association of Greece and Turkey with the North Atlantic organization add to the defensive strength of us all, including Greece and Turkey, and how would that help to deter war? As you know, Greece has a well armed and well equipped army composed of men who know how to fight and who are fighting with great courage in Korea.

Mr. COTE: Greece, did you say?

Hon. Mr. PEARSON: I meant Turkey. And the Greeks have also been putting up a strong and courageous struggle against communist aggression in the Balkans. That is the strategic side, just touching on it. On the political side we are trying to build up under the North Atlantic Pact a group of free democratic states whose association will be not only military but who will be closely associated in other ways.

Mr. FRASER: Trade?

Hon. Mr. PEARSON: Well, trade, yes, certainly trade. That is a slow process, especially in a time when we have to put so much of the emphasis on strategy and defence, but it is an objective we all hope to achieve; that is why we put Article II in the Pact and why we still attach importance to that Article. So we have to examine the question as to whether the objectives of Article II of the North Atlantic Treaty would be further advanced by full membership of these countries who are completely outside the Atlantic area. I believe that is all I can say about that subject at this time.

Mr. GRAYDON: Are there any other nations besides Greece and Turkey considered as possible members?

Hon. Mr. PEARSON: Well, that is always possible and is one aspect of the problem; we believe if you extend your membership in this way you may invite applications for membership from others who would not have considered membership if it had not already been extended.

The CHAIRMAN: Is there anything definite about Italy and Spain?

Hon. Mr. PEARSON: Italy of course is already a full member of the organization and a very valuable and co-operating member. The question of Spanish association with the North Atlantic organization is a matter which has been given some consideration but not as active consideration at the present time as that given to Greece and Turkey.

The CHAIRMAN: Is Sweden a member?

Hon. Mr. PEARSON: No, Sweden is not a member. Sweden was invited to be one but decided not to join the Organization.

Mr. GOODE: Mr. Chairman, I would like to go back to one of Mr. Pearson's statements made as he was discussing Iran. He expressed concern there and I think every member of this committee will agree that there is a good deal of concern to be felt over that situation. What, Mr. Minister, is the position of Iran with respect to the rest of the Arab world? Should there be trouble, for instance, in Iran, how much influence would they have on the rest of the Arab world? Are you free to answer that?

Hon. Mr. PEARSON: I am not free to answer that and I do not think my opinion would be of very great value. I am not expert enough nor knowledgeable enough, on the association of Iran with the other Moslem countries to express an opinion whether trouble in Iran might provoke trouble in other countries in that part of the world.

Mr. GOODE: Is there any one of your associates who could answer a question such as that a little later on? Have you an expert on current affairs in that part of the world?

Hon. Mr. PEARSON: I do not think anyone would like to say more than I have said. Iran is a Moslem country and the other countries of the Moslem world would tend to be more than usually interested in anything that went on in Iran, but I do not think I can go much further than that.

Mr. FRASER: Could you say how we are interested? Is Canada interested there financially or in any other way?

Hon. Mr. PEARSON: We have no direct interest.

Mr. FRASER: Indirect, then?

Hon. Mr. PEARSON: We have of course a very great interest, and it is more than indirect, in peace, and anything that would disturb the peace in Iran and result in chaos and confusion, and worse, in Iran would certainly be of direct interest to Canadians.

Mr. FRASER: And to the United States too. That is likely why the stock market has gone the way it has.

Mr. CROLL: Mr. Chairman, is that not outside the scope of this committee?

Mr. BATER: Mr. Chairman, I do not know whether my question would be a fair one or not, but the minister in his figurative tour around the globe mentioned Western Germany, and I would like to ask the minister if it is causing concern that a large number of votes recorded recently in a western German election were cast for the Hitler Nazi party?

Hon. Mr. PEARSON: That matter, of course, caused some concern, as it must, to any democratic country but it is desirable to look at it in proper perspective. The election in question was not a western German election but an election in one of the subdivisions, in one of the provinces if you would like to call it that, of Germany. In that election this party, which has some at least superficial similarity to the old Nazi organization, polled, I think, about 11 per cent of the votes—between ten and eleven per cent, if I remember correctly. That is a cause for anxiety but not too much alarm in the circumstances. After all, 89 per cent of the voters voted for the other parties when they could have voted for this particular party which has some resemblance to the old Nazi party.

Mr. MACNAUGHTON: Mr. Chairman, I wonder if we might come close to home? Last Friday there was a tremendous opening of the new C.B.C. headquarters building in Montreal, which, by the way, local members were not invited to attend,—but coming back to my question—

Mr. CROLL: In the first place that should have been in Toronto; it should not have been built in Montreal.

Mr. FRASER: Peterborough is half way between and that would have been a good site.

Mr. MACNAUGHTON: Coming back to my point, and it is quite a serious one now that we have tremendous facilities for international broadcasting on short wave, I would like to know just what the relationship is between the External Affairs department and the C.B.C., governing policy. Do you co-operate at all with the Canadian Broadcasting Corporation and who is the responsible head for opinions given over Radio Canada, which is supposed to

be the voice of Canada so far as Europe and the rest of the world is concerned? Would you tell us just what the relationship is between External Affairs and the Canadian Broadcasting Corporation international short wave?

Hon. Mr. PEARSON: I can give you a short statement on it now, but I will be glad to look into it and give you a more detailed statement later on.

Mr. MACNAUGHTON: Because I understand it cost some \$1,600,000, at least.

Hon. Mr. PEARSON: That is right. What I say now will be concerned only with the relationship of the Department of External Affairs to this international service and I would like, Mr. Chairman, to supplement these brief observations with some others which I might wish to make at the next meeting or at a meeting after that when I will have been able to inform myself in a more detailed way.

The terms of the order in council establishing the international service of the Canadian Broadcasting Corporation provides that that service work in consultation with the Department of External Affairs. In the earlier days of the service that consultation was not as effective as might have been desired, I think, but since early in 1950 it has been more effective because steps were taken then to broaden the scope of this consultation and to appoint an officer of the Department of External Affairs who would be liaison officer with the Canadian Broadcasting Corporation I.S. Indeed, we stationed an officer in the international service for some six months to familiarize himself with its procedures and its operations. Now, at the present time, we confer continuously with the international service on matters of policy and we provide that service with policy guidance memoranda, which are supposed to govern the policy side of their broadcasting to foreign countries. These policy guidance papers naturally change as the international situation changes, and that is for obvious reasons. We might wish to adopt a certain line in our broadcasting to a country at one time which would be quite inappropriate a year from that time; so we do keep in continuous contact with them, in regard to policy. We do not, of course, tell them how they will carry out that policy. We do not write their scripts, and I think I am right in saying that we do not censor their scripts, but we examine all their scripts afterwards and if, in our opinion, they depart from the policy laid down we bring it to their attention.

Mr. MACNAUGHTON: Who is in charge of that for External Affairs?

Hon. Mr. PEARSON: Our officer in the department in charge of that is Mr. Charles Ritchie.

Mr. MACNAUGHTON: Do you look after screening at all?

Hon. Mr. PEARSON: Of their employees?

Mr. MACNAUGHTON: I presume not, of theirs, but you must be very careful, I assume?

Hon. Mr. PEARSON: The responsibility for screening of employees of the international service, as in other places, belongs to the Canadian Broadcasting Corporation. I stated in the House the other night that all their employees in the international service are now screened.

Mr. LESAGE: The Department of External Affairs has nothing to do regarding the hiring of C.B.C. personnel?

Hon. Mr. PEARSON: No, we have no control over the employing of personnel.

Mr. STICK: May I ask the minister a question, one which may be somewhat outside the scope of what we have been discussing and it may be a hot one, I mean. Really, I am not concerned over it, but what is our position with regard to the Pan American Union? Is there anything in that?

Hon. Mr. PEARSON: There is nothing very hot about it.

Mr. STICK: There may be if it is brought up.

Hon. Mr. PEARSON: Our position on that was stated some time ago. Let me see if I can remember what was said then.

Mr. STICK: The reason I am asking the question is that our association with countries outside of the United States is becoming more active all the time and more cordial too, and the question has to be faced some day.

Hon. Mr. PEARSON: May I read into the record what the Prime Minister said, in a public statement, a couple of years ago. It remains our policy in regard to the Pan American Union and to some extent inter-American co-operation. He said at that time,

Our government has been giving thought to Pan American Union over a great many years and our relations with the members of the Pan American Union . . . have always been most satisfactory. The angle from which this has been examined is as to whether our actual participation in the Pan American Union would be productive of any real advantage for any of its members. Our cultural, our trade relations, with member states of the Pan American Union, have always been very good and they will improve constantly. So far it has not appeared to us that there would be any decided advantage in a formal membership in the Pan American Union. At the present time we consider it much more important to bring about . . . ”

And he went on to talk about the development of the North Atlantic community.

Mr. STICK: Has there been any invitation from the other people for us to participate in the Pan American Union?

Hon. Mr. PEARSON: No, we have never been formally invited to join the Pan American Union. I do not want to attempt to deceive you by that kind of a reply. When I say formal invitation that does not mean that it has not been intimated to us by individual countries on occasions that they would like to have Canada in the Union. At one time, although I do not think this is the case at the present time—I do not know but I do not think it is—at one time the United States showed some reluctance to have Canada a member of the Pan American Union. That was some years ago.

Mr. COLDWELL: Didn't one of the presidents actually advise against it?

Hon. Mr. PEARSON: Yes. At one time in a publication in Washington, in a Department of State paper, I think it was away back in the 1920's—

Mr. COLDWELL: Yes.

Hon. Mr. PEARSON: — a document was included—I think by oversight or else they assumed that no Canadian would ever read the volume—a document of instructions to the United States delegation in the Pan American meeting at Havana.

Mr. COLDWELL: It was in Coolidge's time. Did not President Coolidge instruct the U.S. delegates not to support Canada's admission to the Pan American Union?

Hon. Mr. PEARSON: It was away back in the '20's—1927 or 1928. That document indicated that if the question of Canada's membership in the Union came up the United States delegation was to adopt a very cool attitude towards the matter. I am not suggesting for a minute that that would be the situation now.

Mr. STICK: I agree. Have we an observer there now?

Hon. Mr. PEARSON: We follow their meetings and we participate in some Pan American technical organizations and technical conferences when the subjects are of practical importance to Canada; we are invited to a good many of them including a conference in the Dominican Republic not long ago which was referred to in the House the other day.

Mr. FRASER: And Leo Dolan, our travel and publicity chief, has been invited there, has he not?

Mr. COTE: Coming back to the question of short wave broadcasts and such over the C.B.C., have you any report that these broadcasts have been listened to in the iron curtain countries?

Hon. Mr. PEARSON: Yes, we do have such reports and there is rather impressive evidence that they are listened to in a country like Czechoslovakia.

Mr. COTE: How about Poland?

Hon. Mr. PEARSON: I would not like to say very much about that without looking into the matter; it is very important that we be careful what we say in respect to this particular service if it is to be of any value in what I might call, with some hesitation, psychological warfare.

Mr. DECORE: While we are on that question may I ask the minister what is the policy of the government with regard to any programs put over to countries behind the iron curtain?

Hon. Mr. PEARSON: Well, that is exactly the type of question I would like to answer at my next meeting, sir. I do not like to and I would not want to toss off a casual answer to such an important question. I would also like to emphasize that if these broadcasts constitute, as I think they do, an important form of psychological warfare it is of some importance that we do not give away completely our plans or details of our directives; but subject to that qualification I think I can say something about it at the next meeting.

Mr. CROLL: Is the minister discussing publicly our relations with the United States these days or are we going to continue our travelogue? Are you going on with your statement or have you finished?

Hon. Mr. PEARSON: I am finished. I got home from my tour from Europe to Ottawa without disembarking at New York.

Mr. CROLL: Then do you mind making a detour. I doubt if you can answer this. If not, you can shut me up. I want to know if you could elaborate on the statement which you made sometime ago, and I think I quote you correctly, when you said that the days of relatively easy, automatic relations with the United States are over. Now, is that the statement? Do you want to take time or are you prepared to answer that now? Would you prefer to deal with it at some other time?

Hon. Mr. PEARSON: I would be glad to deal with that statement to which some attention has been directed here and there; as a matter of fact, I did attempt to deal with it in a public statement subsequent to the one where I made that remark. I am referring to a speech I made in Ottawa a week or so later to the Kiwanis Club—I am not sure with what success I explained what I meant by my remark that the days of relatively easy automatic relations with the United States are over. I think I had better quote exactly what I said. I am very anxious to put my exact words on the record. I said in Toronto:

There may be other ripples on the surface of our friendship in the days ahead, but we should do everything we can in Canada, and this applies especially to the Government, and in the Government particularly to the Department of External Affairs, to prevent these ripples becoming angry waves which may weaken the foundation of our friendship. I do not think that this will happen. It will certainly be less likely to happen, however, if we face the problems frankly and openly of our mutual relationship. That relationship, as I see it, means marching with the United States in the pursuit of the objectives which we share. It does not mean being pulled along, or loitering behind.

And then in ending, I said:

Nevertheless, the days of relatively easy and automatic political relations with our neighbour are, I think, over.

And then, in the same speech I went on to say, to explain—possibly I should have done it a little more effectively—what I meant by that. I said:

They are over because—on our side, we are more important in the continental and international scheme of things, and we loom more largely now as an important element in United States and in free world plans for defence and development. They are over also because the United States is now the dominating world power on the side of freedom. Our pre-occupation is no longer whether the United States will discharge her international responsibilities, but how she will do it and how the rest of us will be involved.

Now, what I had in mind there was that in the old days, and by that I do not mean going back very far, in the days before World War II, our problems with the United States which were always important to us, whether they were to the United States or not, and often difficult to settle, were bilateral problems. They were problems which concerned specifically and at times exclusively our relations with the United States. They were line fence problems. They were border problems. They were smuggling problems. They were commercial problems. They were waterways problems. A lot of things were difficult and a lot of them were very important to us, but these questions never involved peace or war. It is inconceivable that we would ever be at war with the United States—inconceivable in Washington and inconceivable in Ottawa. So, we never felt that we would fail in the solution of these problems with the United States—these bilateral problems. They were neighbourly problems and were solved sometimes after a good deal of argument, but they were solved in a neighbourly spirit. Now, we still have those problems but our main problems with the United States now are those arising out of relations with the leader of a world coalition, the policies of which will decide peace or war. It is never going to be easy in a coalition of this kind. In the circumstances in which we find ourselves today—in a cold war—it is never going to be easy to reach an automatic solution to these problems not only with respect to the United States and ourselves but with respect to the United States and the United Kingdom, and other members of the coalition.

That is what I meant when I said that the days of these border problems, these neighbourly problems which were relatively easily and automatically solved, are gone. Our big problem now is how to make the coalition, the leader of which is the United States, work. The decisions of the coalition, primarily decisions of the United States, may well involve us in war or help us keep the peace.

I think there is some validity for that distinction between our current problems with the United States and the problems of yesterday. I am not suggesting that we cannot work out these problems with the United States within the alliance and with the United Kingdom and other members of the alliance—of course we can, but it is not always going to be easy. It is going to require more attention, more compromise, more give and take than possibly the solutions of the older bilateral problems required.

MR. COTE: Mr. Chairman, I should think we should thank the honourable minister for clarifying his statement which will, I am sure, prevent any further discussion.

MR. QUELCH: Mr. Chairman, I would like to ask the minister to tell us what is the latest development in regard to the participation by western Germany in the defence of Europe? Have the member nations of the North Atlantic

Treaty agreed among themselves on the extent to which that participation should take place, and if so, has western Germany agreed to participate in that way?

Hon. Mr. PEARSON: I can mention that situation briefly. We discussed at a meeting of the North Atlantic Council how Germany could be associated in the defence of freedom in Europe with the other North Atlantic countries, and, as you know, that aroused a good deal of anxiety and hesitation in certain countries—lest we had taken action too precipitately. The French government was particularly concerned with the effect of a decision of that kind on its own public opinion—if we were Frenchmen we would understand the problem better than we are able to understand it here across the Atlantic where the Germans, in the last fifty years, have not been able to get at us. At the same time the French government and other western European governments appreciated the desirability of associating free democratic Germany in some form with the defence of western Europe. It was not so much a question of the re-armament of Germany, it was also a question of what we could do in the face of the re-armament of communist eastern Germany—a process which had begun at that time.

Subsequent to that North Atlantic Council meeting there were many exchanges of view between governments and it was agreed that there should be, prior to any decision on this matter in the North Atlantic organization, a conference in Paris between the western European countries—the continental countries—initiated by France which the Germans should attend, to see how German forces could be integrated into a European army which would be part of the North Atlantic forces.

It would be one thing to include a German army in the North Atlantic organization—a German army with a German general staff. That was one thing that raised a good deal of anxiety—more than anxiety. It was another thing to include in the North Atlantic integrated forces a European army which would include German contingents, French contingents, Netherlands contingents, and Belgian contingents. If the secondary problem could be solved—then it was felt that Germany's military association with the North Atlantic organization would be much simpler. For some months this conference has been going on in Paris, attended by German military and German political representatives, working out an army in which there should be German contingents as well as contingents of other European countries and which would be a European army. The most important point at issue is what should be the size of the German contingents in this European force.

Mr. CROLL: Mr. Chairman, what do we know for sure about the strength of German armament in eastern Germany?

Hon. Mr. PEARSON: We know a good deal but I do not think I should give the details. We are in possession of pretty accurate information as to the size and strength and the composition of what are known as *Bereitschaften*, the armed German formations in eastern Germany.

Mr. CROLL: I have seen some American reports published on that. I have not the details but I have seen some very detailed reports in the American press on that. What I am thinking of—unless it is secret—

Hon. Mr. PEARSON: I am sure I have seen figures too, but they are figures which have been advanced by commentators, and journalists and others who have information. I have, however, not seen any official figures given and I would not like publicly to confirm or deny the accuracy of the figures that do appear in print.

Mr. ROBINSON: On the same line, Mr. Chairman, I wonder if I might ask a general question perhaps by reading a quotation from a report by Mr. Warren

Baldwin in the *Globe and Mail* following General Eisenhower's visit to Ottawa some months ago. The report is as follows:

What he revealed this afternoon in a surprisingly brief meeting with the cabinet has aroused considerable interest in a government still shaping its defence plans to fit in with the collective effort in Europe, where, as Eisenhower put it in his one brief public statement, it is intended to build a wall behind which the free nations can live in peace and tranquillity.

My question is, as particularly as is possible for the minister to go, what is the situation with regard to the formation of the North Atlantic force in Europe? Has any high ranking military official given any opinion as to the possibility of building an effective military wall, and if it is felt that an effective military wall can be built, does the minister subscribe to the philosophy that we here in Canada can live in peace and tranquillity behind such a wall?

Mr. STICK: The Maginot line again.

Mr. ROBINSON: Does the minister subscribe to what seems to be a Maginot line type of philosophy?

The CHAIRMAN: Well, that question relates to military matters. Does the minister want to answer?

Hon. Mr. PEARSON: I can say something about it. A plan has been worked out by the North Atlantic military organization which is to be implemented by a certain date under General Eisenhower with the co-operation and the essential assistance of the countries concerned. In other words, a plan has been drawn up which is considered to be adequate—barely adequate—for the defence of Europe against unprovoked aggression. That plan, I can assure you, does not include in it anything of the Maginot line complex but you have to have a certain number of forces in being. It does not mean that until you decide on that number you are going to put them on a Maginot line. Now, General Eisenhower has this plan before him. He also has from the various governments concerned in the implementation of that plan an estimate of what they can do between now and the date when that plan is to be completed. There is a gap between those two. General Eisenhower and the governments concerned are now attempting to remove that gap and ensure that by a certain date—and I do not think I had better give the date now—there will be forces in being in western Europe of sufficient strength to convince any would-be aggressor that he will not be able to get away with easy aggression. He may think that is possible now if he wished to try, but when this plan is completed he will have no illusion on this score. We hope that once this is made clear to him, and it can only be made clear to him by building up the strength required, he will give up any thought he may have had of a quick and easy aggression against western Europe.

Mr. GRAYDON: Mr. Chairman, I have a few questions. As the minister knows, there has been considerable discussion in the British parliament with respect to the allocation of commanders to the various services under the North Atlantic Council's supervision. Is it expected that Canada will have any place in connection with that distribution of chiefs?

Hon. Mr. PEARSON: Oh, we will have officers in the general staff. We have one or two now. We have at least two officers in SHAPE now.

Our contribution to the general staff of the integrated force will bear a reasonable relationship, I hope, to our contribution to the force itself.

It will not be expected that a country which under the present plan is producing a brigade group for the integrated force would have the same representation on the general staff as would a country which is producing let us say, ten, eleven, or fifteen divisions.

Mr. GRAYDON: Is the distribution or allocation of these commanders just on the basis of the contribution that is made?

Hon. Mr. PEARSON: No. That is a very important criterion, but it is not the only one. We have, of course, nothing to complain about ourselves. I know there have been countries which have been disturbed about the allocation of commanders; but that will be worked out, and it is being worked out now.

Mr. GRAYDON: One more question: What will Canada's position be in respect to the proposal to include Turkey and Greece in the North Atlantic Council?

Hon. Mr. PEARSON: Were you present when I talked about that subject? I made quite a statement about it.

Mr. GRAYDON: I am afraid that I was not here at the time. I am sorry. But if it is on the record, then very well.

Hon. Mr. PEARSON: Yes, it is on the record.

Mr. PICARD: My question is more related to the Hon. Mr. Pearson's answer given to Mr. Robinson. The minister stated that by a given time which he did not care to mention at the moment, he thought all the different countries in Europe would have forces sufficient enough to discourage any similar aggressor.

The other day in the House of Commons the Minister of National Defence stated that if given time, we would have a certain number of troops. Has he got the impression that possibly an aggressor would give us all that time, and that an aggressor would be nice enough to wait until we were adequately armed?

Hon. Mr. PEARSON: I do not think we can count on a possible aggressor giving us any time at all. Moreover, if we knew he was going to commit an aggression next week, we would not be able to reach the safety mark in that time.

Mr. PICARD: The Intelligence Service must give us certain information which might lead us to believe whether or not we have time.

Hon. Mr. PEARSON: Intelligence suggests that we should do all we can.

Mr. CROLL: We are not talking about General MacArthur's intelligence service now, are we?

The CHAIRMAN: No. I will see that that is kept out at least.

Hon. Mr. PEARSON: Intelligence suggests what we should do. Political intelligence, military intelligence, and all kinds of intelligence suggest that we of the North Atlantic Pact and of the free world should do all we can and as quickly as we can. That has to be reconciled with the necessity of maintaining a strong economic and social structure while we are doing it. We do not know, unfortunately, whether we are in a sprint or a marathon. If it is a marathon and we start off at a one hundred yards pace, we may get into trouble. But if it is a sprint and we start off at a marathon's pace, we will certainly get into trouble. It is a matter of judging one's pace in the light of such information as may be available so that both efforts will be in balance. Every democratic government has that problem to face at the present time, and on the way it is faced will depend to a good extent our success in meeting developments ahead.

Mr. PICARD: May I ask one further question. Are you satisfied from the information you have that the countries in Europe, in regard to the arms plan, are doing their best, or are any of them lagging behind?

Hon. Mr. PEARSON: I am quite satisfied that all the European countries are aware of the situation. They are on the very front line, if there is trouble—and they are doing all they think they can do to meet that situation. It is easy for a country in a different position to look at what the other fellow is doing or not doing, and to compare one contribution with another.

That kind of comparative exercise sometimes gets us into trouble. In an association of this kind, of countries which are working together for their own security and survival, we have to trust each other that we are aware of the danger and that we will do everything we can to meet it acting together.

Mr. COLDWELL: May I ask what thought has been given to how this European army will be a European army and not a number of armies responsible to their respective governments? What civilian control is being formulated to obviate the kind of thing which arose in connection with General MacArthur?

Hon. Mr. PEARSON: I cannot answer that question very specifically at the moment.

Mr. COLDWELL: I am not anticipating that kind of thing with General Eisenhower.

Hon. Mr. PEARSON: The French government has been very much alive to that problem. In the discussions which are now taking place in Paris, and which have been going on for some months, the problem of international civilian control of the international force has been considered and is being considered. Therefore, until that conference finishes its work, I do not think I should say anything more than that it is a problem which is recognized as such by all the countries participating.

Mr. COLDWELL: You have armies with most diverse systems of pay and allowances and all that sort of thing. I wonder how various pay scales are going to be maintained, I mean the pay scales of various countries? They may have to mess together, and the officers may have to share the expenses.

Mr. CROLL: Did we not have some of that during the war?

Mr. COLDWELL: Yes, but not to the extent we have it now; not as close.

Mr. CROLL: Not as close; but we faced it at that time.

Mr. COLDWELL: Yes, to an extent. But I do not expect the minister to answer the question.

Hon. Mr. PEARSON: We had also the problem in the first war of the shilling versus the \$1.10 of the Canadians. I would think that the component parts of any European army would be large enough to form their own association, and that their contacts would not be as intimate as if there were two battalions in the same brigade, one getting \$5.60 and the other 30 cents.

Mr. STICK: May I move that we adjourn, Mr. Chairman? It is twenty minutes to six.

Mr. GOODE: Just one question, Mr. Chairman, and the reason I ask it is the hope that there will be no misunderstanding in regard to the number of troops which Canada is thinking of sending to Western Europe. Having regard to the officers on the general staff, I think your statement was very clear, that it will be up to the man personally, and not related just to the number of troops that we send to western Europe, with respect to that man's promotion.

Hon. Mr. PEARSON: I was not thinking of the promotion of our officers within our own forces at all.

Mr. GOODE: The question was asked: Would the number of troops we send to western Europe preclude any of our men coming to senior positions?

Hon. Mr. PEARSON: No, it would not in any way preclude a Canadian from becoming commander in chief of the whole force.

Mr. GOODE: That is right.

Mr. FRASER: The other day on the radio it was mentioned that the Hong Kong officials had stated that they had to trade with communist China because that was their life blood.

Do we ship goods to Hong Kong? Do we send goods there? And to what other countries do we ship or export goods which would involve a deal with China or with Hong Kong?

Hon. Mr. PEARSON: I would be very glad to make a short statement on that subject.

Mr. FRASER: Yes, I would like to hear it.

Hon. Mr. PEARSON: It is an important matter. There has been some misunderstanding about it and it might well be put on the record.

Mr. FRASER: Yes, I would like to have a statement about it, because when it was mentioned on the radio it seemed to off-set all the other embargoes they had.

Hon. Mr. PEARSON: On December 6, 1950, the United States government announced a complete ban on all exports to China and to Hong Kong presumably to prevent transshipment from Hong Kong to China.

While the Canadian government has not made such an announcement or applied so complete an embargo, it has effectively prohibited the shipment of strategic materials to China. The resolution which we voted for at the United Nations the other day was merely a confirmation in the form of a United Nations resolution of a policy which, in so far as Canada was concerned, had been in effect for some time.

The Canadian government would be willing to allow goods that were neither strategic nor in short supply here to go to Hong Kong. From Hong Kong they could go to China in present circumstances.

In other words, we have not put on a complete embargo on all goods of any kind to China, but we have put an embargo on all goods that will assist China in any way in the prosecution of aggression in Korea.

Then I should go on to say that the restrictions imposed by the Central People's Government on trade are such that in practice little if any is now being exported to China either directly or through Hong Kong. That is our position.

Mr. FRASER: Do we ship tractors and farm machinery to Hong Kong? In an order in council which was issued it did not mention Hong Kong, and it did not mention Russia. In that order in council is mentioned communistic China and the countries behind the iron curtain.

Hon. Mr. PEARSON: I think I am right in saying that any materials that are prohibited for direct shipment to China would be prohibited from shipment to Hong Kong.

Mr. FRASER: Then, when you ship to Hong Kong you do not put any restrictions on those shipments?

Hon. Mr. PEARSON: No; we put no restrictions on anything that is permissible for Hong Kong. What may happen to them after they get to Hong Kong would be a matter for the authorities at Hong Kong to deal with, if they wished to stop them going to any place else.

Mr. FRASER: Last week, in answer to a question of mine the Right Hon. Mr. Howe said that your department had to O.K. the shipment of arms to any foreign country.

Hon. Mr. PEARSON: That is right.

Mr. FRASER: Now, who in your department does that?

Hon. Mr. PEARSON: I do that personally in regard to all shipments above a certain minimum amount, and the amount is very small, and also in regard to all shipments however small in regard to a certain list of countries. I deal with that personally. Every application for a shipment of that kind within the category

I have mentioned comes to my desk, and in certain cases, indeed in a great many cases, I take it up to cabinet to have my own judgment confirmed or otherwise.

Mr. FRASER: You said a certain list—certain countries?

Hon. Mr. PEARSON: Certain countries. For instance, if we were shipping something to the United States or the United Kingdom or to friendly countries, I would not see all of those.

Mr. MACNAUGHTON: Is not the port of Hong Kong a free port?

Hon. Mr. PEARSON: Yes.

Mr. MACNAUGHTON: Well that might mean your shipments might call there and then proceed to Australia or some place else.

Hon. Mr. PEARSON: Yes, it may be, but in the case of strategic materials we would not allow the ship to go to Hong Kong at all.

Mr. STICK: I move we adjourn.

The CHAIRMAN: Before we adjourn I wish to thank the minister for the information received from him this afternoon. We have with us also this afternoon several officials of the Department of External Affairs. We have Mr. A. D. P. Heeney, Under-Secretary of State for External Affairs; Mr. H. O. Moran, Assistant Under-Secretary of State for External Affairs; and Mr. S. D. Hemsley, Head of Finance Division. Would it be in order at our next meeting on Friday at 11 o'clock to have these officials present or would you prefer to have the minister come back?

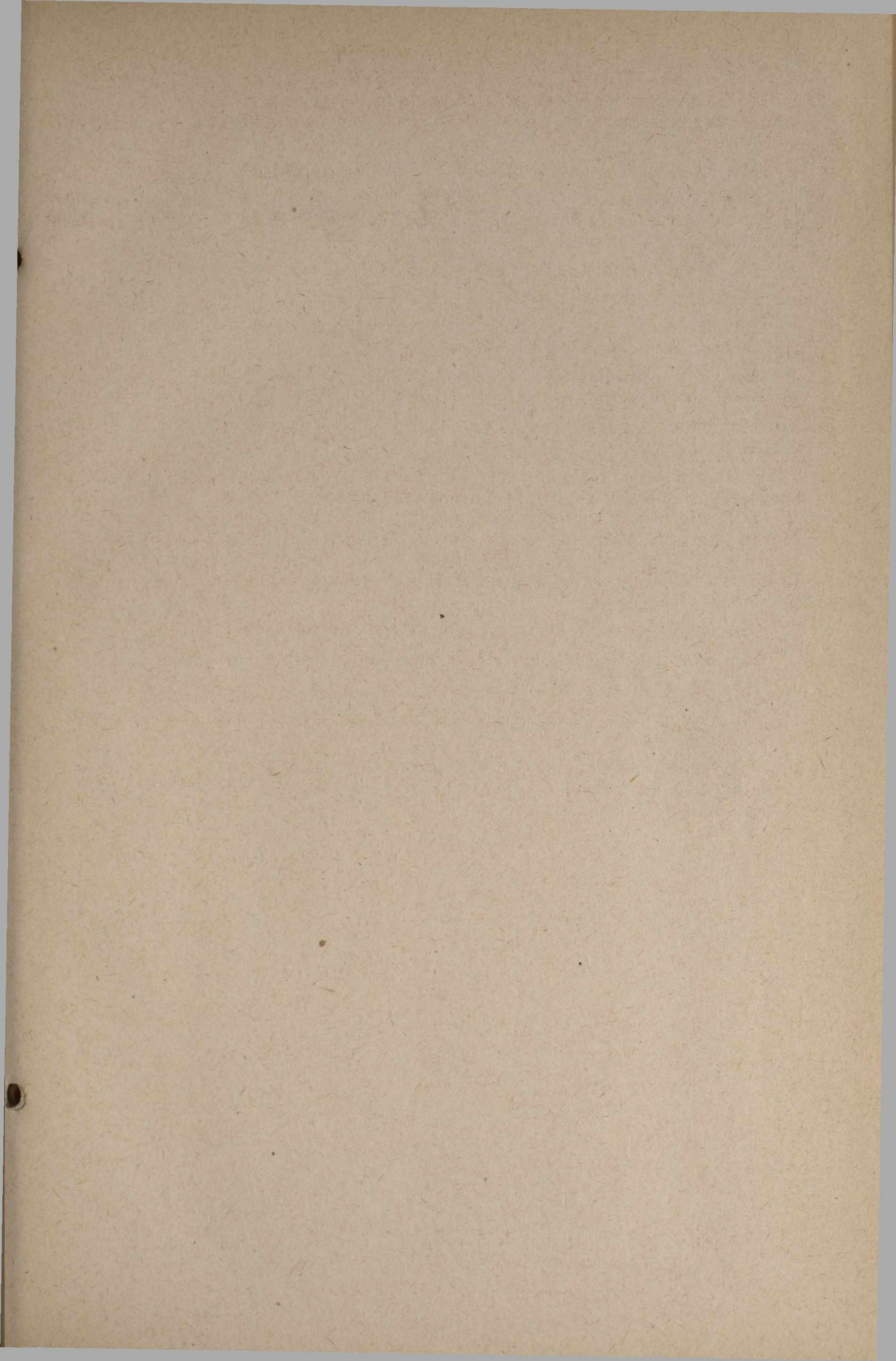
Mr. FRASER: I think we ought to have the minister again.

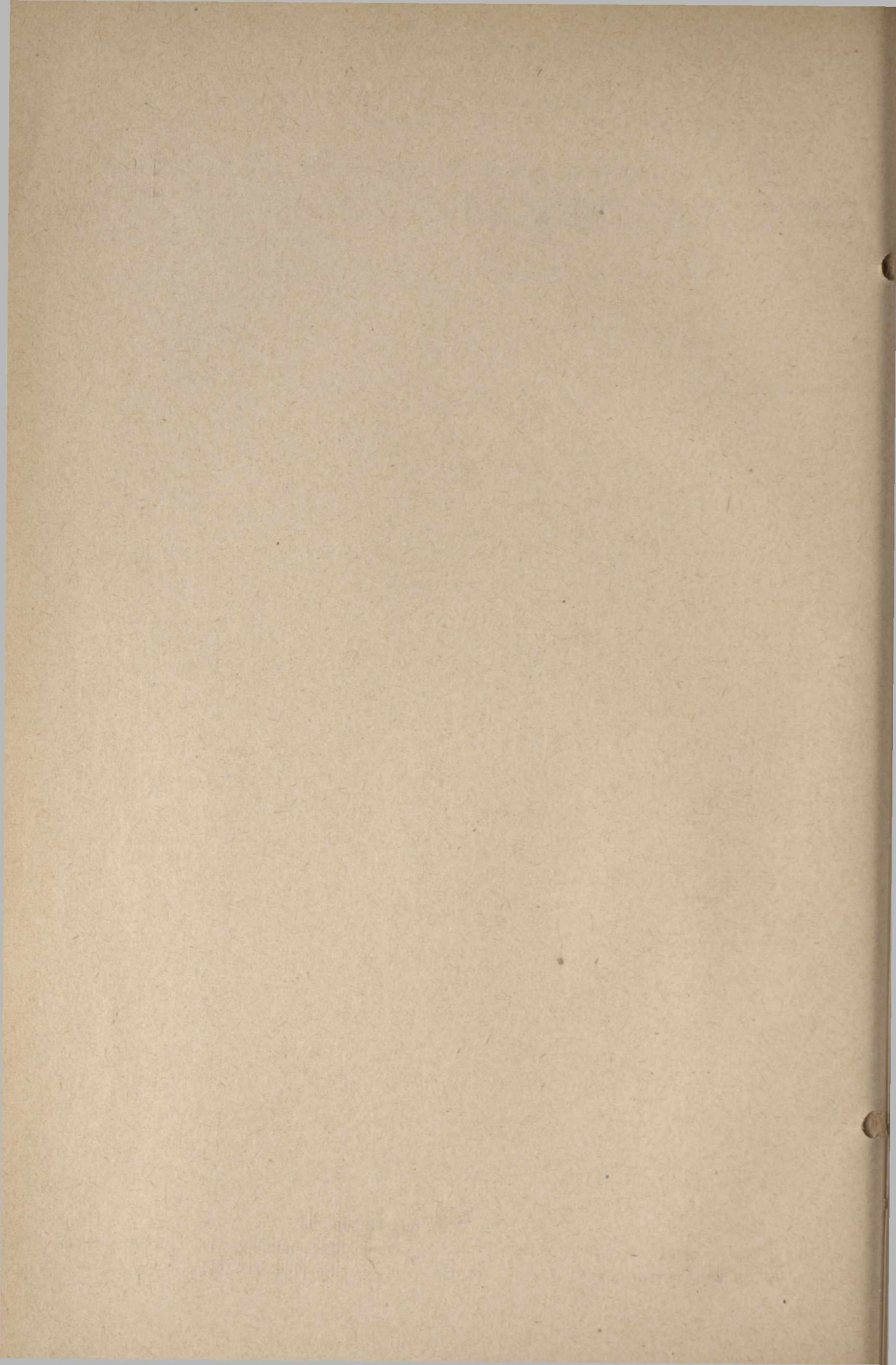
Mr. Low: I believe the minister should come to our next meeting.

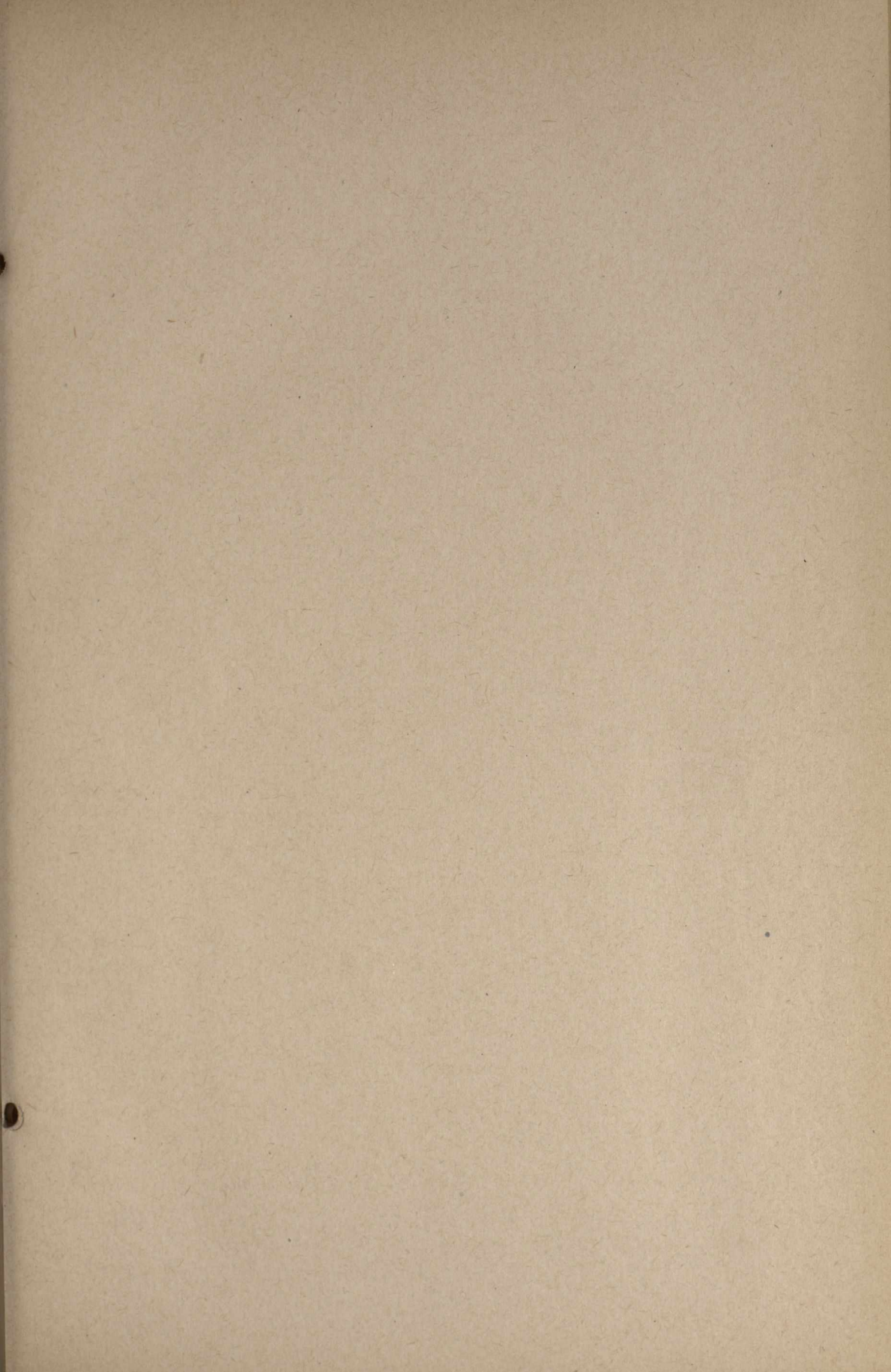
Hon. Mr. PEARSON: I would be very glad to be here on Friday.

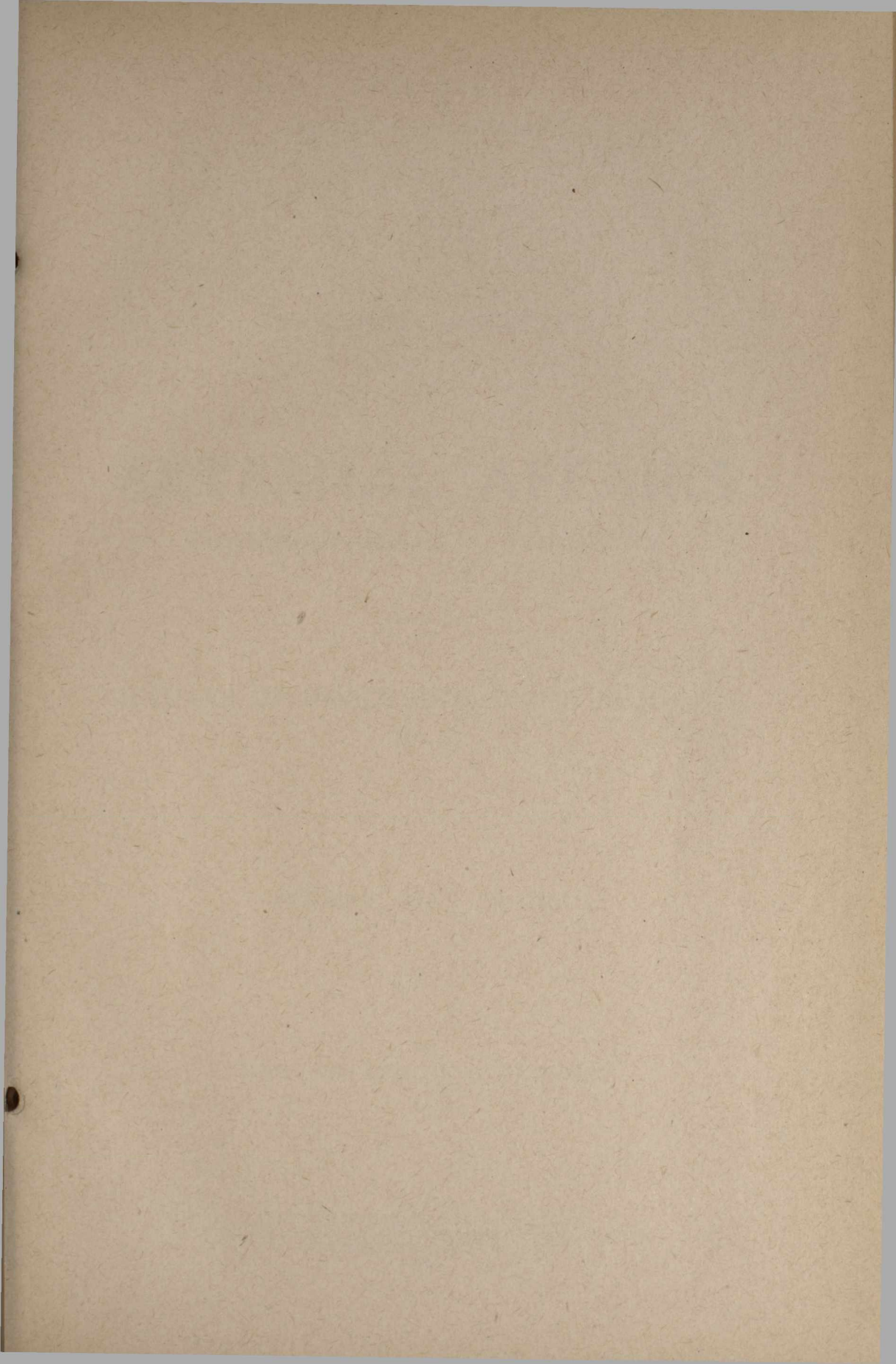
Mr. FRASER: Mr. Chairman, this is to be taken as absolutely no reflection on the officials!

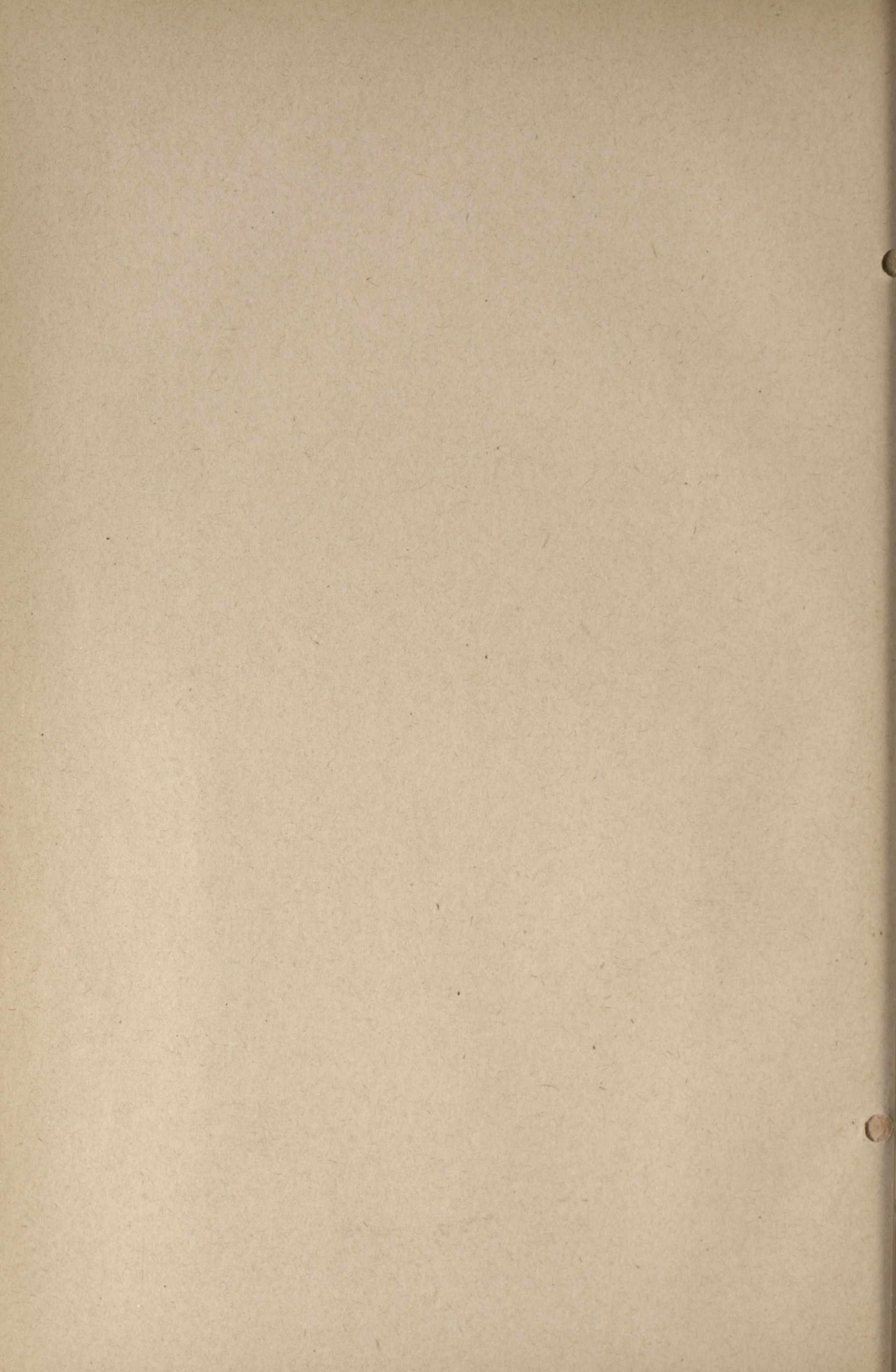
The CHAIRMAN: We had a well attended meeting of the steering committee yesterday and we decided to have a general meeting on Friday at 11 o'clock. Thank you, gentlemen.











SESSION 1951
HOUSE OF COMMONS

STANDING COMMITTEE

ON

EXTERNAL AFFAIRS

CHAIRMAN—MR. J. A. BRADETTE

MINUTES OF PROCEEDINGS AND EVIDENCE
No. 2

FRIDAY, MAY 25, 1951

Honourable LESTER B. PEARSON

OTTAWA
EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1951

STANDING COMMITTEE

on

EXTERNAL AFFAIRS

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Vice-Chairman: Gordon Graydon, Esq.,

Messrs.

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Bater	Fraser	MacKenzie
Benidickson	Gauthier (<i>Lac St. Jean</i>)	Macnaughton
Breithaupt	Gauthier (<i>Portneuf</i>)	McCusker
Coldwell	Goode	Murray (<i>Cariboo</i>)
Cote (<i>Matapedia- Matane</i>)	Green	Mutch
Croll	Higgins	Picard
Decore	Jutraş	Pinard
Dickey	Leger	Quelch
Diefenbaker	Lesage	Richard (<i>Ottawa East</i>)
Fleming	Low	Robinson
		Stick

Clerk: ANTONIO PLOUFFE.

MINUTES OF PROCEEDINGS

FRIDAY, May 25, 1951.

The Standing Committee on External Affairs met at eleven o'clock. Mr. J. A. Bradette, Chairman, presided.

Present: Messrs. Bater, Benidickson, Bradette, Coldwell, Cote (*Matapedia-Matane*), Decore, Dickey, Fleming, Fraser, Gauthier (*Lac St. Jean*), Goode, Graydon, Green, Higgins, Jutras, Leger, Lesage, Low, MacInnis, MacKenzie, Murray (*Cariboo*), Quelch, Stick—23.

Senator Isnor was also present.

In attendance: Same as on Tuesday, May 22.

Item 84—Departmental administration.

Mr. Pearson's examination was continued on matters raised at the last meeting. He was also questioned on:

1. Representations abroad.
2. Military reports emanating from Korea.
3. Offers of assistance to South Korea.
4. Organization of the North Atlantic Council.
5. United Nations Information Division.
6. Recognition of the Peiping Government.
7. United Nations resolution concerning the 38th parallel and the cease fire proposals to Korea.
8. Nora Rodd's broadcasts from North Korea.
9. The St. Lawrence seaway project.
10. Russia's membership in the United Nations.
11. Landing facilities at Goose Bay and relevant proposed agreements.
12. United Nations' Rehabilitation Commission.

Mr. Pearson undertook to make supplementary statements on the references to the International Joint Commission, on C.B.C. International Service and on the International Refugee Organization.

At 12.45, the Committee adjourned until Monday, May 28, at 8 o'clock in the evening.

ANTONIO PLOUFFE,
Clerk of the Committee.

MINUTES OF EVIDENCE

MAY 25, 1951.

The CHAIRMAN: Gentlemen, we have a quorum. I believe we are showing a lot of diligence by our large attendance at this Friday meeting, so it augurs well for the future of our sittings on that day. I will again call item No. 84 on page 13 of the estimates, departmental administration. The Hon. Mr. Pearson is here now, and I believe at the last meeting we had reached the stage of questioning. Does the minister wish to make any additional statements?

Hon. Mr. PEARSON: No, Mr. Chairman, I do not think so, but I will try to answer any questions that may be addressed to me.

Mr. FRASER: Well, Mr. Chairman, the minister said a number of countries wanted to be represented in Canada but that we could not reciprocate owing to the fact we thought that we could not or did not wish to extend our representatives in those countries or send ambassadors to those countries. Have we not got Canadian consuls or trade commissions in the countries that want to be represented in Canada?

Hon. Mr. PEARSON: In some of these countries we have trade commissioners and some of these trade commissioners have the title and status of consul. In certain countries of the type we are talking about, however, we have no representatives of any kind. Consuls or trade commissioners, in any event, are not considered as diplomatic representatives; I have in mind a particular country, but for obvious reasons I cannot mention its name—

Mr. FRASER: No, I do not expect you to mention the name of the country.

Hon. Mr. PEARSON: —when we wished to discuss some trade questions with a view to working out an intergovernmental commercial treaty, the government of this particular country said that they could not use our trade commissioner or our consul for that purpose. Questions involving intergovernmental negotiations of that kind have to be dealt with at a diplomatic level either through an ambassador or a minister whom we would appoint to that country, or by a special representative from Canada.

Mr. FRASER: Would it not be possible to have an ambassador from one country act also as ambassador to some other country?

Hon. Mr. PEARSON: That is true, and we have done that in some cases.

Mr. FRASER: Can it not be done in this case that you mention?

Hon. Mr. PEARSON: In this particular case it was not possible because, though some countries are quite agreeable to receiving an ambassador who is accredited also to another country, other countries do not accept that particular device with any favour. We ourselves, for instance, would have some reluctance to have a foreign diplomat accredited to the United States also accredited to Canada. If relations between the countries are important enough, I know we would prefer to have a man accredited to Canada exclusively, not accredited to the United States and then take on Canada as an additional task.

Mr. FRASER: And the trade with these countries that you mention, and especially to the one country—the trade with that country is not such that it would justify an ambassador's presence?

Hon. Mr. PEARSON: I think in this case it would justify a small diplomatic mission and we will undoubtedly find, I think, that our interests require that kind of representation, but we have taken the position that in the present emergency financial considerations make it desirable to postpone that kind of expansion for the time being.

Mr. FRASER: Thank you.

Mr. GOODE: Mr. Chairman, I would like this information for my own benefit, and I expect, some of the other members of the committee would like to know too. I notice in the last few days that General Van Fleet, the officer commanding the United Nations forces in Korea, has made reports to newspaper correspondents regarding the 38th parallel, and the Hon. Mr. Pearson has been very explicit in his statements in the House regarding the policy connected with that part of the country. This is what I would like to know: Does the officer commanding the United Nations forces in Korea give reports to the member states comprising that organization—does he report to the United States direct or does he report to the United Nations direct, and how is the sequence of information brought down from the United Nations, for instance, to your office?

Hon. Mr. PEARSON: Mr. Chairman, I think I can answer that question. The United Nations commander-in-chief, who is now General Ridgway, and the commander in the field under General Ridgway who is General Van Fleet, report to the unified command which has been established by the United Nations as the result of a resolution of the Security Council. That unified command is, in effect, the United States chiefs of staff. These reports to the United States chiefs of staff, that is to the unified command, are referred to the United Nations and to the members of the United Nations, and we have an opportunity of seeing them and, if we so desire, of commenting on them. That is one way in which information from the unified command reaches the governments concerned. In addition to that there are periodic meetings in Washington of the representatives of all those governments that have forces in Korea, seventeen of them, I think, now. They meet with representatives of the Pentagon—that is the Defence Department—and the State Department, and they are briefed every two or three days on developments in Korea; we have an opportunity at that meeting of making known our observations on any aspect of developments.

Mr. GOODE: Then, I can take it that Canada is a part of the policy-making organization for Korea; that we have some interest in how the final commands go out to the general commanding in Korea. That is true, I think, Mr. Minister?

Hon. Mr. PEARSON: Well, we have influence on general policy as a member of the United Nations with forces in Korea. We do not, of course, interfere in the conduct of the military operations.

Mr. QUELCH: Is it correct that the commander-in-chief of the United Nations forces at the present time has the authority to take his troops anywhere in Korea?

Hon. Mr. PEARSON: Yes, he has, under a resolution of the United Nations General Assembly passed last autumn when the forces were first approaching the 38th parallel. The commander there has authority to take any action which he considers necessary for the unification and liberation of Korea. I forget the exact expression. The white paper on Korea will give you the exact words.

Mr. GREEN: How many members of the United Nations voted to stop aggression in Korea?

Mr. QUELCH: Fifty-three, I think, was it not?

Hon. Mr. PEARSON: Yes, I think it was fifty-three—all, I think, with the exception of the Soviet bloc and two others.

Mr. GREEN: Why is it that only seventeen of fifty-three have supplied troops? They all received the same call for help, did they not?

Mr. QUELCH: Fifty-three did not vote to cross the 38th parallel.

Hon. Mr. PEARSON: No, I think about forty voted to cross the 38th parallel. I cannot give you the reasons why some countries have or have not taken action on that resolution. A lot of countries that have not sent forces to Korea have assisted in other ways. There are other countries who may feel that they themselves are so exposed to possible aggression and their own forces so inadequate to meet aggression that they would not wish to weaken them even further by sending troops across the Pacific to Korea.

Mr. GREEN: Well, it is fewer than one in three who have supplied any forces. Is that not the position?

Hon. Mr. PEARSON: Yes, seventeen out of the fifty-three, have actually sent forces to Korea. A great many have helped in other ways.

Mr. GREEN: You would think they could have at least supplied token forces.

Mr. QUELCH: Did not some of the other countries actually offer help which has not yet been taken up? The press carried despatches to the effect that certain countries were going to send troops—Siam is one, I think.

Hon. Mr. PEARSON: I think a few countries which have offered forces have not had their offer accepted by the unified command. We must remember that among these fifty-three countries, many are very small indeed and to have thirty or forty countries sending dribblets of contingents would be quite a military problem for the commander in the field; he may consider, unless a contribution can be made in the form of a battalion or better, it would present a difficult military problem from the operational point of view.

Mr. STICK: And then there is the other question of cost of maintaining these troops, equipment, supplies and all that sort of thing.

Hon. Mr. PEARSON: There is the problem of logistics and supply, and of absorption into the supply organizations of small contingents from countries all over the world, which in itself is a difficult military problem. That is why some governments, including our own, thought we should prepare for this kind of United Nations' operations by earmarking forces for the United Nations in advance of their use in order that the problems of supply, organization and equipment can be settled before an emergency develops. Also, there has been a proposal that would go even further than that, the establishment of a small United Nations force as such, an international force.

Mr. STICK: We have never done that before and this is really an experiment?

Hon. Mr. PEARSON: That is right.

Mr. GREEN: Has any progress been made in setting up a United Nations force of that kind?

Hon. Mr. PEARSON: I do not know what actual progress, if any, has been made. I know this question of earmarking United Nations national contingents for United Nations forces had been considered and is being considered now by a committee of the United Nations in accordance with the resolution passed at the last General Assembly and that committee—the collective measures committee—will be reporting to the United Nations General Assembly.

Mr. GREEN: How many nations have supplied troops for the United Nations?

Hon. Mr. PEARSON: I cannot answer that question offhand but I will try to get some information on that.

Mr. GRAYDON: Mr. Chairman, in relation to the question of an international police force, I take it what the minister has in mind and what some of the members interrogating you have in mind, is that it will be one large force, in which members of the United Nations would be units. Well, when the charter

was first instituted was not the idea of an international police force discussed on the basis that there would be perhaps fifty or so nations agreeing among themselves to stop aggression of one other nation of a smaller character which would be amenable to police force supervision? Is it not difficult now, with the world pretty nearly split in two, to have an international police force, if you are going to have an international police force that has, mingled in its composition, reds and communists from all over the world—what kind of a police force are you going to have that is going to be of any good to keep the peace, because it seems to me that when you have the world split in twain, you have a problem that is vastly different from the problem that was envisaged when the security council was first set up and its enforcement provisions made.

Hon. Mr. PEARSON: That is quite true. As you know, at San Francisco we based a lot of our policy and our assumptions on the unanimity of the great powers; if the unanimity of the great powers could not be preserved it could be assumed that the United Nations could not effectively operate as a policing agency. That situation, as you stated, Mr. Graydon, was changed. Indeed it can be argued that if the U.S.S.R. had not been accidentally absent from the Security Council last June, effective action of the kind that was taken could not have been taken. So far as an international force at the present time is concerned—mixing reds and communists as you put it with the others—that is not likely to happen because the Soviet bloc opposed the relative resolutions in the United Nations General Assembly last year.

Mr. GRAYDON: Well, even if they went into an international force they could kill it with a physical veto just in the same way as they are doing it with their veto in the security council because I cannot imagine anything worse than trying to send an international police force abroad with the reds fighting alongside our people when they want to make some other nation keep the peace. It seems to me to be so wholly impracticable. I suppose the only way it can be done is to have the nations who are still on this side of the iron curtain have forces available for use when the general assembly by a majority enters into an arrangement such as was entered into last fall, directs them into action.

Hon. Mr. PEARSON: That is right. We are trying to operate the United Nations in a now divided world of conflict. We had hoped to be able to operate the United Nations in a world of co-operating great powers.

Mr. DICKEY: Isn't that one of the basic ideas of the North Atlantic Organization? That they were to set up something of that kind under the charter, but that it would be free of that type of objection to which Mr. Graydon has called attention?

Hon. Mr. PEARSON: That is true, and, if the United Nations had been able to operate as we had hoped, there would never have been any necessity for us to have the North Atlantic Pact; at least not as a security measure.

Mr. DICKEY: We had some discussion at the last meeting with respect to developments in the North Atlantic Treaty Organization, and that revolved particularly around the proposed membership of Greece and Turkey. As I understand it, Canada's particular interest has been in the development of the organizational side of the organization and the development within the NATO of effective action machinery to bring about co-operation and look after the security provision. Have there been any developments on that side of the organization that the minister could explain to us?

Hon. Mr. PEARSON: There have been, as a matter of fact, and they have been announced within the last week or two. The North Atlantic organization was becoming rather complicated and cumbersome, there were a good many committees and subcommittees of one kind or another set up, and it looked to us and to other members of the council as though this complexity of the organization that was developing might interfere with its efficiency. As someone put it—

I think it was Dr. Evatt—there might be too much harness and not enough horse. So at the last meeting of council we proposed that the council and its agencies be re-organized and that re-organization has now been put into effect. In a word, what it means is this: That instead of having a council of foreign ministers, a council of defence ministers and a council of finance ministers, we now have one council of representatives of governments. That, I think, means more than a technical change because it emphasizes that the North Atlantic Council is a council of representatives of governments. It will be up to each government to decide at each council meeting whether it will be represented by its Prime Minister, its finance minister, its defence minister or foreign minister or all four if it were thought necessary. Then under the council of governments is a continuing committee of deputies which is turning out to be a more and more important part of the organization. It meets almost every day and the day-to-day work of the organization is handled by this council of deputies. It is operating effectively under the very able chairmanship of the United States member, Mr. Spofford. We are represented on the Council of Deputies by our High Commissioner in London.

Mr. COLDWELL: By the way, Mr. Pearson, who is our high commissioner?

Hon. Mr. PEARSON: Our high commissioner?

Mr. COLDWELL: Yes.

Hon. Mr. PEARSON: Mr. Wilgress. Then under the Council of Deputies—I am talking now about the political organization—we have two boards taking the place of the former boards and committees and subcommittees. First there is the financial and economic board which has just been set up and which is studying the economic impact of the defence programs on the various countries and economic and financial questions arising out of defence programs, and the impact of those programs on the country concerned. They are making a general survey of economic and financial developments.

We also have a defence production board which studies, as its name implies, production problems; for instance, a survey has been made to see how productive capacity can be used more effectively in the various member countries. If there is idle productive capacity in one country and not enough productive capacity in another they find out how things can be worked so that orders from one country can be diverted to make use of the productive capacity in another country. That is the function of the production board. Our representative on that board is Mr. H. R. MacMillan. Our representation on the financial and economic board has not yet been determined. That board has just been set up; we have not yet appointed a representative but our interim representative is Mr. Couillard of the Department of External Affairs. The military side of the organization has been more or less stabilized from the beginning with a committee consisting of the chiefs of staff of all member countries. Under that committee is the standing group, the military representatives of the United Kingdom, the United States and France. They, in a sense, are the combined chiefs of staff of the North Atlantic organization and with them, that is the group of three only, the other countries have liaison arrangements; we have found that this system has worked out satisfactorily.

Mr. GOODE: And the H. R. MacMillan who represents us there is the H. R. MacMillan from British Columbia?

Hon. Mr. PEARSON: Yes, from British Columbia.

Mr. GOODE: I thought we ought to be able to get British Columbia in on it somewhere.

Mr. FLEMING: Mr. Chairman, could Mr. Pearson tell us anything about one or two aspects of the question under discussion. The minister has indicated the procedure by which information on the situation there is disseminated and

he has indicated that the information which is given out reaches representatives of participating member countries. I take it that the government of Canada is also receiving reports in the ordinary way from its own commander in Korea?

Hon. Mr. PEARSON: Oh yes, the commander of Canadian forces in Korea has the right of direct correspondence with his government.

Mr. FLEMING: I take it that you get reports from that source?

Hon. Mr. PEARSON: The Minister of National Defence would be in a better position to report on that than I am, but I presume he is receiving reports directly. As Mr. Heeney points out, we also have a military representative in Tokyo who reports directly to the Department of National Defence and who is accredited to the supreme commander of the allied forces in the Pacific, General Ridgway.

Mr. STICK: We have a direct liaison officer there?

Hon. Mr. PEARSON: Yes.

Mr. FLEMING: Do all the reports from General Ridgway, relating to operations in Korea, go directly to this committee of seventeen representatives in Washington or are the reports which he is making going exclusively to the United States government in his capacity of United States commander?

Hon. Mr. PEARSON: I think a great many of General Ridgway's reports go straight to the United States government in his capacity as commander of the United States forces in Korea, and I might say that a lot of them would normally be expected to go that way; some are passed on to the United Nations committee.

Mr. FLEMING: It is for General Ridgway to decide what reports go to the United States and what reports go to the committee of seventeen representatives in Washington.

Hon. Mr. PEARSON: I speak subject to correction but I think that discretion as to which reports General Ridgway should make directly to the United States and which reports should be passed on to the committee of seventeen which meets in Washington would be exercised by the unified command. His reports however reach this committee, and it has been a very valuable working arrangement. Also the Assistant Secretary of State in charge of far eastern affairs Mr. Dean Rusk attends the meetings of this committee and he reports on the political aspects of operations in Korea.

Mr. FLEMING: The United States high command being an American staff, I suppose that it is an American decision that decides what reports go to representatives of the seventeen nations and what reports go to the United States, and hitherto we had no reason to feel that the reports going to the representatives of the seventeen nations had not been as complete as desired.

Hon. Mr. PEARSON: We have had no complaints about any of these reports; there are also reports from the United Nations commander in the field which go directly from the United Nations command to the United Nations itself. They are formal reports to the United Nations. That is something apart from the reports made to the committee of seventeen. The first report on operations in Korea signed by General Ridgway reached the United Nations the other day.

Mr. FLEMING: And precisely to what extent are the representatives of the United Nations influencing the issuance or the actual issuing of commands to General Ridgway?

Hon. Mr. PEARSON: The unified command has the sole responsibility I think for the issue of instructions to General Ridgway within the limits of the United Nations resolution setting up the unified command. For instance, the unified command could not tell General Ridgway, to take a hypothetical case, that he could go into North Korea and also cross the Yalu River however

necessary it might appear to him to do so, because that would be outside the terms of the resolution which binds all members of the United Nations which have accepted them including the United States.

Mr. QUELCH: They could do that now, could they not, since China has been declared an aggressor?

Hon. Mr. PEARSON: No. There is no authority that I know of which would authorize the unified command to order the United Nations forces to operate on land outside of Korea in any circumstances.

Mr. MURRAY: Mr. Chairman, may I ask a question on a lower level of United Nations operations. Do you think that the United Nations is well publicized in regard to the 101 various things carried on by them so that people throughout the world can have a better idea of the great work which is being done by the United Nations?

Hon. Mr. PEARSON: I can give you a great deal of information on that subject because the United Nations information division, which is a very important part of the secretariat, is a very active division indeed and has done a great deal to publicize the activities of the United Nations.

Mr. MURRAY: For instance, have they a printing plant at the United Nations?

Hon. Mr. PEARSON: No, I don't believe they have a printing plant but a great deal of printed material goes out from the United Nations and is distributed all over the world.

Mr. MURRAY: Yes, but I do not see how you can reach all the large organizations interested in a matter of that kind on a small scale basis without publicity and a printing plant. There are a lot of people and organizations who are vitally interested in what the United Nations are doing, and it seems to me that the whole future of the organization depends on their having facilities there for getting out material promptly and adequately to the public.

Mr. COLDWELL: The language difficulty is great there.

Hon. Mr. PEARSON: Yes, there is a difficulty in languages. But it is true the United Nations does have facilities for getting out printed material, and it gets it out to the public promptly even though it does not have a printing plant of its own. It does get it out.

Mr. MURRAY: How can they get it out if they haven't got printing facilities?

Hon. Mr. PEARSON: Well, for one thing, they send out telegraphic information each day to every member government as to what is going on at the United Nations.

Mr. MURRAY: Do you not think they should employ the most skillful editorial talent they can engage?

Mr. GRAYDON: May I suggest, Mr. Chairman, they should not overlook Alaska Highway news when they are doing it?

Mr. MURRAY: Each little bit is a little bit more. They do the best they can. I am asking the minister if they could not make it more attractive, if the message of the United Nations could be presented in a more dramatic and appealing manner.

Hon. Mr. PEARSON: I really am not in a position to comment on that. I would like to produce for the committee, however, a report on what they are doing and how they are doing it. I know that some of their radio programs and television programs are pretty dramatic and have a very wide audience in the United States, in this country and in European countries, and that they represent a great deal of work.

Mr. MURRAY: But there isn't any substitute for the printed word.

Mr. FRASER: The evening broadcast from the United Nations is excellent. It covers the whole day's activities of the United Nations. I listen to it every night and I think it is wonderful.

Mr. COLDWELL: They have been able to reproduce the discussion of the United Nations during the crisis. I think it is very valuable.

Mr. MURRAY: With respect to the question of health and narcotics and the various ramifications of labour, too.

Hon. Mr. PEARSON: I shall be able to get some information on the publicity activity of the United Nations in so far as the printed word is concerned.

Mr. MURRAY: I think it is fundamental to the whole concept.

Hon. Mr. PEARSON: Their information budget was cut very considerably this year, and I think we supported the cut. There had been a general feeling that there was a certain amount of extravagance in their propaganda, and that a lot of money was being spent which we, as well as other delegations, felt was hardly justified.

Mr. MURRAY: Do you not think that to spend some money on printing presses and so on would be just as good as to spend it on machine guns?

Hon. Mr. PEARSON: I do indeed, and I can assure you that they are spending a good deal of money on the printed word.

Mr. LESAGE: We can have printing done in Canada within four days—I mean contracts which are given for Canadian printing.

Mr. MURRAY: I am thinking of the attacks which are waged against the United Nations by people who should be our own friends, such as the *Chicago Tribune*. Certainly in Europe there is a continuous hammering of attacks in an attempt to belittle the work of the United Nations, and in an effort to destroy its effectiveness. There is only one way to meet those attacks and that is by means of counter attacks.

Hon. Mr. PEARSON: I doubt if counter attacks would have very much effect on the *Chicago Tribune*.

Mr. MURRAY: I think the *Chicago Tribune* is a paper which should be more considerate of Canada as well as of the United Nations.

Mr. COTE: With respect to the description given by our minister so ably of the Atlantic Pact, would the minister without embarrassment, care to comment on General Bradley's testimony before the committee in Washington yesterday with regard to the aggression from Russia?

Hon. Mr. PEARSON: No. I do not feel that I could comment very usefully on it. In fact, I have not read yesterday's testimony.

Mr. COTE: No. It was just a news item report which I read myself.

Hon. Mr. PEARSON: I would like to have a look at it before I say anything about it. I can say, however, that I think General Bradley's testimony before the committee, has been very impressive. I shall let it go at that.

Mr. MACKENZIE: Mr. Minister, in view of the fact that there has always been a very wide divergence apparently between the United States and the United Kingdom with regard to recognition of the Peiping government either past, present or future, and also in view of the statement mentioned a few days ago, what is Canada's position with regard to recognition now?

Hon. Mr. PEARSON: Our position in regard to recognition of the Peiping regime in China is that no consideration can be given to such recognition so long as China is conducting, or so long as the Chinese government is conducting an aggressive war against the United Nations. In other words, we cannot admit that the Chinese government in Peiping can shoot its way into the United Nations.

Now, that does not deal at all with the question whether we should or should not have recognized the Chinese communist government before they began the shooting. The fact is that they are conducting warfare against the United Nations now and while they are in that position, as far as we are concerned, the question of recognition does not arise.

But if the conflict in Korea is brought to an end and an honourable negotiated settlement can be reached, then the question of recognition of the Chinese government does arise. Mr. Dean Rusk, in his speech last Saturday night, on this question caused confusion and created some anxiety in other countries. It was felt that his speech indicated a change in United States policy, and that there could be no question at all of recognition of the communist government of Peiping, regardless of its aggression in Korea. But the State Department through the Secretary of State has indicated that Mr. Rusk's speech should not be so interpreted, and that it did not represent a change either of policy or of emphasis. And so far as I am concerned, I was very glad to get that explanation and that assurance.

Mr. FLEMING: What is the position of the Canadian government in regard to the suggestions we hear that those nations which have already recognized the Peiping government should be invited by the United Nations to withdraw their recognition until the Peiping government ends its aggression?

Hon. Mr. PEARSON: That would be invoking the application of diplomatic sanctions against the Peiping government. But it has not yet come before the United Nations for discussion or decision. As you know, there has been set up an Additional Measures Committee which has looked into the question of what additional measures can be taken to bring pressure to bear on the Chinese to stop their aggression in Korea. That Additional Measures Committee reported last week, I think it was, and recommended the application of certain economic sanctions and the cutting-off of all trade in strategic materials. It did not recommend anything else. It could have gone further than that if it so desired, but it did not. Additional measures which might have been considered would be blockade, total sanctions, and the withdrawal of recognition; but they have not yet been put forward.

Mr. GRAYDON: I would like to ask the minister if, under the directive given to the unified command, as the minister has pointed out very properly, to unify north and south Korea into one country, the establishment of a settlement as has been suggested within the last few days by means of some cease fire at the 38th parallel would not mean that there would have to be a change in the directive from the United Nations to the unified command?

Hon. Mr. PEARSON: No, I do not think so. I am trying to get the exact words of the resolution which authorized the crossing of the 38th parallel. It remains, as I see it, the objective of the United Nations to work towards the unification and liberation of Korea.

As was pointed out by General Bradley and by General Marshall, and as it had been previously pointed out by other people, it is not the obligation of the United Nations under the resolution which was passed at the January assembly to bring about that unification by force.

Therefore, as I see it, a settlement of the military conflict on the basis roughly of the status quo of last June would not conflict with the United Nations' resolution, providing it did not interfere with subsequent steps taken to bring about the unification of the whole of Korea. We are under an obligation to do what we can in that respect. But we are not, as I understand it, under any obligation to continue military operations in Korea until it is brought about.

Mr. COLDWELL: Was there not an obligation even before last June to attempt to unify Korea?

Hon. Mr. PEARSON: Yes, that is right. There has been a United Nations resolution laying down the objective of a united Korea.

Mr. HIGGINS: Is the principle to be one of de jure, or de facto government, or is it to be a combination of both?

Hon. Mr. PEARSON: The principle of recognition of China?

Mr. HIGGINS: Of any of those countries?

Hon. Mr. PEARSON: There is a distinction in international law between de facto and de jure recognition, but the distinction is sometimes a little more theoretical than real.

Mr. HIGGINS: For admission to the United Nations, let us say?

Hon. Mr. PEARSON: Admission to the United Nations, as we understand it, would constitute de jure recognition.

Mr. JUTRAS: On the same subject, Mr. Chairman, I would like to ask the minister if the Peiping government has actually recognized the British government.

Mr. DECORE: De facto or de jure.

Hon. Mr. PEARSON: The Peiping government has received British diplomatic representatives in Peiping. That in itself constitutes a recognition of the government of the United Kingdom, if that had been required. But the Peiping government has not reciprocated by sending any diplomatic representatives to London.

Mr. FRASER: They have allowed the British to "peek in", but they have not "peeked in" themselves.

Mr. JUTRAS: That is as it was precisely a year ago.

Mr. DICKEY: When did they admit the British diplomatic representatives to Peiping?

Hon. Mr. PEARSON: Almost immediately after recognition by the British government of the Peiping government. It was some time last year.

May I now clear up the point about the United Nations resolution which has been loosely called a resolution to authorize the crossing of the 38th parallel. The actual wording of that resolution is as follows—it was passed on October 7th by the General Assembly, and it recommends, among other things:

(a) That all appropriate steps be taken to ensure conditions of stability throughout Korea,

(b) That all constituent acts be taken, including the holding of elections, under the auspices of the United Nations, for the establishment of a unified, independent and democratic Government in the sovereign State of Korea.

Mr. COTE: Has there been any modification since then?

Hon. Mr. PEARSON: No, I do not think so. Under that resolution the United Nations forces were authorized to cross the line if they so desired.

Mr. COTE: I think they ought to do so, in view of the fact that the Chinese have crossed it coming south.

Mr. GOODE: With respect to this Korean matter, might I ask the minister if there has been any further development with respect to the supposed peace move by Russia? This is in connection with what Mr. Murray suggested, that there should be counter proposals to a thing like that. I know you have done the best you can in the House to counteract it.

Hon. Mr. PEARSON: No, I have not heard anything which would confirm a peace move. But I can say that the newspaper *Pravda* printed an editorial in Moscow expressing the hope that the conflict in Korea could be ended by the first anniversary of that conflict on the basis roughly of a return to the status quo.

Mr. DECORE: Is that a recent editorial?

Hon. Mr. PEARSON: Oh, yes. That same attitude has been taken by communist newspapers in other countries, notably the *Daily Worker* in London. This editorial in London and Moscow and in other places—the editorials were substantially the same—referred to a resolution introduced into the Senate of the United States by, I think, Senator Edwin Johnson of Colorado proposing the ending of the conflict on substantially that basis. It is not usual for communist newspapers to print suggestions of that kind without official inspiration.

Mr. FRASER: It is said in the American papers yesterday, Mr. Chairman, that newspapers in the States which are communistically inclined were advocating that the war in Korea would be over on the 25th of June and that all troops would be out of Korea by the end of December.

Hon. Mr. PEARSON: Yes, I have seen those reports. You may have seen references from official quarters in Washington to the fact that the cease fire arrangement drawn up last December by the cease fire group did propose a withdrawal of troops behind a line which would be, roughly, the line of the 38th parallel, with a 20-mile neutral zone in between; and that this withdrawal should then be followed by steps which would lead to the complete withdrawal of all non-Korean forces from Korea.

Mr. FRASER: On that point, is that zone to be 10 miles on each side of the parallel or 20 miles on one side?

Hon. Mr. PEARSON: The proposal was, by the way, accepted by the United States at the time. It is receiving a certain amount of new publicity at present.

I find I have not got the actual text of the proposal before me, but it stated that there should be a 20-mile neutral zone approximately along the 38th parallel, and we had in our minds that it would be from the 38th parallel north.

Mr. FRASER: That is what I wanted to find out—whether it was 10 miles on this side of the parallel and 10 on the other or 20 miles north.

Hon. Mr. PEARSON: We did not actually draw a line, and I do not want to say that it would be a line 20 miles north of the parallel straight across because that would not have been a feasible line—but most of it would have been north of the parallel.

Mr. COTE: Was that 20 miles crossed by the United Nations army?

Hon. Mr. PEARSON: That neutral zone would be policed by the United Nations forces.

Mr. COTE: No, I meant up to now has the United Nations army gone beyond that?

Hon. Mr. PEARSON: They have gone much further than that in their operations.

Mr. JUTRAS: I would like to change the subject but time is running out, and, Mr. Decore has priority.

Mr. DECORE: Mr. Chairman, in our discussions at the last meeting, reference was made to the C.B.C. international service and I think the minister intimated that he would be prepared to make a statement, that is without too much embarrassment to him, with regard to the purpose and nature of the broadcasts, especially to countries in Europe.

Hon. Mr. PEARSON: I did say at the last meeting that I would be glad to do that at the next meeting or a subsequent meeting but, if it would be agreeable, I would like to hold that off until the next meeting, because we are making a pretty careful study of the scripts of previous broadcasts. I want to come prepared with a statement. That would be easier for me than if I tried to speak without accurate briefing. If you do not mind then, Mr. Decore, I will have that ready for the next meeting.

Mr. GOODE: Might I give notice to the minister that I would like to ask a question at the next meeting on details regarding a certain lady from Windsor, Ontario, who is behind the north Korean lines, and is reported to be investigating atrocities. I think you should perhaps devote some time to discussing the subject. It is very interesting and I would like to know, and I give notice now, how she got out of this country. The government must have known where her sympathies lay.

Hon. Mr. PEARSON: I can answer your last question right away. If the lady is a Mrs. Rodd from Windsor, and I will confirm this, then she is a Canadian born citizen. As a Canadian born citizen she would have no great difficulty in getting a Canadian passport. With that passport, and with her sympathies, she might have very little difficulty in getting a USSR visa. A passport does not get you into Russia but a visa usually does.

The lady went to Moscow, I think, in connection with one of these peace meetings and according to the press, which is the only information I have, she seems to have gone to north Korea. However, I will see if we can get any additional information.

Mr. GRAYDON: Why are Canadians running around behind the iron curtain like that? I should think that it should be stopped. There are lots of things for them to do here without them having to go to Moscow and north Korea.

Mr. COTE: That is a matter that concerns the countries behind the iron curtain—and not Canada. The countries behind the iron curtain are free to admit or refuse, but I do not think we can impose our own wishes or force those countries to receive or refuse any of our people who go there.

Mr. GOODE: I do not think that is the point, Canada should have some say.

Mr. JUTRAS: I wonder if the minister would be in a position today, or at the next meeting, to give us a statement on the activities of the International Joint Commission—particularly as related to our section of the country.

Mr. STICK: On your floods again?

Mr. GRAYDON: They came before the committee last time.

Hon. Mr. PEARSON: I can do that. I have a statement here but it might be in a little better form if we waited until the next meeting.

Mr. COLDWELL: While you are speaking of subsequent meetings perhaps we could have something on the I.R.O. and what is being done with the balance of the people.

Hon. Mr. PEARSON: Yes.

I might say a word on the International Joint Commission. It is more active now than it has been for some years in that there are more important references before it. I am not suggesting that its inactivity in the past was undesirable but the fact it was not very active may have showed there were not as many border questions in dispute between the two countries, or no border problems of that kind. Whatever the reason may have been, the fact is that now the commission is very active and has some very important references before it. Some of those are more difficult than were many of the references in the past.

At the present time there is before the commission the Passamaquoddy reference. This is a reference which requested the International Joint Commission to estimate the cost of a full scale investigation which would be necessary to enable the commission, to make recommendations concerning the feasibility of the Passamaquoddy Tidal Power project. The commission has reported that a further investigation, merely on the question of the feasibility of the project, would cost \$3 million. The report as to whether it is desirable or practical at the present time to spend \$3 million on this further investigation is now before the government.

Then there is the pollution of boundary waters reference before the Commission. That reference requested the commission to investigate and make recommendations concerning the pollution of the waters of the St. Mary's river between Lake Superior and Lake Huron, the St. Clair river, Lake St. Clair, the Detroit river and the Niagara river.

Mr. FLEMING: Is that the work of the *Chicago Tribune*?

Mr. GRAYDON: There is some pollution in the air around Windsor.

Hon. Mr. PEARSON: The commission has recommended that the specific objectives for boundary water quality control, set out in its report, be adopted as the criteria to be followed in implementing that part of article IV of the Boundary Waters Treaty of 1909 wherein it was agreed 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 side.

Then there is the St. John river reference, the Niagara Falls reference, the Columbia river reference, the Libby dam and reservoir project application, the Waterton-Belly rivers reference—which is a very important and difficult one indeed. That reference is a question of the apportionment of the waters of those two rivers. It is now under active investigation and may take a little time.

Then there is the Souris-Red rivers reference, and the Sage Creek reference. So, there is a good deal of work before the commission.

Mr. GRAYDON: May I ask one question. Is the government anywhere nearer a decision with respect to commencing the work of both power and navigation on the St. Lawrence waterway? The reason I ask is this: I understand that if Canada is going to proceed with the St. Lawrence deep waterway on her own, she has to go through a considerable amount of red tape with respect to the International Joint Commission in order to get authority to proceed on certain of the works. I was wondering if the minister can say how long it would take—providing the Canadian government decided to go on its own—to clear all the mass of red tape with the International Joint Commission before we could even undertake the project? That is a factor in the urgency of the situation now, because even if the decision is made now I understand that it is going to take a long time before the thing can be gotten under way. That is why I suggest there is urgency of decision at the moment.

Hon. Mr. PEARSON: Well, I would hope that the unravelling of any necessary red tape would not take very long, but I would point out that the question of an international waterway has not yet been decided and no decision, obviously, can be reached or announced in respect of a Canadian deep waterway scheme until we learn that the international scheme is not possible. If it were decided, and this is hypothetical, to go ahead with the Canadian scheme because of the impossibility of securing United States concurrence in a joint scheme—and that would be the only reason for which such a decision would be made—there could be no progress made on the power aspect of the proposal without approval from Washington. In other words, if the power development of the waterway scheme was a matter for New York state and the province of Ontario, New York state could not proceed with that development without the approval of the Federal Power Commission in Washington. That would in effect mean approval of the administration in Washington.

Mr. GRAYDON: Would that have to go through Congress?

Hon. Mr. PEARSON: I do not know for sure. I do not think that approval would require congressional action; it would require executive action only.

Mr. GRAYDON: That would not be so difficult.

Hon. Mr. PEARSON: That would depend upon the attitude of the executive towards a power scheme developed by New York state and the province of Ontario, and that permission has not previously been granted by the executive

in Washington. The president, I think, has indicated that he would not be disposed to give that permission as long as there was any possibility in his mind of an international navigation and power development; so if Canada decided to go ahead on her own on a power and navigation scheme there would be that hurdle to overcome. Then regarding that particular hurdle you mention, it is true there would have to be a reference—I think I am correct in saying this—to the International Joint Commission but I doubt whether there would be much difficulty in clearing that if all the other difficulties had been removed.

Mr. GRAYDON: I can quite understand there would not be much difficulty from our own members on the joint commission but remember there are the same number of American members on that joint commission as there are Canadians, and I think that if there were strong representations from Congress, or from the administration, connected with that, there might be red tape crop up.

Hon. Mr. PEARSON: I do not want anything I say about this to be construed as suggesting that if it were a purely Canadian scheme and if the power aspect of the scheme, which would have to be international, were agreed upon between the two governments, I am not sure—I would like to look into it more fully—whether it would be necessary to go to the joint commission for a strictly navigational scheme if it were purely Canadian. I would like to reserve my opinion on that.

Mr. GRAYDON: There is a question of water levels, I suppose?

Hon. Mr. PEARSON: I am not just sure of that. I would also point out that the actual plans, the engineering plans for an all-Canadian route have, of course, been completed so there would not be any delay on that score.

Mr. GRAYDON: It seems to me that if Congress is going to delay the question the easiest way to get a decision would be for Canada to announce that it is going to go ahead, and then the United States power and transportation lobby at Washington might disappear if Canada were going to build it anyway.

Hon. Mr. PEARSON: I do not think I can add anything to what I have said or what other members of the government have said.

Mr. GRAYDON: May I ask another question? Suppose Congress is favourable finally to the international development of the St. Lawrence deep seaway and it passes legislation accordingly, how many years could develop before appropriations and other red tape down there are cleared in connection with the international building of the project? My own idea is that if congressional machinery adopts this scheme that it might easily mean a delay that will be disastrous and long, and perhaps some decision to go ahead ought to be made by the Canadian government rather than take a chance on it.

Hon. Mr. PEARSON: The United States government has more than once shown, that with congressional authority, it can act speedily and effectively.

Mr. GOODE: Mr. Chairman, may I point out to Mr. Graydon and to you, sir, that there may be a big selling job to do in western Canada before you reach the point of congressional authority.

Mr. BATER: The minister has mentioned that a production board has been set up. Is it the intention that the function of this board be for peace or war-time production or both?

Hon. Mr. PEARSON: The board I was referring to was a war production board and it was concerned only with production in the North Atlantic countries for defence purposes.

Mr. COLDWELL: Has it anything to do with regard to the allocation of raw material for defence purposes?

Hon. Mr. PEARSON: The question of allocation of raw materials for defence purposes which is a very pressing and important one, is now really being con-

sidered by separate machinery in Washington, that is, separate from the North Atlantic organization, but that machinery is related to the work of both the North Atlantic organization and the OEEC.

Mr. COLDWELL: Because in the original organization there was provision made for economic co-operation.

Hon. Mr. PEARSON: That is true, but this allocation machinery now operating in Washington is really emergency machinery.

Mr. HIGGINS: Mr. Chairman, I was going to ask whether the minister is prepared to discuss this morning the matter of landing facilities in Newfoundland?

Hon. Mr. PEARSON: I would like to discuss that with a legal adviser sitting close to me, if you do not mind. I could deal probably with some general aspects of it, but the technical and legal questions involved are a little beyond my lay mind without proper advice.

Mr. HIGGINS: I think the minister is being very modest. I understand that the reason leading to the proposed amendments is that the United States wants a further lease of property at Goose Airport where they now estimate an expenditure this year of some \$200 million for the extension of facilities there. Is that not the real reason for this agreement?

Hon. Mr. PEARSON: No, long before the question of additional facilities at Goose Bay came up, long before that, we took up with the United States government the possible revision of the leased bases agreement—once Canada became part of Newfoundland—so the two questions—

Mr. STICK: I hope that gets into the record, Mr. Chairman.

Hon. Mr. PEARSON: And vice versa. The government thought at the time that a new situation had been created which had a bearing on those agreements and that possibly the United States government taking into account that new situation would be agreeable to discussions with a view to their amendment. As you know, changes have been made. The question of additional facilities at Goose Bay is another question and I will be glad to discuss that at an appropriate time, too.

Mr. STICK: Mr. Chairman, these are only proposed amendments are they not? They have not been signed, sealed, and delivered yet, have they?

Hon. Mr. PEARSON: No, they require parliamentary action. There has been an exchange of notes between the two governments and our government accepted them on behalf of Canada.

Mr. STICK: Then we will have a full discussion in parliament?

Hon. Mr. PEARSON: Yes, we will.

Mr. STICK: As it stands now, they are only proposed amendments; they have not been fully implemented.

Hon. Mr. PEARSON: That is true, but it has been agreed between the governments to enact the necessary legislation to make the agreements effective.

Mr. HIGGINS: But it is fair to say that these considerations entered into the picture very much, is it not?

Hon. Mr. PEARSON: Obviously there is a relationship between the facilities of Goose Bay and facilities at other bases in Newfoundland, but no one agreement depended on the other. I would not like to give the impression that we were bargaining in such an important matter.

Mr. HIGGINS: Would this estimate of the proposed expenditure be about correct?

Hon. Mr. PEARSON: I have not heard that figure and I am not able to confirm it.

Mr. FLEMING: Can we expect this legislation before parliament this year?

Hon. Mr. PEARSON: I think that the government wants to bring it down as quickly as possible. I hope it will be dealt with at this session.

Mr. COLDWELL: This year?

Hon. Mr. PEARSON: As Mr. Martin would say, this year!

Mr. QUELCH: I would like to ask a question regarding Iran? Is the United Nations taking any action at the present time under the United Action for Peace Resolution?

Hon. Mr. PEARSON: No, the question has not come before the United Nations; so far it has been considered as a domestic question.

Mr. QUELCH: Does it have to come before it especially? As soon as you recognize a danger spot have you not the right to send a representative in there to observe things?

Hon. Mr. PEARSON: Any one would have the right to bring any matter before the United Nations as a threat to peace and security, but no one has taken that step yet as regards Iran.

Mr. QUELCH: I noticed in the press that Britain has ordered a parachute brigade to a point within easy reach of Iran. Has Britain the right to send a parachute brigade there without authority from the United Nations?

Hon. Mr. PEARSON: I would not like to comment on that.

Mr. QUELCH: It came over the radio that the parachute brigade has been ordered to some island in the Near East.

Hon. Mr. PEARSON: I have no information from any source which suggests that the United Kingdom government is sending any troops to Iran for the protection of property or persons.

Mr. QUELCH: I did not say they were sending them to Iran, the news item said they were being sent to some point within easy distance of Iran.

Mr. FRASER: On the Suez Canal.

Hon. Mr. PEARSON: That might be a routine troop movement.

Mr. GREEN: Could the minister tell us anything about this conference which is to take place at Malta? I understand there is to be a commonwealth conference held there.

Hon. Mr. PEARSON: We are discussing it with other governments concerned at the present time. As the Prime Minister said the other day he will be making an announcement on that matter in a very short time. This meeting arises out of the recent Prime Ministers' meeting in London when certain defence questions—regional defence questions—of particular interest to some governments of the commonwealth were discussed. In that discussion at the Prime Ministers' meeting, not all of the members of the commonwealth participated because some were not as interested as others in this particular aspect of defence at that time. It was understood in London that these discussions might be followed up with discussions between the Defence Ministers of countries concerned and this meeting is the result of that decision.

Mr. COLDWELL: What countries felt they were concerned, do you remember, Mr. Pearson?

Hon. Mr. PEARSON: At the London meeting—I speak subject to correction—I think all the commonwealth Prime Ministers participated except those of India, Pakistan and Ceylon, but at that time our Prime Minister pointed out that as this was a regional defence discussion and as we had regional defence commitments in other areas, our interest in middle east, Mediterranean, defence would have to be considered in the light of the regional defence commitments we had in other places.

Mr. GREEN: Of course, the difficulty is that you cannot localize these questions any more. What may appear today to be trouble in one part of the world soon spreads all over. Another difficulty is with the question of Turkey and Greece coming into the North Atlantic treaty under consideration; I should think that would change the whole picture.

Hon. Mr. PEARSON: The governments of Australia, New Zealand and South African in two wars had a very special part to play in the Mediterranean and in the Middle East and they have continued to play a more important and active part than other commonwealth governments in the defence discussions of that area and in the defence planning for that area. I think that is all I can say about it now. We will be making an announcement concerning this matter very shortly.

Mr. GREEN: If Turkey and Greece were to be allowed to join the North Atlantic treaty organization then an attack on either one of them would automatically bring Canada into a war, would it not?

Hon. Mr. PEARSON: If Greece and Turkey become members of the North Atlantic organization all the provisions of the pact would apply to them just as to any other member of the North Atlantic pact; the principle of the treaty is that an attack on any one member of the organization is an attack on all.

Mr. GREEN: So if they were to join the organization the Mediterranean would become a very important area to us.

Hon. Mr. PEARSON: The Mediterranean of course at the present time is a very important area for Canada as for all countries. As you point out, it is difficult to operate collective security in water tight compartments. Notwithstanding this, the commitments which the government may be able to make in one area are related to others, because if you spread your commitments too far you may not be able to do very much for any one area.

Mr. FLEMING: I suppose the principle of the North Atlantic treaty is that it applies to north Atlantic countries only. Have we any Mediterranean countries in it now?

Hon. Mr. PEARSON: It includes Italy.

Mr. COLDWELL: And I suppose if an attack were made on any one of those countries it would involve all the other member countries.

Hon. Mr. PEARSON: We have surely learned in the last year, regardless of any special commitments we may have as a result of any special pact, an attack on any country can result in the United Nations, or member nations thereof, intervening in the defence of that country, wherever it may be. We did not have any special obligations to go to the help of Korea, but the action we took rose out of the principle of collective security; not because of the North Atlantic pact, but as a matter of collective security obligation arising out of the United Nations charter.

The CHAIRMAN: Mr. Minister, I think probably you have heard this subject referred to a few times, and I think you may have read something about it; I refer to the practice of Mr. Malik, Mr. Vishinsky and Mr. Gromyko walking out of some of the committees of the United Nations; and a lot of people came to the conclusion that Russia intended to quit, and I suppose a lot of the United Nations would have no objection to that, and no doubt Russia would welcome it because they are always receiving publicity—when I was there two years ago I remember they got a lot of publicity. What is the attitude of Canada in a matter of this kind? Do they ever fear that Russia would quit, or are they wishing she would quit?

Mr. COLDWELL: That is a rather delicate question.

The CHAIRMAN: I know it is, but it has been mooted in the papers quite a bit.

Hon. Mr. PEARSON: There have been meetings at the United Nations at which after six or seven hours of wrangling one might come to wish that the Russian delegation were not there, but that would be an unsound basis on which to formulate a policy in regard to membership in the United Nations. Our position remains as previously stated, that we should not do anything to the detriment of the universal character of the United Nations membership. Certainly, I think we would be unwise if we took steps to drive the U.S.S.R. out of the organization. If they wish to withdraw from the organization, or if they took steps which resulted in their withdrawal from the organization I think that shall be their responsibility and not ours. I think there is still some value in maintaining even in theory the universality of one world organization.

Mr. COLDWELL: On this question of universality I seem to recall that there was some suggestion that a resolution might be moved in the assembly to admit all those nations that are now excluded either by opposition from democratic nations or by opposition from the communist countries. Was there anything further done about that?

Hon. Mr. PEARSON: No, it was not, if I remember correctly, proceeded with. It got very little support.

Mr. COLDWELL: It got very little support?

Hon. Mr. PEARSON: Yes.

Mr. STICK: I would like to ask the minister a question about the meeting of deputy foreign ministers in Paris. They seem to be holding quite a number of meetings and so far, apparently, have not been able to decide on an agenda, and I was wondering if the minister would care to make any comment on that. I suppose we are not interested in that directly.

Hon. Mr. PEARSON: We are of course interested in it. I noticed in the press this morning that the sixtieth meeting of the deputy foreign ministers took place and it lasted five minutes. They seem to be taking a long time to agree on an agenda. I suppose this may be taken to mean that the U.S.S.R. have not yet decided whether they want a meeting of the foreign ministers this summer or not. It may be that they have not made up their minds, and if they have not decided they may stall along indefinitely.

Mr. STICK: Have we any liaison there?

Hon. Mr. PEARSON: We have very good reports on what goes on at any of these meetings. We hope that they will be able to agree on an agenda and that a meeting of foreign ministers can take place. I think the advantages of such a meeting probably outweigh the disadvantages.

Mr. COLDWELL: Is there any possibility that the deputy foreign ministers cannot agree?

Hon. Mr. PEARSON: Yes, it is possible, but even if the deputy foreign ministers fail to agree, suppose they report that they were not able to agree on an agenda, or report an alternative agenda, then it would still be open to the foreign ministers themselves to hold a meeting.

Mr. COLDWELL: But apparently they have not made up their minds. Do you know whether they have or not?

Hon. Mr. PEARSON: I do not know. I do not think they have made up their minds. Moscow may not know what it wants to do.

Mr. Low: What is Canada's present attitude toward the admission of communist China to the U.N.?

Hon. Mr. PEARSON: I tried to deal with that a little while ago. I said that so long as this war of open aggression and fighting in Korea continued the question should not even be considered.

Mr. COLDWELL: Was north Korea ever a member of the United Nations?

Hon. Mr. PEARSON: No; north Korea was never a state recognized by us.

Mr. GREEN: Is there still a committee of military staff members, permanent members of the security council, the one which meets in Washington?

Hon. Mr. PEARSON: Yes, there is a military staff committee which meets in New York, and there is a collective measures committee which is working out the details of a report which will result in the setting up of a United Nations force.

Mr. GREEN: And Russia is a member of that committee, is it not?

Hon. Mr. PEARSON: Russia is a member of the military committee, yes. I think Russia is also a member of the collective measures committee—I am not sure of that, but we can check it—I think Russia is a member.

Mr. GREEN: What are they doing?

Hon. Mr. PEARSON: May I refer, Mr. Chairman, to the question about the necessity of referring to the International Joint Commission the question of an all Canadian waterway which Mr. Graydon brought up and to which I gave a tentative reply. This reply was not strictly accurate because the legal situation, I am informed, is as follows, and I would like this to qualify what I previously said. I am informed that there would be no necessity to refer to the International Joint Commission a purely Canadian scheme for navigation. It would be necessary to have a federal agreement between Canada and the United States for any power development and for that purpose reference to the International Joint Commission might be desirable, but the difficulty that Mr. Graydon mentioned of a reference to the International Joint Commission with a possible delaying effect on a Canadian navigation scheme alone does not arise.

Mr. FLEMING: The minister said, a reference of the matter to the International Joint Commission might be desirable.

Hon. Mr. PEARSON: My note is that it might be desirable as a principle but I infer that it would not be absolutely necessary.

I am just informed that the U.S.S.R. is not a member of that Collective Measures Committee.

Mr. GREEN: Well, are they attempting to work it out?

Hon. Mr. PEARSON: We are not on the Military Staff Committee which is responsible to the Security Council and whose meetings are all confidential. The Collective Measures Committee, a quite distinct committee, which is responsible to the General Assembly and which also meets privately, has not reported yet. Indeed, there may not be a report until the next Assembly. I hope that it will be a very full report.

Mr. GREEN: What happened to the far eastern commission?

Hon. Mr. PEARSON: The far eastern commission is still in existence but its main work is completed because the draft of the Japanese peace treaty is now before the governments for consideration.

Mr. FLEMING: May I go back to the matter of Greece and Turkey possibly being taken into the north Atlantic treaty organization. Has the government reached any decision on that matter?

Mr. LESAGE: That question was dealt with at the last meeting.

Mr. FLEMING: But I was not at the last meeting, and I was wondering whether the minister could tell us whether or not the government had reached a decision on that matter.

Hon. Mr. PEARSON: We have got no further than indicated in my statement at the last meeting. I think that was the first published statement that has been made by us and I think if I may I will refer you to it. I divided the problem up into its military and political aspects. The military side of it

would be important today if anything happened affecting security in the Mediterranean and the Middle East. On the political side the North Atlantic pact visualizes an association of North Atlantic countries coming closer together for economic and social reasons as well as for military, and the building up of a united North Atlantic group, a regional association of states. Additional member states outside of that community might have some bearing on that development. On the other hand, at the present time the military security aspects are very important indeed, and that is why we all agree in the North Atlantic Command that we should try and work out some way by which Turkey and Greece can be more closely associated with our security organization, whether by full membership or in some other way.

Mr. FRASER: I wonder if the minister could tell us whether we have a representative in Japan or Formosa at the present time? Have we an embassy there?

Hon. Mr. PEARSON: No, we have no embassy there but we have a liaison mission who keep in touch with the situation for us. As a matter of fact, the liaison officer occupies the buildings formerly occupied by the Canadian diplomatic representative. I refer to Mr. Arthur Menzies. He has a small staff and is acting as our representative. We have no formal representation of any kind in Formosa at the moment.

Mr. COLDWELL: Sometime I would like to take up the question of refugees. That is a very important matter.

Hon. Mr. PEARSON: Well, I can have a report on that.

Mr. Low: Have you anything to say about the work of the United Nations Rehabilitation commission in Korea?

Hon. Mr. PEARSON: I might say something about that. They are in operation in Korea and they have received contributions from a number of countries, including \$7½ millions from Canada. The problem, of course, is very difficult because no country has ever been devastated more completely I suppose than Korea. Steps are being taken to deal with the problem within the limits of the resources now available but as long as the fighting is going on it is difficult for a civilian relief organization to operate with anything like maximum efficiency. Just as we learned in 1945-46 that U.N.R.R.A. could not operate effectively while military operations were going on, so the lesson is being repeated in Korea. The actual job of keeping refugees alive in Korea is being taken care of by the military in the form of military relief, but the United Nations organization is now in Korea, it has established relations with the military relief agencies and it is beginning to do some work on its own. The director general is Mr. Kingsley; he is also director general of the I.R.O.; and the deputy director general, a very experienced person who is in Korea now is Sir Arthur Rucker. They have already done useful work, but the period of their greatest usefulness will not really begin until military operations have receded.

Mr. GREEN: Has any thought been given to the case of Mrs. Rodd, who goes to north Korea where the Canadian troops are fighting against the north Koreans and then eventually comes back to Canada and tells the people of Canada about all the terrible things the United Nations forces are doing to the north Koreans, bringing out by comparison what we heard about the Canadians doing in Germany in the recent war. The Canadian people were told about the awful things—the atrocities—perpetrated by the Canadian troops in that war. Now, it seems to me that brings up a question that just cannot be brushed aside. Mrs. Rodd is over there as a nurse behind the north Korean lines and she can eventually come back and tell our people what she alleges to have seen there. I think there should be some way of stopping that sort of thing.

HON. MR. PEARSON: I would suggest that that situation is not different, at least in some respects, from that of Canadians at home, who say the same things about the United Nations action in Korea.

If Mrs. Rodd is guilty in that regard—and I certainly am not attempting to defend her; I think it would be atrocious conduct—any action that might be taken against her for what she said about alleged atrocities in Korea would apply equally, in my opinion, to Canadians in Canada who said the same things.

MR. GREEN: I think there is a difference, Mr. Chairman.

MR. FLEMING: There is a possibility. Mrs. Rodd has gone to Korea, a country which is engaged in hostilities with Canada, as well as with other nations.

HON. MR. PEARSON: Would that make a legal difference in the kind of situation you have now?

MR. FLEMING: I think it would make a difference. If Canada is a party to the hostilities vis-à-vis north Korea, and a Canadian national goes to north Korea, it seems to me there is a fundamental legal distinction there, and it seems to me that the point which Mr. Green makes in comparing that situation with a case where a Canadian, let us say, went to Germany during the last war, has a lot of force to it.

MR. GREEN: If your contention is correct then there was no difference between 1939 and 1945. Consider a Canadian in Canada criticizing Canadian troops. Let us say a Canadian went to Switzerland, managed to get over the German border, was friendly with the Germans, and was obviously on their side. That Canadian then came back home to Canada and told about alleged atrocities committed by Canadian troops.

HON. MR. PEARSON: I appreciate that difference; but I think the legal situation is not the same as it was in the war against Germany. Of course, legally, we are not at war in Korea. We are simply engaged with other United Nations forces in a police action. That may be a distinction without an actual difference.

But I think there is a legal difference because we cannot apply, as I understand it—and I am not a lawyer—we cannot apply our laws in this situation in the same way as we could apply them if there was a war between ourselves and the other country.

MR. FRASER: But that woman could not be in north Korea unless the Russians had helped her to go in there.

HON. MR. PEARSON: Of course.

MR. FRASER: She is there for no other purpose.

HON. MR. PEARSON: Of course; and I am not attempting to defend her at all. I am trying to suggest that the same kind of offence is being committed in Canada today by Canadians, but probably not to the same extent. If you will read the communist newspapers in Canada, you will see some of the things they are saying about our operations in Korea.

MR. GREEN: But this woman has actually gone to north Korea. She is there with the consent of the north Korean government, and the north Korean government are our enemies at the moment.

HON. MR. PEARSON: I suggest to you that she has either committed treason or she has not committed treason. Isn't that the case?

MR. LESAGE: I think it is a case for the courts, Mr. Chairman.

HON. MR. PEARSON: Yes; but on what other ground could we try her in the courts?

MR. GREEN: It may be necessary to remand her under the Treason Act.

Mr. FLEMING: It may be because we have a new kind of situation where Canada is carrying on hostilities without being de facto at war with a particular country, that we have got to give consideration to closing a gap which may be in the law of this country.

Mr. COLDWELL: We must be careful not to fall into the trap of being like the iron curtain countries.

Mr. FLEMING: Anything which is to be done must be done by process of law.

Hon. Mr. PEARSON: It is a question of law. It may be there is a gap which should be closed. If she has committed treason in north Korea, then she is liable to the penalties of the law. But if she has not committed treason, I do not know how you would try her.

Mr. GREEN: There is no reason why a communist cannot go from Canada to Russia, thence into north Korea, and then come back peddle her stories all over the country. The government must face that possibility.

Mr. FRASER: She will likely come back here with a whole lot of Russian pictures which the Russians have taken and handed to her to transmit here. Of course, those pictures will be fakes; but they will blame it all on the United Nations forces.

Hon. Mr. PEARSON: We have been subjected to that kind of thing right in the United Nations itself.

Mr. FRASER: Oh, yes.

Hon. Mr. PEARSON: The Russians show those pictures at the United Nations.

Mr. LOW: The suggestion is made that when Mrs. Rodd comes back she be sent as our ambassador to Baffinland for a period of 25 years. The legal authorities can take up that matter.

Hon. Mr. PEARSON: What we can do here is to investigate the nature of her attacks if she returns. I do not know for certain if she has been in north Korea or not.

Mr. FRASER: If she does return to Canada, she will undoubtedly have in her possession a great deal of literature, pictures and one thing and another. Is there no way by which the authorities could intercept that material when she arrives in Canada?

Hon. Mr. PEARSON: We would be glad to look into it.

Mr. HIGGINS: Mr. Chairman, I want to ask the minister something a little different from this matter. I do not know if he can tell me, but has any progress been made about an amendment to the Migratory Birds Act?

Hon. Mr. PEARSON: Yes, there has been great progress made.

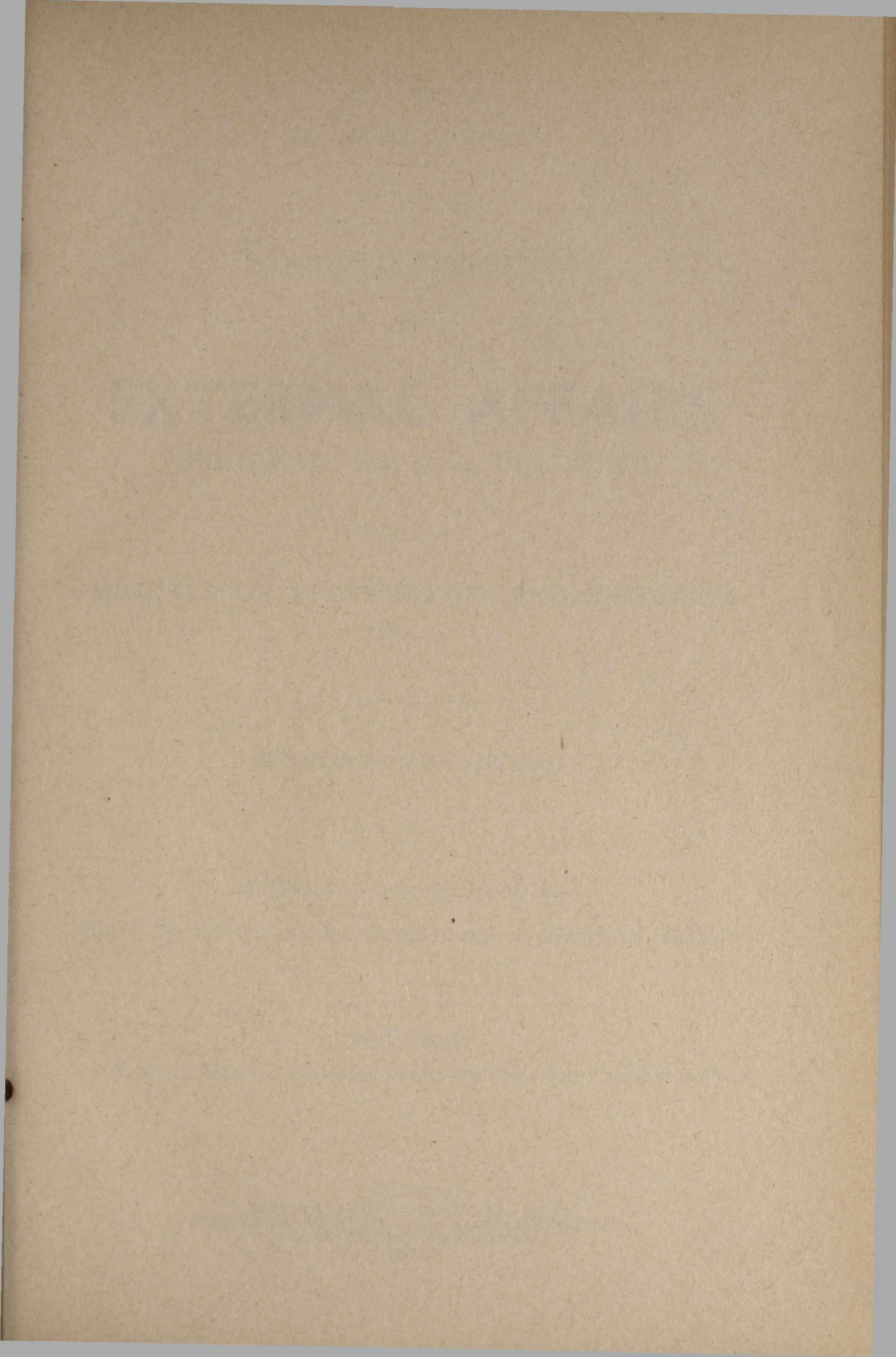
Mr. HIGGINS: Thank you very much.

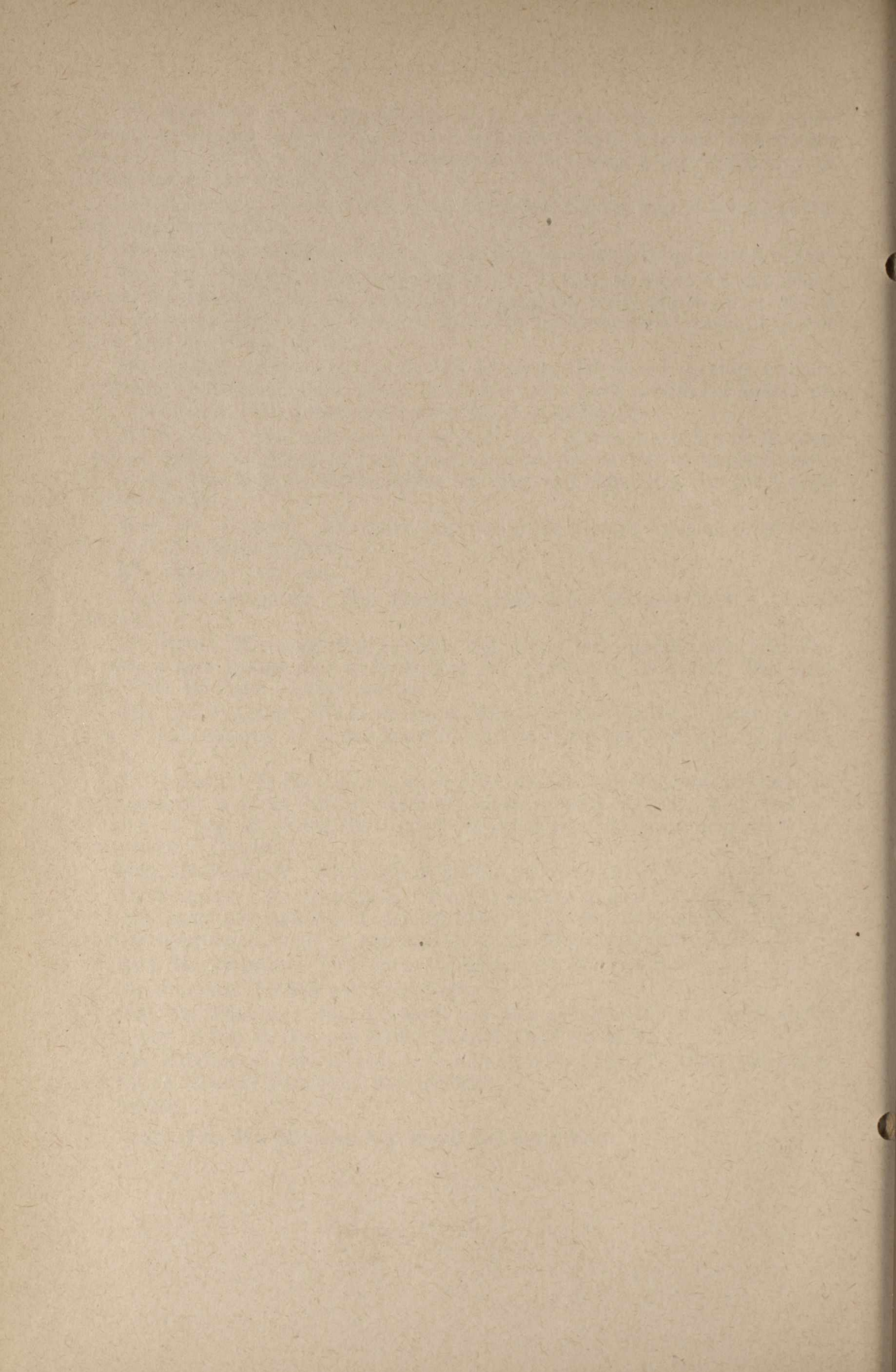
Hon. Mr. PEARSON: And I hope it will be possible to say something about it in a day or two, in case you do not already know about it.

The CHAIRMAN: Do I hear a motion to adjourn now? Could we agree to meet on Monday evening at 8.00 o'clock?

Agreed.

Thank you, Mr. Minister, and thank you, gentlemen.





SESSION 1951
HOUSE OF COMMONS

STANDING COMMITTEE

ON

EXTERNAL AFFAIRS

CHAIRMAN: MR. J. A. BRADETTE

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 3

MONDAY, MAY 28, 1951

ITEMS 84 TO 91 INCLUSIVE—

Main Estimates of the Department of External Affairs

WITNESS:

Mr. A. D. P. Heeney, Under Secretary of State for External Affairs.

OTTAWA
EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1951

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ON

EXTERNAL AFFAIRS

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Vice-Chairman: Gordon Graydon, Esq.

Messrs.

Balcer	Fournier (<i>Maisonneuve- Rosemont</i>)	MacInnis
Bater	Fraser	MacKenzie
Benidickson	Gauthier (<i>Lake St. John</i>)	Macnaughton
Breithaupt	Gauthier (<i>Portneuf</i>)	McCusker
Coldwell	Goode	Murray (<i>Cariboo</i>)
Coté (<i>Matapédia- Matane</i>)	Green	Mutch
Croll	Higgins	Picard
Decore	Jutras	Pinard
Dickey	Leger	Quelch
Diefenbaker	Lesage	Richard (<i>Ottawa East</i>)
Fleming	Low	Robinson
		Stick

Clerk: Antonio Plouffe.

CORRIGENDUM

Minutes of Proceedings—No. 1, page 6, line 13:

Item 845 should read "*Item 84*".

MINUTES OF PROCEEDINGS

MONDAY, May 28, 1951.

The Standing Committee on External Affairs met at 8 o'clock in the evening. Mr. J. A. Bradette, the Chairman, presided.

Present: Messrs. Benidickson, Bradette, Coldwell, Croll, Dickey, Fraser, Gauthier (*Lake St. John*), Goode, Green, Jutras, Leger, Lesage, Low, MacInnis, Murray (*Cariboo*), Quelch, Richard (*Ottawa East*), Stick.—(18).

In attendance: Mr. A. D. P. Heeney, Mr. H. O. Moran, Mr. S. D. Hemsley and Mr. F. M. Tovell.

The Chairman welcomed Mr. J. Van Schreven, Counsellor at the Netherlands Embassy.

On a question of privilege, Mr. Coldwell referred to a newspaper report of a broadcast by Honourable L. B. Pearson on May 26th which appeared in the *New York Times* and asked why the speech was not reported as fully in the Canadian newspapers. Mr. Low also quoted an extract from the same speech. Mr. Coldwell said that he had informed Mr. Pearson that he would bring this matter before the Committee.

After a debate thereon, it was ordered that copies of the said speech be supplied to the Clerk for distribution to the members of the committee.

ITEM 84—DEPARTMENTAL ADMINISTRATION

Mr. Heeney was called. He answered a question asked at the previous meeting concerning the printing of a departmental paper intituled "Documents on the Korean Crisis".

The witness tabled for distribution copies of a comparative breakdown of the estimates under review. He made general comments and gave the relevant references to the Blue Book on Estimates.

Mr. Heeney's examination was begun. He was specifically questioned on:

1. External affairs personnel and staff turnover.
2. Passport office.
3. Accommodation abroad.

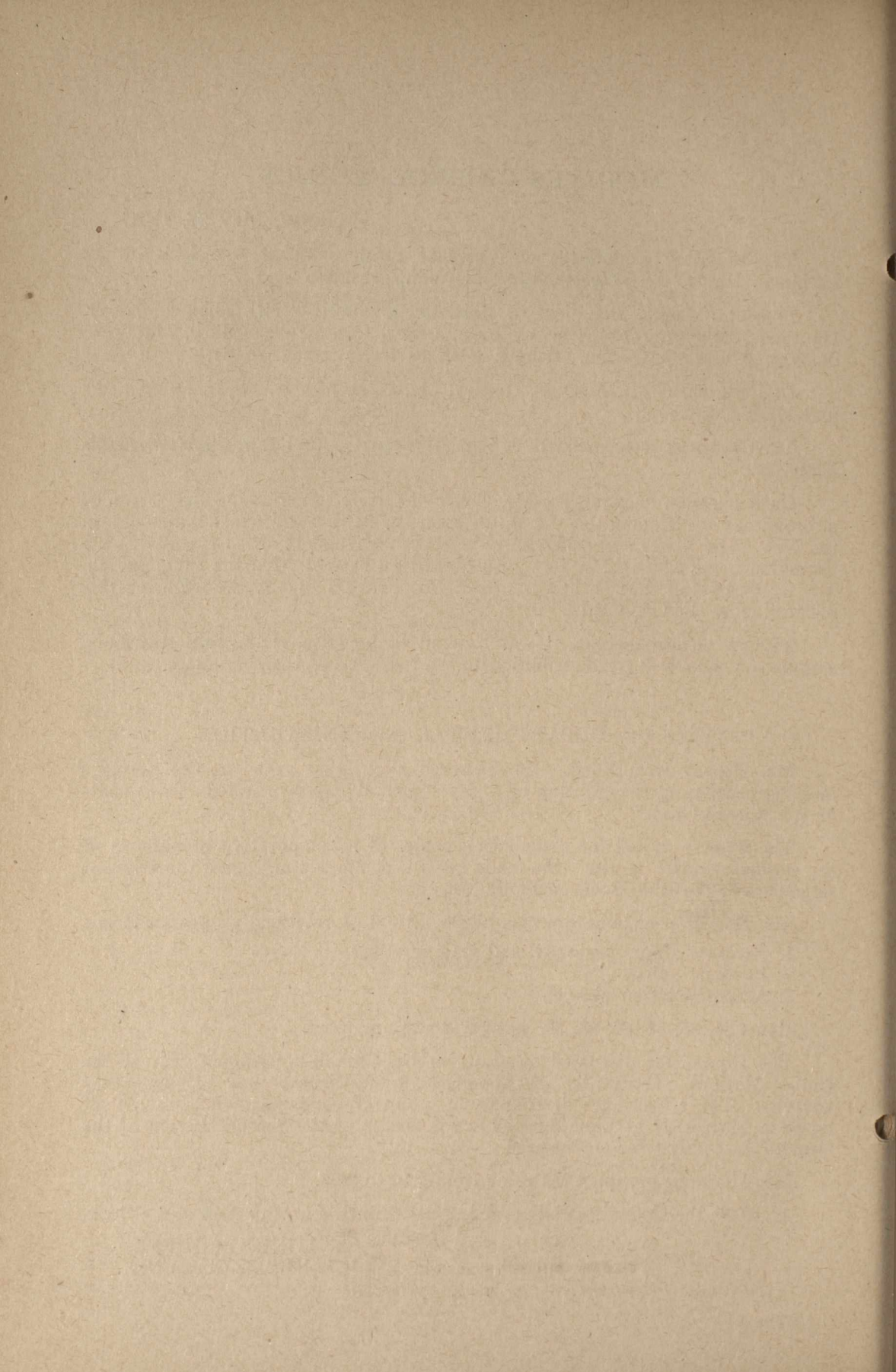
Items 84, 85, 86, 87, 88, 89, 90 and 91 were adopted.

The Committee discussed at some length, Canada's representation at the United Nations, particularly the appointment of delegates and parliamentary advisers. The advantages derived by a group of parliamentarians in a visit made in May, 1947 at Lake Success in the course of the Second Session of the General Assembly were emphasized.

Mr. MacInnis occupied the chair from 9.10 to 9.25.

At 10.05, the Committee adjourned until Wednesday, May 30th at 4 o'clock.

ANTONIO PLOUFFE,
Clerk of the Committee.



MINUTES OF EVIDENCE

MAY 28, 1951.

The CHAIRMAN: I will call the meeting to order. We will hear from Mr. Coldwell first.

We are still on item 84, departmental administration, and after a statement by Mr. Coldwell, Mr. Heeney will go on and there will be a period of questioning.

Mr. COLDWELL: According to the *New York Times* yesterday, the Minister of External Affairs made what appears to be an important speech over the United Nations radio on Saturday. It got front page publicity in the *New York Times* but was hardly mentioned in the Canadian papers.

He re-stated objectives in the present United Nations action in Korea:

1. The defeat of aggression in the Republic of Korea. This obviously I presume must be interpreted as meaning South Korea.

2. To prevent a third and atomic world war. He said that if such a war developed "we bring on the very cataclysm which United Nations action in Korea can help to prevent."

3. He stated that if U.N. troops continue to repulse the invader, Chinese communists might decide only Russian interests were being furthered in the Korean war.

4. Then "they may be ready to enter into discussions leading to a settlement of Korean and other far eastern issues on the terms the United Nations can accept."

5. While urging continuance of the fight against "aggressive communist imperialism" he called for "more humility and understanding" and the realization that "our civilization must now be considered as only one of many".

6. He enumerated future tasks as follows:

- (a) To band together against aggression
- (b) To be ready for honourable negotiations
- (c) To strengthen the social, economic and moral fabric of the world.

It strikes me this is an important pronouncement coming as it does at the end of a week when other and quite different statements have been made by spokesmen for the United States. It is true that the speech of the Assistant Secretary of State for External Affairs in the United States, Mr. Rusk, was later described by Dean Acheson as indicating no shift in United States policy. It will be recalled that Mr. Rusk characterized the Chinese communist government as a colonial Russian government, and General Bradley, in reply to questions before the Senate committee, stated that the time had not yet come to use Chiang's troops against the Chinese main-land. In addition, the United States has, according to press reports, informed other United Nations acting in Korea that it will not negotiate a settlement on the basis agreed upon in January. That basis as I understand it, was:

1. Cease fire.

2. Conference among United States, United Kingdom, U.S.S.R., and the Chinese Peiping regime on all problems under dispute including:

- (a) Korean settlement
- (b) Formosa
- (c) The seating of the Peiping government of China in the United Nations Assembly.

• Should similar proposals be forthcoming from China now on this basis what is Canada's present position on these matters? It is reported that Sir Oliver Franks, the United Kingdom ambassador at Washington, discussed with the United States last week the far eastern situation in an endeavour to obtain a clarification of United States policy.

What I am asking is if the Minister can clarify for the committee and the people of Canada the apparently changed and conflicting statements emanating from the United States regarding the basis of negotiations for the ending of the Korean war now that the fourth all-out communist offensive in Korea since last October appears to have been defeated? It is important, I think, that the present confusion as far as we are concerned in this country should be ended.

Of course I know that he cannot speak for American policy but I do think, in view of the confusion that exists in the public mind—not only in the United States but reflected in our own country—that if Mr. Pearson as Minister of External Affairs can do anything to give the Canadian people an idea of how this war can be brought to an end honourably, and where we and the other countries are thinking of going in connection with the war, I think that would be valuable. That is the reason I raise the question.

I read the speech Mr. Pearson made very carefully—as far as I could read it in the *New York Times*. He told me that he would send me a copy but I have not received it yet.

I thought the speech was one that should receive some attention by this committee and by the country although I have not seen it reported in the Canadian papers.

Mr. STICK: Why did you not raise that this afternoon? Do you think the committee should deal with it or should you not have asked Mr. Pearson in the House?

Mr. COLDWELL: Well, you cannot do more than ask a single question on the orders of the day, and I think that when the External Affairs Committee is sitting it is probably better to ask a question on external affairs here where the minister can make an extended answer and where further supplementary questions can be asked—rather than in the House.

Mr. Low: It is very properly raised. I too read the speech, Mr. Chairman, and I have one question that may well be put for Mr. Pearson at a time when he can answer.

He has reported to have said in the same speech: "Complete capitulation of the enemy might not be necessary. The United Nations objectives can be obtained with the defeat of aggression."

Well, now, I think it would help the committee and the Canadian people generally if the minister would define what he means by "defeat of aggression". I notice Mr. Coldwell mentions that he presumes it refers to South Korea?

Mr. COLDWELL: That is what it looks like—"the republic of Korea", was the statement.

Mr. Low: I think it would be advisable to have a pretty specific definition of that term—defeat of aggression. In the first place we know that China is branded as an aggressor—China became an aggressor the minute she stepped into North Korea. Now does "defeat of aggression" mean driving China completely out of North Korea as well as South Korea or what?

Mr. MURRAY: I think each member of the committee should have a full transcript of the speech before we begin to pass judgment.

Mr. Low: We are not trying to pass judgment. I would say, Mr. Chairman, that these are merely specific questions arising out of the speech. I imagine Mr. Coldwell would feel as I do that we should wait for Mr. Pearson to come back and give us the answers.

Mr. MURRAY: I think we could very well be provided with a copy of the speech?

Mr. A. D. P. Heeney, Under Secretary of State for External Affairs, called:

The WITNESS: I would be very glad to see that members of the committee get a copy of the speech. I think I know what the minister had in mind but I think it would be improper for me to answer for him. I think the committee would prefer to hear from his own lips.

Mr. STICK: There is just one thing, Mr. Chairman. There is a committee of three of the United Nations set up to sort of probe the possibility of peace. There is a representative of India, Persia, and now Sweden.

The WITNESS: A good offices committee.

Mr. STICK: How does all this questioning tie in with the work of that subcommittee of the United Nations?

The CHAIRMAN: I believe that after the statement made by the minister himself, he will have no objection to giving more elaboration of some of the aspects of that statement.

Mr. Low: I might explain the reason I asked the same question: it did appear that Mr. Pearson was making a more specific restatement of policy with respect to Korea, and in order to get something more definite as far as this committee is on that policy I think we were entitled to ask the question. I think Mr. Coldwell very properly brought it up.

The CHAIRMAN: Mr. Heeney, would you give copies of the speech to the secretary and he will make a distribution?

Now, before we proceed with the items of departmental administration, I want to say that we are honoured to have with us Mr. W. Van Schreven, counsellor for the Netherlands embassy in Ottawa.

Some Hon. MEMBERS: Hear, hear.

The WITNESS: Mr. Chairman, before I make a general statement as is customary at the beginning of the consideration of the details of the department's estimates, I might perhaps give the information that was not available the other day when Mr. Coldwell asked the question: how many copies of the white paper on Korea had been distributed?

The distribution was as follows:

Members of the Senate and House of Commons—500

Press and radio—225

Canadian missions abroad—1,200

Foreign representatives in Canada—83

Canadian government libraries and official use—179

Canadian libraries—83

Mr. COLDWELL: How many were printed altogether?

The WITNESS: 4,530.

Mr. COLDWELL: That is not a very large printing for an important document of that description which needs to get into the hands of quite a few people.

By Mr. Croll:

Q. How would the United Nations groups get that—I mean the United Nations societies?—A. How are they provided with that information?

Q. Yes, how do they get it?—A. Normally they buy it from the King's Printer at 15 cents a copy. I do not think there is a special rate for that publication—there are for some of our publications, but they would normally buy them.

Q. You do not send it to universities?—A. Some of the libraries would be university libraries but we do not normally send them to universities as such. I think I perhaps should explain that we are under a good deal of pressure to

keep our costs down, as the committee will know. Printing is an expensive business and we try to get the best coverage we can for the limited funds that are available to us for that purpose.

By the Chairman:

Q. How many would be used? What would be the total number used out of the 4,530?—A. I do not know whether the King's Printer has any left. I suppose and I would expect he has, from the figures I gave.

Q. That many have been distributed?—A. The individual numbers I gave represent the distribution. 4,530 represents the total printed. I take it the residue has been disappearing through sales by the King's Printer.

Mr. GOODE: Before Mr. Heeney goes on can you tell us when we are going to start receiving printed copies of the proceedings of this committee?

Mr. CROLL: In a few minutes.

The CHAIRMAN: The secretary tells me he expects No. 1 any day. They have been under pressure at the printing bureau because there is so much being printed at the present time. We will make a special request in an effort to see if we cannot expedite the printing.

Mr. GOODE: It is most difficult sometimes to follow the questioning.

The WITNESS: Mr. Chairman, there has been distributed to each member of the committee a so-called break-down of the department's estimates for this fiscal year—1951-1952 related to the estimated expenditures for the previous fiscal year.

Members of the committee who were here last year will recognize that in this instance more detail has been given and that the estimates, as indeed appears from the printed book, are in a different form. That is the result of the committee's experience and I think members of the committee will find them easier to understand. These are divided into two sections—"A" being department and missions abroad, and "B" being general, which total includes government assessments for membership in international or commonwealth organizations and certain other services such as the International Joint Commission, and certain terminal services.

It will, I think, be an advantage to members of the committee to have our estimates both in the printed blue book and in the break-down which we have distributed this evening—broken down into these two main sections.

It has been customary in previous years for the under secretary to make a general statement drawing attention to certain of the major changes in the departmental estimates from the previous year, in order to assist the committee in the examination of the detailed votes as they come forward. With your permission, Mr. Chairman, I will proceed to do that.

In commenting on this year's figures it might be best to refer first to the larger items. To begin with, therefore, I might direct the committee's attention to the total amount "to be voted"—\$11,701,395 for the Department of External Affairs in the main estimates for the fiscal year 1951-52. This will be found on page 3 of the mimeographed statement, of which copies have been distributed.

This grand total, this figure of some \$11 $\frac{3}{4}$ millions, is approximately \$11 million less than the amount asked for in main and supplementary estimates last year. This \$11 million difference, taken by itself, may be misleading unless an explanation is given. For, already in the 1951-52 supplementary estimates a single item of \$25 million has been added, representing the Canadian contribution under the Colombo Plan. That distorts immediately the impression that would be created by a person reading this Blue Book and having no other terms of reference. This illustrates the importance of making a separation between "A" the department and missions abroad, and "B", the general section into which the estimates are now divided.

In this respect the estimates of the Department of External Affairs differ from those of other government departments. Some 30% of the amount requested in the main estimates, or about 80% of the total of this year's main and supplementary estimates represents Canadian contributions to various international organizations. Once the government's decision has been taken in favour of Canadian participation in these organizations, the funds required must be asked of parliament and there is little the department can do to affect the amount involved. In these days of growing awareness of the need for relief in some areas and development in others, it may be expected that the amounts provided in the department's estimates for items other than those required for our normal departmental activities may for some time exceed those needed for departmental activities in the normal sense.

Moreover, our estimates carry amounts for the International Joint Commission, which though reporting to the House through External Affairs, does not form part of the department itself.

Section A—"Department and Missions Abroad"

For this reason I suggest that the committee consider first the amounts being asked for under Section A—"Department and Missions Abroad", the total of which this year is put at \$8,548,421 and which is to be found on page 14 of the Blue Book. This amount, apart from two relatively small grants represents the true operating costs of the department at home and abroad. I should perhaps say at the outset that the figures shown for the current year include recent upward salary adjustments.

The total of some \$8½ million under "A—department and missions abroad" is an increase of some \$800 thousand over the comparable total last year. This increase is more than accounted for by the inclusion this year of one substantial item. I refer to that covered by Vote No. 88—which is entitled "Representation Abroad"—to authorize the construction, acquisition, improvement and furnishing of properties, for Canadian government offices and residences abroad, payment therefor to be made in foreign currencies that are not convertible into Canadian or United States dollars and that may be used only for governmental or other limited purposes and that have been acquired in respect of reparations or pursuant to the settlements of claims arising out of military operations or war expenditures, or in exchange for other such currencies so acquired.

Members of the committee will recognize this is substantially the \$1 item of other years.

Mr. CROLL: It has grown has it not?

The WITNESS: Very substantially. Of itself that more than explains the increase in this particular part of the estimates.

Mr. STICK: Does that mean that the amount standing to our credit for foreign currency is used up to that extent?

The WITNESS: No, it does not. It means that of the total standing to our credit in this account, we propose to spend this amount which is indicated in vote 88.

Mr. STICK: In addition to what you are spending out of blocked currency over there?

The WITNESS: No. This is the amount we expend out of blocked currencies, and I think as I shall explain in a moment, this is being voted in Canadian dollars, or rather I should say it is proposed to be voted in Canadian dollars. It will not in effect represent an expenditure in Canadian dollars, but rather an expenditure in blocked currency, from credits which we have outstanding in Europe.

Mr. COLDWELL: And you will tell us what that comprises a little later on?

The WITNESS: Yes, I shall answer any question about it.

Mr. COLDWELL: You do not invite questions now?

The WITNESS: I would rather finish my general statement if I may.

First, it will be recalled that last year the committee recommended that the "practice of placing a nominal sum in the estimates of the department to enable the use of blocked currencies to acquire real and personal property in foreign countries be revised so that such purchases can be made by a method under which such expenditures will be directly voted by parliament".

In compliance with this recommendation, we are, this year, asking for authority to spend for these purposes \$1,042,500 from inconvertible foreign currencies; this replaces the nominal "\$1 vote" of former years.

The funds required for expenditures under this authority, however, will continue to come from blocked funds abroad. They do not represent Canadian dollar expenditures, although expressed in dollar terms.

At this point I think it is pertinent to mention that, wherever blocked funds exist abroad, we can and do use them for local operating expenses, as well as for the purposes mentioned in vote 88.

Although such operating costs are charged against our regular dollar appropriations, no actual use of dollars is involved.

During 1950-51, that is, the last fiscal year, some \$235,000 in local operating expenses were met from blocked currencies: \$20,000 in Denmark, \$110,000 for the two Paris offices, \$50,000 for the three German offices, \$20,000 for the Netherlands, and \$35,000 in Yugoslavia. So that that is an additional use to which we are able to put these blocked currencies.

The inclusion of more than a million dollars where only one dollar was provided before, more than accounts for the increase this year of some \$800 thousand in our total departmental operating expenses, votes 84-94 under Section A of the estimates.

If this special item were to be omitted, that is if our estimates were set up as they were last year, we would show an actual decrease of some \$225 thousand for the administration of the department at home and abroad.

This reduction in operating costs is made up of approximately \$100 thousand in departmental administration; that is vote 84; \$500 thousand in properties and furnishings to be made from Canadian dollar funds, that is vote 87; and increases of approximately \$350 thousand in representation abroad, operational, that is vote 86. And of \$25 thousand for a grant to the international red cross, that is, a net decrease of some \$225 thousand.

I mention this not in order to take any particular credit for it but rather to give the committee an opportunity to compare what we propose to spend on operations this year as compared with what we estimated we would require for last year, and as compared with what we actually will have to spend for the last fiscal year.

The major part of this reduction in operational costs, a \$500 thousand reduction in vote 87 for capital projects needing Canadian dollars, results from decisions taken by the department in this year of heavy defence expenditures to cut our provision for the alteration, reconstruction and furnishing of our buildings abroad and to include no provision whatever for the purchase of premises which cannot be made with blocked currencies. This year we are not estimating for any purchases from the Canadian dollar fund.

These are special economy measures because of the special circumstances and the need to concentrate on defence requirements.

Frankly we are taking chances in reducing this vote. For in the past, we have usually carried enough money under "Representation Abroad" to provide for conditions where there was no reasonable alternative to purchase available.

Our operating costs abroad—that is vote 86—are up nearly \$350 thousand. Of this amount \$250 thousand is accounted for by salary increases and the fact that, during last year, we opened two new missions, one in Paris to the Organization for European Economic Cooperation, and the other, the Consulate General in Venezuela.

These factors, taken with the greatly increased costs of operating our Mission in Poland because of the revaluation of the Polish zloty, make up \$250 thousand of the increase. The remainder represents the generally higher costs in the other countries in which Canada is represented. And that, of course, as members of the committee will realize, is right across the board. The cost of operating missions abroad has gone up with the general inflation.

Mr. COLDWELL: And if there should be another revaluation, it would affect you again, would it not?

The WITNESS: Yes, sir.

At home, we are down \$100 thousand in departmental administration. That is vote 84; and we are up \$11 thousand in the passport office administration. That is vote 85. Our increase in the passport office vote is more than accounted for by a proposed expenditure of some \$20 thousand to microfilm our passport records.

Our decrease of \$100 thousand in departmental administration has been achieved, in spite of increased salary costs of more than \$100 thousand, largely by reductions in travel and removal expenses, communications services and in publications and other informational material.

The remainder of our votes under "A—Department and Missions Abroad" remain substantially the same as last year. You will, however, notice one new vote, vote 94, "Grant to the Canadian Red Cross Society for international activities of the Red Cross"—\$25 thousand.

Now for some general comments about Section B of the estimates.

Under this section are included the government's contributions in the international field.

I should mention that contributions payable in United States dollars have been calculated at the Canadian equivalent of \$1.06. There is, therefore, some slight saving on exchange over the amounts asked for last year.

The committee may perhaps be puzzled about three of the contributions: Those for F.A.O., I.C.A.O., and W.H.O.

The F.A.O. contribution asked for in these main estimates is only one-half of the total amount required for the year 1951. Because the F.A.O. was moving its headquarters to Rome, they were pressed for funds and asked if the Canadian government could make a partial contribution early in the year 1951.

Accordingly, the department raised one-half of our assessment for 1951 in the Final Supplementary Estimates 1950-51. The amount now asked for is the balance of the 1951 contribution.

The contributions for I.C.A.O. and W.H.O. do not appear in the contributions column for 1950-51 for the reason that the 1950 contribution was raised in the Final Supplementary Estimates of the year 1949-50.

Since that time, however, the department has taken the stand that, unless there are compelling reasons to the contrary, the department will raise its international contributions at one place and at one time, i.e., the Main Estimates of the department. And we shall try very very hard to stick to them.

I think the members of the committee will appreciate that there are different organizations for different financial problems and they sometimes bring pressure upon us to try to help them out in their difficulties.

Now, with respect to the International Joint Commission, although the statute provides \$75 thousand for the salaries and expenses of the International Joint Commission, we have estimated for an expenditure of \$55 thousand only,

as being more in line with the current rate of expenditure. Notice will be taken of two new references which are now before the commission, the St. John River reference, and the Niagara Falls reference, each estimated to require \$50 thousand during the fiscal year.

With respect to terminable services, it is under this broad heading in our estimates that the government's principal contributions for relief and development fall.

As the amount voted last year for the I.R.O. was considered adequate to carry the organization through its winding-up activities—which are estimated to be completed early in 1952—no amount has been asked for this organization for the 1951-52 fiscal year. The "Hard Core" problem is receiving separate consideration and may have to be the subject of a further supplementary vote.

As for the 1951 contribution for U.N.I.C.E.F., \$500 thousand, unknown at the time the main estimates were prepared, is included in the supplementary estimates, 1951-52, that is, in the supplementary estimates for this current year, and that does not appear before you.

In what I have said so far, I have, I think, drawn attention to the more significant changes in our estimates this year. No doubt, further questions will occur to members of the committee when each vote comes to be considered. We shall do our best to answer them satisfactorily.

Before the committee proceeds to consideration of the individual votes, however, I would like to call attention to an item in the estimates, not specifically under the amount to be voted for this department, but nevertheless directly connected with our operations. I refer to vote 566, on page 71 of the blue book, under "Loans, investments and advances."

This vote reads:

To authorize and provide for working capital advances in the current and subsequent fiscal years to maintain cash and bank balances at Department of External Affairs posts abroad subject to regulations of the Treasury Board, the amount of advances hereby authorized outstanding at any time not to exceed \$300 thousand.

Certain members of the committee may remember some discussion we had in the committee concerning our difficulty about year end financing, not only for our own department but for other departments which operate abroad.

This is advice which has been proposed by the Treasury officials to meet our difficulties, and in that regard I might at a later stage, if the committee wishes, make a more detailed explanation of this working capital vote which is proposed.

That is all that I had proposed to say in general, Mr. Chairman. But I can supplement it on any particular point, and I would be glad to do so.

By Mr. Stick:

Q. There are reports lately that the United Kingdom and other European countries might revalue their currencies in an upward direction. How would it affect your estimates if that should happen? Would you have to revise your estimates upward in a case like that? Would it cost more to operate?—A. It would cost more, wherever we are operating in the Sterling area, of course. We would probably have to come for supplementaries, depending upon the extent to which such revaluation was accomplished.

Q. It seems to me that there is a desire to do that over there lately. I take it that it would throw our estimates here out, would it not, if that should happen?—A. Any revaluing upwards in foreign currency, where we operate, would throw our estimates out. I think the Polish zloty is a good example.

By Mr. Dickey:

Q. How did we get stuck on that one? I remember the circumstances.—A. The Polish government decided without warning—and warning is not

normally given in such operations—by the finance ministries or the central banks to revalue their zloty. I do not think we held much in the way of balance of zlotys then. But the effect was to raise the cost of our operations in Poland, which already were quite considerable by way of normal payments of salaries and expenditures in that capital.

Mr. COLDWELL: The economic advisers of the European forces this week made a report. I think you must have that in mind, Mr. Stick?

Mr. STICK: Yes.

By Mr. Coldwell:

Q. They suggest that the Sterling area currencies be revalued, I understand, by as much as 15 per cent. That would mean supplementaries, would it not?—A. We would be back before you very quickly.

When the Polish zloty was revalued on October 30, 1950, the new reform was carried out in such a way that prices and wages were recalculated according to the rate of three zlotys in new money equals 100 zlotys in the old.

However, the rate of exchange of the new zloty in relation to foreign currencies was established in accordance with the relation in gold.

I do not know if the committee is interested in the details, but it might be exemplary of the kind of hazards to which we are subject in foreign operations.

At the old rate, \$1 bought 400 old zlotys. But at the rate of 3 new zlotys for 100 old zlotys, \$1 would buy only 12 new zlotys. And that was the rate for adjusting prices and wages.

The bank rate, which was based on the gold relationship, stated that \$1 would buy four new zlotys.

The Polish government for the period October 30 to March 31, 1951, will pay an additional 50 per cent to the sum of zlotys under certain limitations, purchased at the gold relationship rate.

This means that for the period mentioned \$1 buys six new zlotys. Therefore, from October 30, 1950 to March 31, 1951, the costs will have doubled. From April 1, 1951 \$1 only buys four zlotys which will mean that the costs will be trebled.

Mr. STICK: How many men have we got in Poland?

The WITNESS: We have a legation which is in charge of a chargé d'affaires, a second diplomatic officer, and a subordinate staff of three or four.

Mr. CROLL: Do they report what the black market rate is?

The WITNESS: They certainly did at that time. We have information on it, but of course it is not possible for governments to operate on the black market.

Mr. GOODE: You mentioned blocked currencies in foreign lands. What was the total of them? Would it be possible for you to tell us?

The WITNESS: I could get that figure for you but I have not got it under my hand.

Mr. FRASER: Would it not be well to go over this item by item, Mr. Chairman?

Mr. CHAIRMAN: Yes.

Mr. FRASER: Instead of racing from one thing to another.

The CHAIRMAN: There may be a few questions you will want to ask Mr. Heeney on his statement. Shall item 84 carry?

Carried.

Item 85, "Passport office administration".

Mr. FRASER: Wait a minute. In "Departmental administration" has there been any increase in staff?

The WITNESS: There has been a decrease. I think the minister pointed out in his opening statement, Mr. Fraser, that there had been a decrease in the staff, as compared with the report of last year.

By Mr. Fraser:

Q. And the increase in 1951-52 would be on account of the increase in salaries?—A. The increase in the estimates?

Q. Yes, the increase in the estimates?—A. I explained that in my statement. I said there had been an increase in salary which had been more than overcome by other savings that we were able to accomplish. You might be interested, or the committee might be interested, in the number of employees in the department at this date, or at May 1, which is the nearest I have. The total is 1,311.

Mr. COLDWELL: What do you mean by in the department?

The WITNESS: At home and abroad, employees of all kinds. That includes locally engaged staff at various posts abroad as well as persons who are employed in the normal civil service way.

By Mr. Stick:

Q. What is the decrease in the staff?—A. At November 1, 1950, the total was 1,361, so that the decrease in that period is exactly 50. I am informed that the decrease now is something just under 100.

Q. What is that decrease comprised of? What is the decrease? Is it here, at home, or abroad, or generally?—A. It is general throughout the department, both at home and abroad.

Q. You have less staff now?—A. We have less staff now than when I met the committee last year.

Q. Does that mean there is more work being done by the present staff?—A. Perhaps I can put it this way: There is more work being done and there are fewer people in the department.

By Mr. Coldwell:

Q. Have you curtailed some activities?—A. I do not think that we have curtailed substantially any of the activities. There has been a decrease as Mr. Benidickson mentioned, in the number of publications which have been put out and there have been marginal reductions in some activities but also very considerable increases in other activities.

Q. Nothing that would interfere with the efficiency of the department?—A. I think not. Mr. Chairman, I am reminded that those of us who have the responsibility are at the moment having to consider the imminence of having to ask for additions; although we have been able to accomplish some decrease in accordance with the government's desire to reduce the number of employees throughout the government service generally, we have been able to accomplish a certain decrease but within recent months the amount of pressure upon the department has increased and we would expect that before long we will have to go before the Civil Service Commission and the Treasury Board and ask for authorization to increase our officer strength, and when you increase your officer strength you have to ask for some additions in subordinate staff. I do not think these additions will be large.

Mr. BENIDICKSON: Would that be reflected in estimates before us or only in next year's estimates?

The WITNESS: Yes, that would mean supplementary estimates. May I just explain that in part to the committee? When I speak of increases within recent months, and after these decreases in staff were accomplished I need only give

you two examples to indicate to the committee these conditions. The development of the North Atlantic treaty organization has made an enormous increase—well, enormous is perhaps extreme—a considerable increase in the work of certain divisions of the department. As the organization which Mr. Pearson was referring to at one of the committee's recent meetings has developed, so the amount of work to be done by the department or by the divisions of the department who have to do with that organization has also increased. The development of technical assistance work under the Columbo plan of the United Nations that has imposed an additional burden on the officers of the department who are concerned with these things. I would not wish to give the impression we would like to go before the commission and the Treasury Board for large increases but there will, if I judge correctly, be some increases which will be desirable.

Mr. CROLL: Getting back to the talk of increases and decreases of people in your department. What sort of people would you let out of your department when you talk of decreases? Give me an example of what sort of man or woman you would let out?

Mr. STICK: Of those fifty, you let out.

The WITNESS: The first people to go in any of these squeezings down are, of course, to be found amongst the temporary employees, not amongst the permanents; and where one stenographer, for example, can be made to do for two officers, where previously she had served one, that is the kind of situation which we try to develop.

By Mr. Croll:

Q. Would that fifty consist of stenographers?—A. No, but it would include stenographers, clerical staff, messengers, generally known as subordinate staff.

Q. Will you now be hiring the same sort of people you let out some time ago?—A. We may have to hire some of these. Our first request will be for additions to officer strength and that will entail, inevitably, having to hire some of the staff we had to let go.

Q. What I was getting at is that your department ought to resist some of this precipitate letting out of people whom you may reasonably require in the future because of the special training they receive in your department. It is all very well to let out the cleaners or a chauffeur but it is a little difficult to let people out of your department when three months later you have to go looking for them again. I think I gather that this desire to reduce the staff—

Mr. STICK: —can be carried too far.

Mr. CROLL: Your attempt to co-operate, I think, did not do the department much good.

Mr. BENEDICKSON: It was government policy.

Mr. CROLL: Government policy is to let out people who are not needed.

Mr. MURRAY: It is just a normal turnover anyway.

Mr. FRASER: May I ask Mr. Heeney a question: Did quite a number of these people change to other departments?

The WITNESS: Shall I take the first question first?

Mr. CROLL: Yes, take the first question first.

The WITNESS: I am informed that I would be correct in saying that of those who were let out, there were something under 100, the whole would be amongst the subordinate staff, stenographers, clerks, messengers, and classifications of that kind. I think it is equally true to say that we did not let go within that number people who had acquired special skill. Some of these people would have left within a short time in any event; I am informed that,

for example, stenographers, six months from the time they were let go were going to get married or something of that sort. We were able by careful planning to alleviate the shock in this and conserve the efficiency of the department. It will be recalled by the committee that the government some months ago adopted a policy of a six per cent cut in department staff right across the board and as it was—

By Mr. Benidickson:

Q. Was that cut in dollars or in numbers?—A. In personnel, in numbers. As it was our obligation to do, we co-operated with that policy and we were able to accomplish a cut of between sixty and seventy without, I think I can say, any serious loss in special skills.

Q. Has the reduction of 100 in personnel within a period of about a year decreased at all your monthly payroll or have salary increases more than accounted for that?—A. More than taken it up.

By Mr. Coldwell:

Q. Do you know how many left by resignation out of that hundred?—A. I could find that out.

Q. It is a point perhaps I thought you might know.—A. We did attempt, as I say, to anticipate cases where the individuals would be leaving anyway and apart from that we did not let our most valuable people go.

Mr. GOODE: Would it be true to say that when you let these people out you could not anticipate you would need to hire them again so soon? Is that true?

The WITNESS: It was difficult to anticipate and we were subject to this government direction; we had to reduce.

Mr. JUTRAS: What would be your annual turnover? There is bound to be a certain number in each year that for one reason or another leave your employment.

The WITNESS: There is a very considerable turnover in certain grades, particularly the stenographers who insist on getting married.

Mr. GOODE: You mean that the government could not control that as well as the six per cent!

The WITNESS: Over a four year period from January the 1st, 1947, to December 31st, 1950, the figures read this way: There were resignations or separations of 43 officers and 637 administrative staff, a total of 680.

Mr. JUTRAS: That is for four years?

The WITNESS: Yes, from January 1, 1947 to December 31, 1950. That is four years.

Mr. GOODE: Fifty per cent of the total staff?

The WITNESS: Yes, just about.

Mr. RICHARD: How many permanent employees have you got and how many temporary employees have you got in your department?

The WITNESS: At May 1, 1951, the number of permanents in the department were these: Officers, 183; administrative staff, 359; a total of 542. I might go on to develop that if the committee is interested.

Mr. FRASER: Whom do you class as officers.

The WITNESS: May I just conclude this answer and then I think the picture will become clearer. In addition to the 542 whose permanencies have been accomplished, there are six officers and nineteen administrative staff who have been recommended to the Civil Service Commission for permanency. That is a

total of twenty-five who are in the mill. If our recommendations for the twenty-five are accepted our total permanencies will be 567. We are entitled to have eighty-five per cent of our total staff permanent, calculated at the strength we had at September 30, 1949; that would permit us a total of 769. We would be entitled to have 202 more permanencies added to the 567 that we now have or that are in the mill. Of this figure of 202, 156 are not qualified to be permanent so they go out at once. You withdraw your 156 from 202, that gives 46, and these are under consideration and may or may not be recommended according to their merit and their standing in the department.

Mr. RICHARD: I would like to know the exact number of temporaries. Is that 202?

A. The number of temporaries? The difference between 567 and 922. That is a total of 355.

By Mr. Coldwell:

Q. That will not give you a total of 1,300; you are just talking about local staff now?—A. You subtract from your total of 1,311 the locally engaged staff who are not entitled to permanency; that gives you 922.

Q. And these may be chauffeurs and that kind of employees?

Mr. GOODE: Mr. Heeney, here is a point that you could answer or maybe one of your associates could answer: When you hire a new employee in a department such as yours, how are you assured of hiring the right type of people, I mean apart from going through the Civil Service? I think you understand what I mean. There is a certain amount of work which I assume should not be known outside. How do you get the right type of employee? Let me illustrate: You might get an enemy agent as an employee in your department. How do you guard against that?

Mr. MURRAY: Have him recommended by a member of parliament.

By Mr. Goode:

Q. That is so, but I want it on the record.—A. I take it that the question relates to the matter of security and not to other qualifications.

Q. Yes, I wanted you to put it on the record so as to be sure.—A. Every employee of the department before being employed must have received a clearance in respect of security.

The CHAIRMAN: Mr. Fraser, you asked a question a few moments ago. Was your question answered?

Mr. FRASER: Yes, Mr. Heeney answered it.

The CHAIRMAN: Shall item 84 carry?

Mr. GREEN: What changes are included in this list of "other publications"?

The WITNESS: In that \$14,500 item in vote 84, the volume known as Canada and the United Nations costs \$7500 and accounts for just over half; the annual report of the department costs \$3,500; and the Spanish and Portuguese issue of Canada From Sea to Sea costs \$3,500.

Mr. BENEDICKSON: How many people pay the full subscription for the External Affairs monthly bulletin?

The WITNESS: I think I will have to take that for the next meeting if I may, Mr. Benidickson. As you know the circulation list is partly free and partly paid.

Mr. FRASER: When you are doing that, Mr. Heeney—or perhaps you could say now—does the head office of the United Nations Canadian organization get the External Affairs monthly bulletin at a reduced rate?

The WITNESS: At a reduced rate, sir, yes.

By Mr. Green:

Q. Under what vote do you pay for the speeches which are reprinted and sent out?—A. There is a series known as “statements and speeches” which are mimeographed material made available by the information division under the information vote.

Q. What vote does that come under?—A. It comes under departmental administration.

Mr. DICKEY: Is that the item at the bottom of page 5, “other informational material and supplies?”

The WITNESS: I want to be sure before I answer. I am informed that that comes under “stationery, office supplies,” which is produced within the department itself by a mimeograph or duplicating process.

Mr. GREEN: That is a vote for \$50,000?

The WITNESS: That is right.

Mr. BENEDICKSON: Part of it.

The WITNESS: That is not only for statements and speeches. This covers all paper that is used within the whole department not only in the information division and not only for statements and speeches, but everything else as well.

Mr. GREEN: How widely are these speeches distributed? I think I even got one of yours, Mr. Heeney.

Mr. STICK: Was that not cut down last year?

The WITNESS: Perhaps I will postpone the answer to that until the figures are turned up and we will go on with another question now.

By Mr. Fraser:

Q. Can you tell us what publications you put out? There is the External Affairs Monthly Bulletin, and have you still the air mail bulletins?—A. Yes, we have.

Q. And what other bulletins have you that are published?—A. I might make a general statement about publications that are under the auspices of the department.

Q. That is what I would like you to do. —A. Of the printed publications there is the annual report of the department; there is a bulletin called External Affairs which is a monthly; there is Canada and the United Nations, which is an annual; there are white papers from time to time—like that on Korea which was mentioned at another meeting; there is the publication Canada from Sea to Sea.

Mr. GREEN: There is no vote for that this year.

The WITNESS: No. We apparently have a supply on hand which is sufficient or estimated to be sufficient to meet our purposes this current year.

Then there are the multilithed publications; the daily air mail bulletin which goes to missions abroad; the weekly bulletin; the weekly survey of Canadian editorial opinion; statements and speeches, which Mr. Green has referred to; and reference papers, reprints and fact sheets.

Statements and Speeches make available in multilithed form texts of important statements on Canadian external policy and related subjects. Occasionally, statements dealing with subjects of general interest such as transportation and development of natural resources are included in the series; since these relate to domestic affairs, they are distributed outside Canada only. Of the 52 texts published in this series during 1950, 36 were distributed in Canada. When official texts are available in both languages both versions are published; otherwise, with a few exceptions, the text is issued in the language in which it was delivered.

Circulation—Within Canada, only statements and speeches on international affairs and related subjects are distributed. The various people and groups mentioned in the table below are on the mailing list to receive all such statements and speeches.

Abroad, statements and speeches dealing with subjects of general Canadian interest are circulated, in addition to statements and speeches on Canadian external policy.

By Mr. Green:

Q. What is the circulation?—A. 1,492 was the total in the last fiscal year.

Q. That is each speech goes out to 1,490 people?—A. 1,492.

Mr. BENIDICKSON: They are not just printed—they are mailed.

The WITNESS: This is a mailing list which is constantly under review. We send tracers out to see if people are still interested in getting them.

Mr. GREEN: I think there could be a little saving there. Some of these publications go out and I know there have been quite a few sent out during the last year. I doubt very much whether it is necessary.

Mr. BENIDICKSON: I know that I myself was asked by way of a card whether I wanted to receive it. I imagine if Mr. Green did not want it he could say so.

Mr. GREEN: It is not a question of whether I want it, it is a question of whether it is a waste of money.

Mr. CROLL: No, no, not those speeches.

Mr. MURRAY: It is a question of how the speeches are handled. Some of them could be given in full and others could be abbreviated.

Mr. GOODE: Can Mr. Green say where some of those speeches are going now and where he thinks they should not go?

Mr. GREEN: I do not think that every time the minister makes a speech it should be sent out.

The WITNESS: It is not, Mr. Chairman.

The CHAIRMAN: I have study groups in my constituency and they complain that they are not able to get enough of the speeches in which problems were raised. They were having difficulty in obtaining them from your department. I have eight study groups and if that is applied throughout the whole of Canada there would be a shortage of those publications.

Mr. MURRAY: My experience with Canada and the United Nations is that I can obtain it only in the Department of External Affairs. I sought several copies for students and they helped me out in the department but those volumes were not available.

The WITNESS: The King's Printer is a source of supply.

Mr. MURRAY: Yes, but he is a very obscure individual and I think they ought to be on every news stand and every book shop at reduced prices so that students would be able to obtain them—students and others who would be then informed of the work of the department in relation to the United Nations.

The CHAIRMAN: Will Mr. Green enlarge on the point? The number issued is 1,492.

Mr. GREEN: I am not going on the distribution, but how many of the minister's speeches were sent out last year?

The WITNESS: There would be more of the Minister of External Affairs speeches than other speeches. I think the committee might be interested in the

cost. The total cost of Statements and Speeches series is \$5,070 and of that approximately half is mailing.

By Mr. Croll:

Q. What do you mean "mailing"? You do not pay postage? What do you mean?—A. Mailing to our posts abroad.

Q. Out of that 1,500 how many of them stay in Canada?—A. 758—about half go abroad and half stay in Canada.

Q. I should not think you have even scratched the surface?—A. Half the distribution is abroad and half in Canada.

Mr. JUTRAS: Do you mean that is the only distribution you have in Canada?

The WITNESS: That is right—758.

By Mr. Croll:

Q. And on that list there would be every member of parliament and every senator?—A. Members and senators were circulated and asked if they wished to receive them. Those who asked get them, and those who did not do not get them.

Q. Have you any idea how large a proportion of members and senators get them? 250, 350, or how many?—A. Four per cent of the total go to members of parliament and senators—that is the arithmetical calculation.

Mr. MURRAY: I think the Canadian people are woefully lacking in information regarding the work of Canada and the United Nations.

Mr. LOW: Perhaps if they were put out in the form of comic books they would be read.

Mr. RICHARD: We banned them.

Mr. MURPHY: I think there should be more serious effort in Canada, particularly at the universities and public groups and organizations—certainly among the public schools.

Mr. GREEN: Your External Affairs Monthly Bulletin contains some of the statements.

Mr. COLDWELL: I think the United Nations society is doing the best job for the schools.

Mr. MURRAY: So much of this material is so dull—it is like the B.N.A. Act. It is important but—

Mr. CROLL: The B.N.A. Act is not dull.

Mr. MURRAY: Money could be very easily spent on prizes and scholarships around among the universities.

Mr. GREEN: The Monthly Bulletin contains summaries of those speeches.

The WITNESS: It contains excerpts and in some cases summaries of certain speeches. The Information Division is responsible for both publications—that is *External Affairs* and *Statements and Speeches*—so unnecessary duplication is avoided. In some cases the *Bulletin* (External Affairs) carries only a portion or a summary. There is also a demand for full texts and it is to meet this demand that *Statements and Speeches* is multilithed in the department.

Mr. COLDWELL: Mr. Vishinsky and Mr. Molotov's speeches are published more in this country than those of people from our own External Affairs department.

Mr. MURRAY: I will agree with you there.

Mr. COLDWELL: You run across them in all sorts of places.

Mr. MURRAY: May I draw attention to page 4, just following what Mr. Coldwell has said about publicity for Vishinsky and others in Canada. I see

there is an item "press news" \$3,550. That seems to be a very trifling sum to be spent on stimulating interest of the press.

Mr. STICK: They do not want any stimulation of the press.

The CHAIRMAN: Are we through with the question asked by Mr. Green? Are you satisfied with the answer, Mr. Green?

Mr. GREEN: I wonder if Mr. Heeney would give us a list of the speeches which were circulated?

The WITNESS: I can do that very easily.

I wonder if I was clear in my statement to the committee about the numbers of speeches. I have the information here that there were 52 texts published in this series during 1950 of which 36 were distributed in Canada.

Mr. FRASER: That would be Statements and Speeches?

The WITNESS: Yes, the one series, Statements and Speeches—an average of one a week.

By Mr. Green:

Q. What speeches were they?—A. Well they were by various people. I can obtain a list. I have not got it here but I can quite readily get it.

Q. You can get a list?—A. Yes.

Q. I wish you would do that.

Mr. GOODE: What if they were all the minister's speeches? I think in this case he speaks for Canada.

The CHAIRMAN: I do not think Mr. Green argues against that—that is not the impression I got.

Mr. GOODE: He did argue against it. He said he did not think the minister's speeches should be sent out.

Mr. STICK: I do not think that he said that.

Mr. JUTRAS: There were only 750 of them.

Mr. MURRAY: This \$3,500 odd item for press news is a very opportune item. We had a case where the minister made a speech which has been heard all over the world save in Canada. I think that there ought to be facilities for sending some press man right along with the minister so that Canadian people get a full account of what he has said—and quickly?

The WITNESS: This item, Mr. Chairman, is for press news service coming into the department—ticker service of the Canadian Press.

Mr. FRASER: That would be clipping service?

The WITNESS: No, ticker service.

Mr. MURRAY: I beg your pardon, it is deceiving.

Mr. CROLL: While we are at it, Mr. Heeney, Mr. Coldwell and Mr. Low, and other members of the committee, and the *New York Times*, thought a great deal of Mr. Pearson's speech made over the weekend. Now how did the Canadian papers get so little of it? I saw a bit, a quarter column in the *Globe and Mail*, but I saw nothing in the local paper.

Mr. Low: Just a little note.

Mr. MURRAY: There was not time perhaps.

Mr. CROLL: This was over the weekend. The speech was made Saturday night.

The WITNESS: Yes, on Saturday night.

Mr. CROLL: It could have been in early Monday morning. Now how did our press people miss the boat on it so completely?

The WITNESS: I cannot of course speak for those receiving the text but we did develop, in the department over the last year a press office. The

officer in charge of that, Mr. Anderson, has as one of his principal duties to see that texts of statements of this character are made available to journalists.

The WITNESS: An attempt is made to have these texts available as soon as possible—if possible in advance of them being released. I cannot speak from personal experience about what happened in this particular case but I can find out. One of the functions of the press office is to provide texts to the Canadian service.

Mr. COLDWELL: It would be handed as a release to press gallery here?

The WITNESS: Yes.

Mr. COLDWELL: The strange thing is that it was an extended report on the front page of the New York Times.

Mr. CROLL: Our local papers carried it under an American headline.

Mr. COLDWELL: Well they would do that from New York.

Mr. LOW: It was under a United Nations date line.

Mr. CROLL: But they carried a cut-up portion of it—they have dissected it.

Mr. DICKEY: Perhaps the explanation in part may be this, and perhaps members of the committee generally do not know it. The Canadian Press have no representative at the United Nations. He was withdrawn I think, and perhaps Mr. Heeney can correct me on this, some eight months ago.

Mr. CROLL: When they started to unionize.

Mr. COLDWELL: The department here in Ottawa surely hands texts of the speeches to the reporters in the gallery even if the speech is to be delivered at Lake Success?

Mr. DICKEY: I quite agree with Mr. Coldwell but I think the general tendency, is that an item like that which comes direct to a paper on the Canadian Press wire gets very much more attention than it does as a handout to the local reporters?

The WITNESS: I am informed that the text was available in New York from the United Nations service and also in Ottawa.

Mr. GREEN: Is not that a matter for the papers? They are in the business of publishing news and they may decide what is news and what to publish. Now if there is a statement to be made on behalf of Canada while the House is sitting I think that it should be made in the House, and I do not think that this committee should be worrying about seeing that speeches made by the minister get proper publicity in Canada. Surely that is not our function.

Mr. DICKEY: Perhaps they agree with Mr. Green that the minister's statements are not worthy of publicizing anyway?

Mr. GREEN: No, but you are worried because the Canadian papers are not publishing more of Mr. Pearson's speeches.

Mr. STICK: That is up to the papers themselves.

Mr. CROLL: Mr. Chairman I think it is our function to see that Canadians are kept informed on international affairs. This arose as a result of an expenditure and we want to know why the Canadian public has not been informed. The House of Commons was not sitting on Saturday night and consequently Mr. Pearson could not make the statement there so that Mr. Green could hear it in the House of Commons. Mr. Pearson was at the United Nations as our representative and in that course made a speech which was of some importance or considered to be of importance. Now, why did it not get publicity in Canada?

The explanation may be, as Mr. Green says, that Canadians did not appreciate the news value of the story—that may be. We are satisfied, in any event, that it was well covered here and that the releases were handed out. Mr. Heeney assures us on that.

Mr. FRASER: May I ask a question? Was it a record made here and given at the United Nations, or was it given from the United Nations?

Mr. CROLL: Reuters News Agency sent it out from New York.

The WITNESS: It was broadcast from New York as one of the United Nations series. I believe it was done by a recording and it was released in New York from whence the voice was broadcast. The text was made available here as a matter of convenience to the press gallery.

Mr. Low: I saw it in the Citizen.

Mr. GOODE: I heard it over the radio on this United Nations program, whatever you call it.

The WITNESS: The Price of Peace series.

Mr. GOODE: It could be. They said it was the last one this year, and I heard it on a local station.

Mr. FRASER: I think it has been given enough publicity now and we should go on.

Mr. MURRAY: I would like to say this before the matter is concluded. This is an example of not giving proper publicity to this effort in the United Nations and something should be done to encourage the leading newspapermen in the country to accompany the minister when he makes a pronouncement of this kind.

Mr. COLDWELL: I am inclined to agree with Mr. Green's opinion that the statements made while the House is sitting should be made in the House. I have often thought that when I have heard summaries on the news of quite important submissions. I thought they should have been given in the House when the House was sitting.

Mr. CROLL: That only leads you to ask questions in the House.

The WITNESS: On the question of publicity for the work of the United Nations, the principal item there is, of course, the volume to which reference has been made, "Canada and the United Nations, 1949-50" and so on. But apart from that, in the statements and speeches series, and in the monthly departmental bulletin, a good deal of attention is paid to Canada and the United Nations.

So far as the use of that material is concerned, it is made available to the press. That does not come under departmental control, but we do try to make readily available to journalists the text of things in which we think they may be interested, or in which the people of Canada may be interested concerning Canada's part in United Nations' affairs.

Mr. QUELCH: What about the item for "Films, displays, broadcasting, etc. and photographs"? What would those photographs largely be?

Mr. FRASER: That is at the bottom of page 5.

The WITNESS: They would be photographs of general Canadian subjects which we think would be of interest in foreign countries. I might make a short statement about it.

The Acting CHAIRMAN: Are we finished with item 84 yet?

Mr. FRASER: No. We are still on "Administration".

The WITNESS: During 1950 twenty-six photo-features were produced. The titles include "Canadian Opportunities: Mixed Farming" and "Canadian Opportunities: The Dairy Industry," prepared in co-operation with the Department of Citizenship and Immigration and widely published in the countries of western Europe which are the scene of the current campaign to attract immigrants. "Canada Trains North Atlantic Treaty Organization Airmen" was distributed to the North Atlantic Treaty countries. Others were "Canadian Jet Achievement," "A visit to Arvida," and "Christmas in a Canadian Logging Camp." The photo-features had wide general circulation; for example, through one United States syndicate alone, "The World's First Aluminum Bridge" had a

circulation of over 3,000,000; another feature, "Logging on the Gatineau," had over 5,500,000 and "Christmas in a Canadian Logging Camp" over 6,000,000 circulation.

That will just give you an idea.

Mr. QUELCH: Are these pictures made by the National Film Board?

The WITNESS: Yes, but not exclusively by them. Pictures of commercial and private photographers are also used.

Mr. LOW: Is there any revenue which accrues from these pictures?

The WITNESS: I do not think there is any revenue. I can get that information for you.

Mr. QUELCH: Are these pictures made available to schools in Canada?

The WITNESS: Not as a general thing, but upon request.

Mr. COLDWELL: The National Film Board pictures would be, would they not?

The WITNESS: Yes, they are made available through their own distribution.

Mr. QUELCH: There are no broadcasts under this item, are there?

The WITNESS: No, sir.

By Mr. Fraser:

Q. Under telephones I see there is an estimate of \$8,000; while for the year 1950-51 it was only \$4,008.—A. The estimate was \$10,000, but the expenditure was only \$4,000.

Q. Yes, double.—A. No. The estimate last year was \$10,000. But we are asking this year for only \$8,000.

Mr. GREEN: How much was spent?

Mr. FRASER: The estimated expenditure is \$4,008.

The WITNESS: Yes. We will have spent, when the books are closed, approximately \$4,008, which is some \$6,000 less than we thought we were going to need.

Mr. GREEN: If you did not talk twice as much.

The WITNESS: Why, you may ask, are we asking for twice as much as we spent last year? I shall have an answer for you.

Mr. COLDWELL: The rates are up.

The WITNESS: I am informed that the rates are up. This is as close an estimate as we have been able to arrive at. I may say there is very little fat on any of these items. If we thought we could get a few dollars off, we would take them because we have plenty of other places for them.

Mr. FRASER: On page 6, under the heading of "Motor vehicles, operation and maintenance" I see there is an estimate for \$2,000. How many trucks have you got in Ottawa in the department?

The WITNESS: In Ottawa?

Mr. FRASER: Yes. Does that cover your trucks and cars here?

The WITNESS: Yes, there are two departmental trucks which are operated in Ottawa.

Mr. FRASER: And that would be only for gasoline and repairs?

The WITNESS: Yes, maintenance, generally; repairs and replacement parts, oil and gasoline.

Mr. FRASER: What about the item "Tuition fees"?

Mr. STICK: That seems to be very little.

Mr. FRASER: It seems to be a very small amount for two trucks.

The WITNESS: Do you mean for trucks or for tuition?

Mr. FRASER: The \$1,500 for tuition fees. What is that for?

The WITNESS: This amount is set aside to provide for classes for those who are proceeding abroad. In certain cases we pay for their tuition in a foreign language.

Mr. FRASER: That would be money well spent, then.

Mr. STICK: So was the gasoline.

The CHAIRMAN: Shall the item carry?

Carried.

Item 85 "Passport office administration"? Shall the item carry?

By Mr. Fraser:

Q. How many passports were issued last year? Would you have that figure here?—A. Oh, yes.

Q. And also the renewals of them?—A. Yes. In 1950 there were 64,464 passports issued.

Q. How many renewals?—A. 175. Would you like the comparative figures for last year, the preceding year?

Q. Yes.—A. 64,933 passports were issued and there were 134 renewals.

Q. What were the receipts last year?—A. Cash receipts in 1949 amounted to \$317,607.69.

Q. That was for 1949.—A. And in 1950 they amounted to \$325,397.89.

Q. And in 1951?—A. I have not got 1951 yet.

Mr. STICK: 1951 is not over yet.

By Mr. Fraser:

Q. With respect to passports for people whom you know to be communists, has the department ever thought of not including all countries on their passports, as they did during the war, for practically everyone?—A. I think it is the intention of the minister to say something on this subject at the next meeting which he attends. I think if the committee will give me leave, that subject might be left for the minister.

Mr. Low: Under what item would one find the cost of passport printing?

Mr. STICK: And who gets it?

The WITNESS: The cost has risen for the preparation and printing of passports. I could get the figures for you.

Mr. Low: I was interested in this because it appears that the passport office is a revenue producing office, unless we take into consideration the printing costs and so on.

The WITNESS: Yes, it is a net producer of revenue. The total cost of printing passports and certificates of identity was \$32,100.

Mr. Low: It is quite clear then that it is a revenue producing office.

The WITNESS: Yes, and even taking into account the salaries, it still would be net producing.

Mr. CROLL: It should be.

Mr. FRASER: I have not been over to the passport office this year, but I wonder if there has been any improvement in the entry? Has it been cleared up yet?

The WITNESS: Yes, it has. The passport office accommodation is a great deal better than it was.

Mr. BENEDICKSON: I can confirm that it is a much pleasanter office, and I can say that few departments of government are more anxious to uphold the prestige of members of parliament before their constituents than that office.

If you take a constituent's problem to them, they see that the constituent is treated with the utmost care, and they see that credit is given to the member of

parliament. We all know that is something which is appreciated by our constituents, and it is something which helps to keep us in good standing with them. I just want to say that.

Mr. FRASER: Yes, and I can confirm it. But I wondered about the entrance way because of the garbage cans which used to be piled up there.

The WITNESS: I would like to say that the officers and members of the staff of the passport office do a good job, and they do it very efficiently.

Mr. LEGER: I would like to ask Mr. Heeney if it is not so that the passport does not admit one to any country?

The WITNESS: That is correct.

Mr. LEGER: Rather it is the visa on it which does that?

The WITNESS: That is correct.

Mr. LEGER: And the visa is obtained from the country which you wish to enter?

The WITNESS: That is correct.

Mr. LOW: May I ask if the German people have a consular officer in Ottawa?

The WITNESS: Yes, sir. Recently a German Consul was received in Canada and he is now located here.

Mr. LOW: Is he authorized to issue visas, or "to visa" passports in this country?

The WITNESS: Yes, sir. The west German Republic recently, by means of an agreement with the High Commission of the occupying powers, got the authority to perform consular duties in certain countries, of which Canada is one.

Mr. LOW: Have you got his name there?

The WITNESS: Yes. It is Dr. Werner Dankwort.

Mr. COLDWELL: When did he come? Was it last November?

The WITNESS: It was just before then, I think, in the early autumn.

The CHAIRMAN: Shall item 85 carry?

Carried.

Item 86 "Representation abroad". Shall the item carry?

Mr. JUTRAS: With respect to item 86, Mr. Chairman, I would like to get the picture of what function the Department of External Affairs performs to help along immigration in Europe. What function are you called upon to perform in regard to immigration as compared with the other departments which assist immigration?

The WITNESS: In many posts in Europe—and I take it Europe is what you have in mind particularly?

Mr. JUTRAS: Yes.

The WITNESS: There are special immigration officers. And as you may know, in some cases, they are accommodated within the chancery premises; while in other cases, those offices are separated from the chanceries.

Mr. JUTRAS: Take France, for instance?

The WITNESS: In France, in the Place d'Opera there is a special immigration office.

So far as the ambassador, minister and diplomatic staff are concerned, they are under normal obligation to assist the immigration officers to the best of their capacity and ability; and the immigration officers, just as the officers of other departments in foreign countries, are subject to the general supervision of the head of the diplomatic mission, who has that general responsibility, under

normal government policy. That is to say, immigration offices may be situated in the capital or perhaps, as in many cases, in another city of that country.

Nevertheless these officers come under the general supervision of the ambassador and he is responsible for their general guidance.

In many posts there are not special immigration officers and in those cases the normal diplomatic officers who are at that post perform the immigration functions.

Mr. COLDWELL: They go to no end of trouble to help people who are in, let us say, Poland or Yugoslavia to get a place where they can receive clearance from the immigration officers and so on.

Mr. JUTRAS: Would the immigration officers in Paris come under the Department of External Affairs or the Department of Citizenship and Immigration?

The WITNESS: They report directly to their department which is Citizenship and Immigration; but they are subject to the general supervision which every diplomatic head of a mission exercises over all Canadian officers within the country to which he is accredited.

Mr. JUTRAS: Would these men be under the Department of Citizenship and Immigration?

The WITNESS: Yes. They are officers of the Department of Citizenship and Immigration.

Mr. JUTRAS: Are there not some who are under the Immigration Branch?

The WITNESS: That would be the same department.

Mr. CROLL: That is the same thing in Paris and every place there. That is right.

The WITNESS: They are officers of the Department of Citizenship and Immigration. Nevertheless, as I was saying, the head of the diplomatic mission as such has general supervisory authority over them. It is his responsibility.

Mr. MURRAY: I see that you have a representative in Red China.

The WITNESS: We did when this report was prepared. But he left Nanking some time ago. However, we still have a Consul General in Shanghai.

Mr. MURRAY: Does he proceed in camera?

The WITNESS: I am not sure that that is quite the right word; but I can say that he is able to perform his functions.

Mr. MURRAY: Are we not supposed to be at war with them?

The WITNESS: No.

Mr. MURRAY: To stop aggression?

Mr. STICK: Not officially.

Mr. MURRAY: Who is in Shanghai?

The WITNESS: Dr. George Patterson.

Mr. MURRAY: Do you receive regular reports from him?

The WITNESS: There is some difficulty with communications, but we do receive reports from him. They may not be regular, but they are frequent.

Mr. MURRAY: Are they for publication?

The WITNESS: No sir, not really.

The CHAIRMAN: Shall the item carry?

Mr. BENEDICKSON: Last year the Under Secretary said that he personally had not been able to visit very many of the headquarters of Canada abroad because of pressure of events in the department at home. I wonder if he has been able to visit some of our missions and embassies since he last appeared before this committee?

The WITNESS: I was able to make an inspection of the missions in western Europe last spring. I don't recall whether it was before or after I appeared before this committee. I have not been able to visit other parts of the world although the minister has seen a good many of them in the Far East. However, I was able to cover twelve offices in western Europe.

Mr. RICHARD: Do we own our own buildings in Paris?

The WITNESS: We recently acquired a residence, but we rent our chancery there.

Mr. CROLL: Where is that residence?

The WITNESS: It is on Faubourg St. Honore.

Mr. COLDWELL: Are you not buying another residence somewhere with this blocked currency?

Mr. STICK: There is one in Holland, is there not?

The WITNESS: There is a property we purchased in Paris. We had our eyes on it for some time.

Mr. FRASER: That would be for the \$505,000, would it not?

The WITNESS: That is included. The payments to be made in this fiscal year are included in the \$505,000.

The CHAIRMAN: Shall the item carry?

Carried.

Shall item 87 "Representation abroad" carry?

Carried.

Shall item 88 "Representation abroad" carry?

Mr. STICK: One moment, Mr. Chairman.

The WITNESS: We have two or three other possibilities for purchase from blocked sums.

Mr. STICK: You had one in Holland last year, did you not say?

The WITNESS: Yes. We are in the position of having to acquire a new chancery in The Hague, and that can be done from our guilders.

Mr. STICK: It is not purchased yet is it?

Mr. FRASER: \$197,000?

The WITNESS: \$190,000 of that would be the price of the property.

By Mr. Stick:

Q. It is not purchased yet, not finalized?—A. No, not yet.

Q. Then you had \$23,500 in Denmark?—A. That was mainly for furnishing our residence and chancery in Copenhagen.

By Mr. Richard:

Q. Coming back to France, has your lease expired or about to expire on the chancery?—A. We are on a hand to mouth basis on Avenue Foch. We can carry on there for some time yet. It is not very satisfactory, but it is exceedingly difficult to get a building suitable for office purposes in Paris.

Q. Have you been doing anything about it?—A. Yes, exploring actively but we are still on Avenue Foch.

By Mr. Coldwell:

Q. I thought you had a place in view there.—A. Just a residence.

Q. That is the place I have been told has some beautiful furniture. Did you buy that?—A. No, we did not buy the furniture. It went with the vendor. The price was too high.

Q. I understand it was really a pity to take that furniture out of that building?—A. Yes, they were really museum pieces.

The CHAIRMAN: Shall the item carry?

Carried.

Shall we continue, gentlemen? It is a quarter to ten o'clock?

Mr. STICK: We should adjourn, I believe; we have done very well up to now.

Some HON. MEMBERS: Let us continue until ten o'clock.

The CHAIRMAN: Item 89—to provide for official hospitality.

Shall the item carry?

Carried.

Item 90—to provide for relief of distressed Canadian citizens and for the reimbursement of the United Kingdom for relief expenditures incurred by its diplomatic and consular posts on Canadian account.

By Mr. Low:

Q. On item 90. What is the increase, on an actual basis of expenditure, over last year?—A. Which one?

Q. For relief of Canadian distressed citizens abroad.—A. The same amount is being asked this year although we did not spend it all last year. It is very difficult to tell what you are going to need for this purpose and we do not think anything less than \$15,000 would be sufficient. We spent \$9,738 last year.

Q. What did you recover?—A. The recoveries that is to say, refunds credited to the vote, 1950-51, to March 31, \$6,989.41.

Q. That sounds better.—A. And in addition to those refunds we got some driblets in from former years. The driblets in 1950-51 were \$803.51, so that our total intake as it were in the last fiscal year was \$7,800 approximately, something better than half.

Q. That is very good.

The CHAIRMAN: Shall the item carry?

Carried.

Item 91.

By Mr. Stick:

Q. I have a question on item 91. In our representation, Mr. Chairman, for instance, at the United Nations last year we had representatives from Canada and then we had a new departure with observers from different opposition groups.—A. Parliamentary advisers, I think they were called.

Q. How does that work out? How are they paid? Would you break that down and give me a picture of that? Who is paid and who is not paid and how are expenses accounted for?—A. No one is paid, Mr. Chairman, apart from the departmental officials.

Q. What about parliamentary representation?—A. Parliamentary representation, they receive their expenses.

Q. I beg your pardon. I cannot hear you.—A. I understood the question was, who are paid on delegations?

Q. What happens there? There are certain expenses that have to be incurred?—A. Parliamentary advisers receive their expenses.

Q. How much?—A. They are paid actual out of pocket expenses.

Mr. LESAGE: They receive a maximum of \$7 a day.

Mr. Low: The maximum is \$7 a day in New York for meals.

Mr. STICK: Well, that is a situation which in my opinion is a disgrace to Canada. Here we are sending parliamentarians to places like that, and on the

amount you have quoted me, or that Mr. Low has quoted me, I would say you cannot keep up your proper representation of this country. I think there should be something done about it. To ask parliamentarians to represent us at another place and be out of pocket when they are representing Canada is something to think about. If one cannot take his place properly without being out of pocket, I think it is a disgrace. The days when representation in Parliament was based on the fact that the only people who could go were people who could afford to go, have been dead twenty-five years, and yet this is a sample of what has been going on. These people are working for Canada. They should get an honorarium or something corresponding to the position they occupy. I think we are wrong on this.

Mr. MURRAY: I would say, Mr. Chairman, it would be a very good policy if it could be arranged for all members of this House of Commons to visit the United Nations sometime or other during the session. If I might just add a word, it is a very dramatic picture. I have been there as a private citizen and I must say it is a thrilling thing to see all these representatives from all the nations struggling there to do some great work.

The CHAIRMAN: Hear, hear.

Mr. MURRAY: We cannot support their efforts well here unless we see the United Nations in operation. It would cost very little even individually to hire a bus and go down there and see the United Nations in operation.

Mr. BENIDICKSON: During the last parliament such members of this committee as chose to go did go on a visit to the United Nations through arrangements made by our chairman, and I was one of those who did choose to go, and anybody on the committee could have gone. Some were not able to go but I certainly can say that my understanding of the scope and the importance of the United Nations was tremendously enlarged as a result of what I could see with my own eyes.

Mr. LEGER: You had to pay your own expenses?

Mr. BENIDICKSON: We had our passes to the border.

The CHAIRMAN: It was quite an experience. As chairman of the committee at the time I knew it would be impossible to have such an undertaking passed by parliament, and rightly so, that we should go as a body to see the United Nations. It was put up to our committee and we decided that those who could afford to go could go and as Mr. Murray said, it was a marvellous experience and Mr. Benidickson and others who went will bear me out. We had to go at our own expense; it was the only way we could have gone. As chairman, I was against it from the start but I was almost put in the position that I would have to resign unless somebody went at the time. It was a trip well worth while. We were wonderfully received by Mr. Lie and his assistants and Mr. Pearson who was then head of the Canadian delegation to the United Nations, and all doors were wide open to every one of us.

Mr. BENIDICKSON: I was there last Easter and saw the new building and I can testify that having been at Lake Success one gets an entirely new impression now that they are installed in the new offices. One can see the plans for the completion of the assembly rooms.

Mr. FRASER: I do not think it would be fair to overlook the work done by our secretary on our visit in New York. Our secretary made a good job of it.

Mr. BENIDICKSON: He performed his duties exceedingly well.

Mr. STICK: That is somewhat different from what I am talking about, Mr. Chairman. I am speaking of representation from parliament, not trips to the United Nations.

The CHAIRMAN: My own personal conviction is this, that the delegates and alternates to the United Nations should be allowed a reasonable per diem allowance. I believe that would be the best way to deal with that situation.

Mr. BENEDICKSON: Can we make a recommendation?

The CHAIRMAN: No.

Mr. COLDWELL: One difficulty in that is that parliamentarians can only receive their out of pocket expenses otherwise they come within the statute, and I think that is the reason why the government asks the representatives who go there, alternates and advisers and so on, to keep an account of their expenses, meals and everything else, not to exceed \$7 a day.

Mr. STICK: You are representing Canada there. You are meeting people from other countries. You are invited out by them and you have to return the compliment.

Mr. COLDWELL: You do not do it on that.

Mr. JUTRAS: I do not think the per diem would be contrary to statute because that is a per diem expense allowance.

Mr. COLDWELL: You do not think so? I am not sure on that.

Mr. MURRAY: Mr. Chairman, do you not think that Canada's position now with regard to the United Nations is that we may save it from collapsing?

The CHAIRMAN: May save what?

Mr. MURRAY: May make or break it today, with respect to public opinion, in connection with the United Nations. It will depend on the enthusiasm of the Canadian people to give leadership to the United States and other nations.

The CHAIRMAN: I can say from my own experience that we met a lot of Canadian people and we were wonderfully well received there. The Canadian people are highly interested in the activities of the United Nations, there is no doubt about that.

Mr. STICK: Mr. Chairman, the prestige of Canada is at stake in this way. When you are dealing in an organization like the United Nations and are niggardly I think such conduct is too small for a country like this, and I think something should be done about it.

Mr. COLDWELL: When you are there as a parliamentary adviser you have not the responsibilities that the delegates and alternates have, and I am quite sure from my own experience as a delegate at two former conferences that judging from the manner in which the members are reimbursed for their out of pocket expenses they must pay a considerable amount out of their own pocket if they do any entertaining of the people they meet in the lounge and other places. They must be considerably out of pocket. There is no question of that. I know that the last time I was there as an adviser I had not the same responsibility as the delegates and I was not quite as pressed, but I am quite sure that people who are sitting around this table must have been considerably out of pocket apart altogether from the loss of their professional fees while they were there.

Mr. BENEDICKSON: Mr. Chairman, the present parliamentary assistant to the minister served as delegate at the last general assembly and attended at personal cost and sacrifice. I am sure he will convey our views on this matter to the minister.

Mr. STICK: Cannot we make a recommendation?

The CHAIRMAN: I would not be in favour of making a recommendation of this kind but I believe that the statements made this evening and the experiences that the parliamentary assistant had himself last fall will receive consideration by the department.

Mr. STICK: All right, I am satisfied.

The CHAIRMAN: Shall item 91 carry?

Carried.

Item 92?

Mr. Low: I move that we adjourn.

The CHAIRMAN: I want to thank Mr. Heeney for the complete information he gave us. Now I would like to know your views about our next meetings. The minister will be with us on Wednesday, and Friday. We are glad to see Mr. Lesage, the parliamentary assistant here now, he was engaged elsewhere. Will it be possible to have a meeting on Wednesday at four o'clock?

Agreed.

Mr. STICK: Are we still on this item 91?

The CHAIRMAN: We are on item 92. Thank you gentlemen.

SESSION 1951
HOUSE OF COMMONS

STANDING COMMITTEE

ON

EXTERNAL AFFAIRS

CHAIRMAN—MR. J. A. BRADETTE

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 4

WEDNESDAY, MAY 30, 1951

ITEM 84—

Main Estimates of the Department of External Affairs—Departmental
Administration.

The Honourable LESTER B. PEARSON

OTTAWA
EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1951

THE UNIVERSITY OF CHICAGO

PHYSICS DEPARTMENT

PHYSICS 309

LECTURE NOTES

BY

ROBERT H. COHEN

MINUTES OF PROCEEDINGS

WEDNESDAY, May 30, 1951.

The Standing Committee on External Affairs met at 4 o'clock. Mr. J. A. Bradette, Chairman, presided.

Present: Messrs. Benidickson, Bradette, Coldwell, Croll, Decore, Dickey, Fleming, Fraser, Gauthier (*Lac St. Jean*), Goode, Graydon, Higgins, Jutras, Leger, Low, MacInnis, MacKenzie, Macnaughton, Murray (*Cariboo*), Mutch, Picard, Quelch, Robinson, Stick.

In attendance: Honourable Lester B. Pearson, Messrs. H. O. Moran, C. S. A. Ritchie, S. D. Hemsley and F. M. Tovell.

Mr. Bradette welcomed the members of a delegation from England to the World Assembly for moral rearmament en route to the United States and conveyed to them the best wishes of the committee, Mr. Loudon Hamilton introduced each member of the delegation.

The Chairman transmitted an invitation to attend a luncheon to be held on Thursday, May 31 at 12.30 in Room 16, at which the members of the above delegation will be present. He also read a letter from Mr. Speaker, dated May 30, to himself, inviting the members of the Committee to a reception to be held at 3.30 p.m. on Friday, June 1, in honour of Honourable Trygve Lie, Secretary General of the United Nations.

Items 84 to 91—Main Estimates

Mr. Pearson gave answers to questions asked at the previous meeting and was questioned thereon; namely:

1. International Service-Voice of Canada broadcasts;
2. On a broadcast he made on May 26 and reported in the *New York Times*;
3. Issuance of passports.

He was examined on the Tibet situation, on Communist China, on the appointment of the head of the permanent delegation in New York and on the status of Ambassadors.

Mr. Pearson deferred to the next meeting his statement on the International Joint Commission.

At 5.35, the Committee adjourned until Wednesday, June 6, at 4 o'clock.

ANTONIO PLOUFFE
Clerk of the Committee.

EVIDENCE

MAY 30, 1951.

The CHAIRMAN: I now call the meeting to order.

I believe I am voicing the sentiments of members of this Committee when I say we are pleased to have at our sitting a delegation to the world assembly for moral re-armament. They are spending two days here in Canada before going to Mackinac Island, in the United States.

I know I am expressing as well the sentiments of all of the parliamentarians when I say that you are very welcome indeed to our country and to our committee. You come from many sections of the world but you will find, generally speaking, that the Canadian people, and at least those in this committee, have a fairly broad outlook towards the whole world. We have participated in two wars to as great an extent as we possibly could, and we have no axe to grind. Even in time of victory there was no question of territorial or maritime aggrandisement. All we wanted was that there should be permanent peace in the world.

May I now call upon Mr. Loudon Hamilton who will say a few words to us and present the members of his group.

Mr. LOUDON HAMILTON: Mr. Chairman and gentlemen, I want to express our thanks for the privilege and opportunity of being with you this afternoon during our brief visit to Ottawa.

Having served with the Canadian Corps in the first great war in France, I always feel delighted to come back again to Canada where we spent many happy months and had many happy visits in previous years.

Sixty-six of us last night left by strato-cruiser from London, enjoyed a good fresh steak in Shannon, Ireland—a dinner we do not usually have in London, and we arrived in Montreal this morning. I must say we appreciate tremendously your graciousness in receiving us here today. Altogether, one hundred and sixty are flying from Europe to the Moral Re-Armament Assembly at Mackinac Island, Michigan, at the invitation of Senator Connally, who, as you know, is chairman of the Senate Foreign Relations Committee in Washington, together with the chairman and deputy chairman of the Foreign Affairs Committee of the House of Representatives in Washington. Other well known names among the Committee of Invitation to Mackinac are: Senator Wiley and Representative Charles A. Eaton.

They have invited us to this assembly, feeling the urgency at the present time of seeing how the western democracies can go on ideological offensive in 1951.

We bring fresh evidence of the positive force of the Moral Re-Armament Assembly at work in the mines, the docks, the parliaments of Europe and in the armed services.

Now, in response to your invitation I would like to present some of the persons in our party. Perhaps I should start with the ladies first—The marchioness of Graham, whose father-in-law, the Duke of Montrose, was such a close friend of the late Mr. Mackenzie King.

Next comes Mr. A.R.K Mackenzie, who, for several years, served with Sir Alexander Cadogan at the United Nations, and who is now in the Foreign Office in London

From Nigeria we have the Honourable Alban Ikoku, O.B.E., member of the Legislative Council of Nigeria and vice-president of the National Union of Teachers.

I think the one who has come farthest is Mr. Thio Chan Bee, recently elected a member of the Legislative Council of Singapore.

Then from Ceylon is Mr. Surya Sena whose father, Sir James Pieris, was the first vice-president of the Ceylon Legislative Assembly. Sometime I hope you will hear him sing. He is one of the world's leading exponents of Indian and Ceylon traditional folk music.

Mr. FRASER: There is no time like the present.

Mr. HAMILTON: I would like now to turn to the docks of London, which, as you know, have seen such a fierce battle for control in recent weeks. We have two distinguished representatives with us here—Charlie Stebbing, who is a member of the executive of the Stevedores and Dockers Union and who belongs to the Royal group of docks in London—formerly a member of the Port Worker's Committee which, as you know, is the unofficial Strike Committee—a Conservative body!

Mr. FLEMING: Hear, hear.

Mr. HAMILTON: With him is Tom Keep, who is a foreman in the Royal Albert Dock in London. Tom was formerly the president of the National Amalgamated Stevedores and Dockers Union and for four years was chairman of the dockers' section of that union. He was a member of the communist party for twenty-two years.

Along with him comes Bill Wild who represents the coal industry, North Staffordshire. Bill is a member of the executive of the National Union of Mineworkers for North Staffordshire, where there has been such a marked improvement in coal output since Moral Re-Armament Assembly went to that area. Duncan Corcoran, a shipyard worker from the Clyde. Bill Jaeger has come from London, he is a close friend of labour leaders throughout the world. Also I would like to present Colonel and Mrs. Williams-Wynne who have come from Wales. He won the D.S.O. and is a justice of the peace, so we have to behave when he is around.

Mr. FLEMING: A former Conservative candidate.

The CHAIRMAN: How did you know that, Mr. Fleming?

Mr. HAMILTON: In Moral Re-Armament we remain above party, class or point of view. Miss Margaret Godley has come from London representing the House of Citizenship, which trains younger people in citizenship. I would like to say I come from Scotland where we keep the Sabbath and anything else that we can lay our hands on.

Hon. Mr. PEARSON: Including the "Stone".

Mr. HAMILTON: I may say the spirit of Moral Re-Armament has so penetrated our country with absolute honesty that we have now returned the "Stone" to London.

It is interesting to know that both the prime ministers of Greece and Belgium have accepted an invitation to Mackinac and the Speaker of the Lower House from Stockholm, Mr. Savstrom, also is coming. He recently entertained us in Stockholm, along with three of his fellow speakers in parliament.

Official parliamentary delegations from South Africa, Australia and Washington have flown to attend the Moral Re-Armament Assembly in Caux, Switzerland.

The majority leader of the house of representatives in Washington has re-arranged the congressional program so that members of congress can attend our assembly in Mackinac. It runs from June 1st to June 12th and I need hardly say that we would welcome anybody from Canada who could join us there.

The CHAIRMAN: Thank you, Mr. Hamilton.

Present at this sitting are the Minister of External Affairs, the Honourable Mr. Pearson, and also one of the leaders of the great Conservative party, Mr. Graydon, the leader of the C.C.F. party, Mr. Coldwell, and also the leader of the Social Credit party, Mr. Low. I believe that we would all like to hear a few words from those four named gentlemen?

Mr. HAMILTON: I am sorry, sir, but I overlooked mentioning the war time commander of the Swedish army who is with us, General Holmquist.

The CHAIRMAN: The gentlemen I mentioned say they are too modest to speak, so I now wish to extend to every member of our committee an invitation to be present if at all possible at a luncheon tomorrow morning at 12.30 in room sixteen. It will be very instructive to mix with these visiting delegates, these very fine people, and get some of their ideas.

Now again I wish to say to the delegates that we hope theirs will be a very instructive and fruitful visit on the American continent.

Perhaps I should add that the visitors may stay at their leisure or leave at their pleasure. We will now proceed and our first order of business is a statement by the minister. We are on item 92 now.

Hon. Mr. PEARSON: Mr. Chairman, several questions have been brought up at previous meetings of the committee—questions which were not dealt with at that time and if it is your pleasure I might try to deal with a few of them now.

The first question on my list is the operation of the International Service of the Canadian Broadcasting Corporation—a matter in which several members of the committee have been interested.

You will recall, Mr. Chairman, that I did not deal with the question at the time it was first raised because I was anxious to be accurately briefed in regard to the operations and the policy of the service. So, with your permission, I would like to read into the record a short statement concerning that service and if there are any questions which may be asked after the statement I will be glad to try to answer them.

The development of Canadian short-wave broadcasting can be considered to cover three periods. The first period covered the latter part of the war when the C.B.C.-I.S. was established to broadcast to Canadian troops in Europe.

The second period began after the war in 1945 when many people hoped or believed that the world was entering an era of peace and international collaboration. During the second period, the C.B.C.-I.S. gradually added new languages to its program and put the chief emphasis on "the projection of Canada", that is to say, it felt that the aims of international collaboration and the revival of world trade would be best served in our broadcasts if our foreign audiences received an explanation of Canadian policies and principles and their background, and a picture of Canadian democracy, Canadian life, Canadian people, industry and so on.

As the hopes of 1945 faded and as the threat of Soviet imperialism became more and more apparent, the policy guiding the International Service gradually evolved to fit the changing international situation. So, the International Service entered a third period, and although one period merges into the next without a definite date of transition, it might be said that the third period is about two years old. Although the "projection of Canada" principles have not become eliminated, naturally they have become secondary, I think to what might be called "participation in the war of ideas."

As I said the other day in the House of Commons, the terms of the order in council establishing this International Service provided that it should work in consultation with the Department of External Affairs. The scope of this consultation has been considerably broadened over the past year and a half and there is now continuous consultation through visits of officers of the department and C.B.C.-I.S. and vice versa, and by means of letters, the telephone and the teletype. The Department of External Affairs now assumes the responsibility

for the general line of policy but, of course, the International Service, as an agency operating in a highly technical field, is responsible for adapting policy to the medium of short-wave broadcasting. Therefore, the C.B.C. is responsible for the writing of scripts or the commissioning of scripts by experts in various fields. We do not censor these scripts, but we are, of course, concerned in seeing that the general line of policy is followed and I shall tell you a little later something about how this is done.

I should like to speak more particularly of the broadcasts to Europe, and anything I say under this heading would not apply, for example, to programs directed to Latin America where, for obvious reasons, "the projection of Canada" still receives the main emphasis in our broadcasting.

In the broadcasts to Europe, as I have just said, the most important component is "participation in the war ideas". Here we have to consider two types of programs: those directed to the free nations of western Europe, especially NATO countries, and those directed to the Soviet Union and satellites.

In the case of Western Europe, where reliable news is readily available, it is our policy that C.B.C.-I.S. should help to develop, in NATO nations, a spirit of community and the appreciation of our common heritage and destiny, and should contribute to the growth of confidence in our common cause.

In broadcasting to audiences beyond the iron curtain, a definite aim is pursued; and here our policy may be said to be, in simplest terms, to preserve peace and check the inroads of Soviet imperialism, in an attempt to bring the truth about the west and about Soviet imperialism to those people who, actively or passively, support aggressive Moscow-directed policies; and to strengthen the morale, faith and determination of the many friends of freedom and democracy who still live behind the iron curtain but whose voices have been silenced. In these days when a Soviet-inspired opinion "peace campaign" is being conducted all over the world, our policy is also to stress our peaceful, unaggressive purpose while demonstrating at the same time our ability and determination to defend ourselves against aggression and to win a future war, which could only be started by the Soviet regime and its obedient satellite regimes.

As I have stated before, it is part of our program to unmask the hypocrisy of communist "democracy" in elections, trade union and labour camps, religion, etc, and the hypocrisy of Soviet "peace propaganda", and also to keep alive, among the oppressed peoples of eastern Europe and the Soviet union, knowledge and appreciation of liberal democracy and the civilization and code of ethics of the west.

In our broadcasts to eastern Europe we are careful to distinguish between, on the one hand, the Kremlin and the satellite regimes it controls, and, on the other hand, all the peoples of the Soviet union and the satellites, with whom we wish only friendly, cooperative relations based on mutual respect, and whose traditions we still honour. In other words, we attempt in these broadcasts to distinguish between the people and their governments.

From this you will see that policy guidance is the responsibility of the Department of External Affairs but the execution of this policy in the main is the responsibility of C.B.C.-I.S. They are the technicians, the specialists in the field of short-wave broadcasting who are best equipped to interpret a given line in terms of a short-wave broadcasting program.

In order to apply our policy guidance to their program, the C.B.C.-I.S. have a policy section headed by a policy coordinator. The policy coordinator holds daily policy meetings with the head and some members of the various language sections, and he transmits and interprets to them our guidance. The language sections then produce their material along the lines we have suggested and before broadcasts the material is checked by the policy section to make sure that the general line is being followed.

The International Service, as the experts in the field, have to decide what sort of program is most likely to be effective in carrying out this policy. For example, their own experience and their many conversations with officials of the British Broadcasting Corporation and the Voice of America have lead them to believe that good results cannot be obtained in the long run by abusive name-calling programs. They are frank in portraying Soviet policies or satellite conditions as they are, but they feel that cold facts make a bigger impression than a ranting voice.

While on the subject of facts, I should like to mention that the basis of the International Service broadcasts to eastern Europe is accurate, reliable news, as objective as we can make it. This is fundamental to a good broadcasting service directed toward areas where news is heavily censored and distorted. On the solid foundation of reliable news, C.B.C.-I.S. build their program structure of political commentaries and news talks which are the vehicles designed to carry the impact required by our policy.

Now, you might wonder whether we have any evidence as to the effectiveness of these broadcasts. Are they getting across to the people to whom they are directed? Even in the free countries of western Europe it is extremely difficult to estimate the value of the International Service's contribution to the general aims which I have just mentioned. There is, of course, no yardstick for measuring the growth of a spirit of community or of determination to resist aggression. Nevertheless, the audience mail received from western Europe does convince the C.B.C.-I.S. that they are making a useful contribution to the common cause.

In eastern Europe, behind the iron curtain, it is even more difficult to give statistical indications of the effect of the broadcasts. It would be even more difficult for me to give you statistical information in detail if I had it before me because, for obvious reasons, we do not want to indicate in detail the type of effect we think we are achieving. However, there is, I may say, a variety of evidence pointing to the effectiveness of western broadcasting, including our own. The most impressive piece of evidence is the fact of Soviet jamming. Estimates of the number of Soviet jamming transmitters vary between 600 and 1,000. This is a tremendous effort in terms of capital outlay and current expenditure which, it seems to me, can only be interpreted as a revelation on the Kremlin's great fear of western voices reaching the people under their control. They are of course more frightened of the truth than of anything else and they are going to great lengths to keep the truth from penetrating behind the curtain.

Another form of evidence consists in the steady flow of sarcastic, scornful and angry references to western broadcasting in the Soviet and satellite press and radio. That itself is an indication of their worry, and I suppose of our effectiveness, I mean the effectiveness of western broadcasting services. On August 4th, 1948 for example, a Czechoslovak daily paper had this to say about the C.B.C.-I.S.: "the Canadian Broadcasting Corporation carries nothing else than big doses of anti-Soviet propaganda and slander against the people's democracies." When they turn to things like that in their newspapers you have some reason to believe that what you are trying to do is having some effect.

Although, for obvious reasons, the steady flow of audience mail for Czechoslovakia has stopped since the communist coup in 1948, a trickle of letters still reaches the C.B.C.-I.S. and tells them of the continuing interest in their broadcasts.

That, Mr. Chairman, is the general statement on this matter which I wanted to make and which I hope will have covered some of the questions which arose the other day, although it does not deal with all of those questions.

Mr. FLEMING: I would ask the minister how he arrives at this information about the 600 to 1,000 Soviet jammers.

Hon. Mr. PEARSON: Well, I said between 600 and 1,000, giving myself a good deal of leeway. I think that is pretty accurate information—it is somewhere between those figures.

Mr. BENIDICKSON: I have never been one who is very optimistic about the dividends from this investment and one reason is that very few Canadians listen to short-wave. For one thing, people with slender means do not own radios with several bands enabling them to listen to anything other than local broadcasts. I wonder whether that is different in European countries?

Hon. Mr. PEARSON: Well, we may not be very interested in short-wave in this country. I am like you in that respect; but if I had lost my freedom and had been driven underground and could find any way of keeping in touch with freedom outside my country and with what was going on outside, I would be more interested in short-wave than I am now. We have had evidence during the war as to the lengths to which listeners would go and the risks they would run to hear the truth from outside. Also, in contrast to our own continent here, most of the broadcasting in Europe is short-wave broadcasting and listeners there are accustomed to that kind of wave broadcasting.

Mr. COLDWELL: Do you relay any programs to European stations?

Hon. Mr. PEARSON: Yes, from radio stations in friendly countries.

Mr. CROLL: Is there any arrangement between the Voice of America, the C.B.C. and the B.B.C. shortwave systems broadcasting, to all these foreign countries so that we are not all on the air at the same time?

Hon. Mr. PEARSON: Yes, I understand there is a certain amount of co-ordination in that respect.

Mr. CROLL: At what time of the day do we broadcast?

Hon. Mr. PEARSON: They have an arrangement for the allocation of bands and times.

Mr. COLDWELL: Do we still accord the facilities of our international shortwave broadcasting station to the use of Russian delegates at the United Nations as was done several years ago over our shortwave? I understand that our shortwave system was the one that was best adapted for that broadcasting.

Hon. Mr. PEARSON: Our shortwave is still being used by agreement with the United Nations at certain periods of the day.

Mr. COLDWELL: That would encourage listening in Europe, I suppose.

Hon. Mr. PEARSON: That is one way of getting audiences.

Mr. BENIDICKSON: Is that service provided to the United Nations without recompense?

Hon. Mr. PEARSON: We do not actually get paid for that—I speak here subject to correction—but we do get a certain compensatory benefit from the broadcasting of the activities of the United Nations; also, they use our station at times when we would normally be using it.

Mr. GRAYDON: I take it that the limited facilities for radio listening in China would not warrant our taking any steps in that direction yet?

Hon. Mr. PEARSON: No, it would not warrant the very heavy expenditure which would be involved because I should not think there are many shortwave listening sets in China.

Mr. COLDWELL: I remember when this station was first built it was said that it would be very difficult indeed to get any audience in China because in broadcasting there we would have to cross the pole.

Mr. BENIDICKSON: We are always speaking of the poverty in Europe and are always presenting a tremendous picture of poverty in Russia. What evidence have we got of the percentage of population in Russia who have receivers of any kind let alone who have shortwave receivers that would pick us up?

HON. MR. PEARSON: There is no doubt that only a very small percentage of the people in Russia or Czechoslovakia hear these broadcasts directly. That is partly due to jamming and partly due to the danger to which they subject themselves when they try to listen; but it is also pretty certain that when one person does hear this information it gets around to others, and from the information we get from Washington and London where they have more opportunities for estimating the effect of broadcasting than we have, we consider it is worth doing.

MR. BENIDICKSON: Well, facts were not very successfully presented to the United States Congress, to the effect that it was worth while, because if I am right they have reduced this year's appropriation for that purpose very considerably.

HON. MR. PEARSON: I am not sure but I think they increased the appropriation this year.

MR. BENIDICKSON: I think it was reduced from \$96 million to \$10 million.

MR. FLEMING: There was a debate on that within the last ten days reported in the press, but I do not remember whether it was in one of the Houses or in committee.

MR. BENIDICKSON: My recollection goes back to sometime further than ten days, and it was in one of their committees, probably six weeks ago. I think that there was a reduction in their appropriation recommended from \$96 million to \$10 million or anyway about 90 per cent.

MR. CROLL: You have been listening to too many Republican senators.

HON. MR. PEARSON: I remember that one of the objections made in Congress in connection with the Voice of America was to its control; it was not because it was not a good thing but only that they did not like the way the State Department was handling it.

MR. STICK: Did I read your remarks correctly, Mr. Minister, where you said your department was responsible for the script but you did not censor it. Is there any censorship on scripts at all?

HON. MR. PEARSON: I hope I did not say that because if I did I would not be correct. I said we were not responsible for the script but we were responsible for the policy which would be carried out by those who wrote the scripts; the actual job of writing the script was the responsibility of the international service itself. I said we had an opportunity to read the scripts and check them and if we found they were departing from the policy we agreed upon we took the necessary action.

MR. CROLL: I would like to know if there is a Voice of Russia beamed at us and are we jamming it? Can you answer that?

HON. MR. PEARSON: I would not mind answering it if I had the information.

MR. CROLL: But is there a Voice of Russia beamed at us?

HON. MR. PEARSON: I do not think there is a Russian broadcast beamed to Canada.

MR. FLEMING: But we do get Russian broadcasts. There is a daily broadcast in Russia and its reception is very good, so I am told, but the reception of Canadian broadcasts in that particular area is very poor, apparently due to geological features.

MR. BENIDICKSON: Is there a Russian broadcast regularly beamed to Canada?

HON. MR. PEARSON: There is no especially beamed broadcast that I know of.

MR. QUELCH: There is a Voice of Moscow; you can hear it in the Prairies at six o'clock every day.

Mr. STICK: You can certainly hear it in Newfoundland and when it is on it shuts out everything else.

Mr. GOODE: I thought the people in Newfoundland were so poor they couldn't afford a radio.

Mr. STICK: If we want to get the news we have to have a shortwave and nearly everybody in Newfoundland has one. And that is that.

Mr. MACNAUGHTON: As the member who raised this question at the last meeting, I would like to thank the minister for giving us so much information. My reason for asking the question in the first place was that we had so little information, and many people in my district of Montreal were getting quite concerned about all the busy employees on floor No. 10 in Radio-Canada building and they wanted to find out what they were doing, what the policy was and what it was costing. Now, I have only three questions to ask. We spoke of the policy section head. What is that gentleman's name?

Hon. Mr. PEARSON: Mr. Pigeon.

Mr. MACNAUGHTON: He is located at C.B.C. in Montreal?

Hon. Mr. PEARSON: Yes.

Mr. MACNAUGHTON: He is an employee of the C.B.C.?

Hon. Mr. PEARSON: Yes.

Mr. MACNAUGHTON: Is there any co-operation or integration of the programs with the U.S.A. Voice of America?

Hon. Mr. PEARSON: There is co-operation between the two.

Mr. MACNAUGHTON: There is no duplication?

Hon. Mr. PEARSON: They attempt to exchange ideas and see that they are not contradicting each other's policies.

Mr. BENEDICKSON: If these programs are beamed by Voice of America, to groups, which have a special interest for us, why do we need to beam two different programs to them if the groups interested are taking pains to listen to North America.

Mr. Low: "In the mouths of two witnesses all things should be established".

Hon. Mr. PEARSON: It is more difficult for the Soviet to jam if there are programs from different countries. We have also been told that programs coming from a smaller country like Canada sometimes command more influence than a program coming from a great power which is often in these countries more suspect than a smaller country.

Mr. MACNAUGHTON: The third question I want to ask is this. The cost is set down approximately at \$1,600,000 a year. Has that been cut down or is the intention to decrease it? Have economies been effected or have you any information on the general policy as to cost?

Hon. Mr. PEARSON: There have been suggestions made that we should increase our service and there have also been suggestions to economize. The proposals made for increased broadcasting have not been accepted upon the ground of economy I think, though I am not qualified to state categorically, that this service is being pretty effectively and economically operated. That is the information we get, but I would not be the person to give authoritative evidence on this question. I would refer that to the service itself. The officers of the service would be very glad indeed if members of this committee or members of parliament when in Montreal would call and have a look at the shortwave facilities, and at some of the scripts that have been broadcast or will be broadcast.

Mr. BENEDICKSON: Montreal members of Parliament recently were not invited when there was an opportunity for them to be invited.

Hon. Mr. PEARSON: Maybe you could write a script for them.

Mr. MACNAUGHTON: Perhaps their public relations man would be good enough to invite us.

Mr. MURRAY: Are any Chinese Canadians employed in connection with broadcasting?

Hon. Mr. PEARSON: Not that I know of. We do not do any broadcasting to China.

Mr. MURRAY: Are there any Chinese employed by the government of Canada, that is, in your department?

Hon. Mr. PEARSON: We have local employees in our offices in China and I think we may have one or two in Canada but I could not say offhand.

Mr. FRASER: Mr. Minister, could you tell us anything about the broadcasts that are put on by Radio Free Europe? They have now two stations. They have a new one at Munich and it is on the air eleven and one-half hours a day and rams its message behind the Czechoslovakian iron curtain with one hundred and thirty-five thousand watts power.

Hon. Mr. PEARSON: I will be glad to get some information about that operation which I have read about but of which I know very little except that this is being done by a private broadcasting organization composed to a considerable extent of refugees from the countries to which the broadcasts are directed, and it is actively encouraged and sponsored by one of the occupying powers in Germany.

Mr. FRASER: I have a clipping here from the *New York Times*, on May 23, 1951. I will read part of it:

While the Voice of America of the United States Department of State must, as an official government agency, be restricted to the polite and the well reasoned appeal, Radio Free Europe, which is a private agency, is not so inhibited.

They say in this article that this broadcasting goes right behind the Iron Curtain; they will pick out a man and say beware of such and such a man, and name him.

Hon. Mr. PEARSON: They would require to have a great deal of local knowledge to do that, I would think. I would like to have some more information on it.

Mr. DECORE: Apart from the Russian and Czech languages what other languages reach behind the Iron Curtain from Canada?

Hon. Mr. PEARSON: I know, Mr. Decore, you have been very interested in that aspect of the whole question, and you have asked me about that privately, whether we should not broadcast behind the Iron Curtain in languages other than Russian and Czech, and you also asked me whether we made any recommendations in the department regarding broadcasting in Ukrainian and Polish. I might just read a supplementary paragraph on that.

In this connection it should be pointed out how the International Service developed slowly, adding new languages as funds and facilities permitted. The Czechoslovak Service, for example, was not begun as the result of an assumption that Czech was more important than, say, Ukrainian or Polish, but because Czechoslovakia was the first, and regrettably, the only eastern European country to be re-established after the war with what then appeared to be a stable democratic government. This enabled CBC-IS to make easy contact with Czechoslovakia and begin what was an experiment: their first eastern European service.

The service, we think, has been successful. We feel that during the years before the coup d'etat in Czechoslovakia, the C.B.C. built up a substantial audience. Therefore when Czechoslovakia became a Soviet satellite it seemed wise to continue that broadcasting because of the audience we had already built up. Our transmitting facilities permit only one program to be broadcast at a time and the broadcasting schedule is now full. It was, however, before the facilities were all being operated, decided to add the Russian language to the service. That was a decision taken in January of this year, and personally I think that was a sensible decision. However, it made necessary the reduction of two existing programs. Now, the addition of other new languages could also only be achieved by reducing or eliminating existing programs or by spending a lot of money for new transmitters and more staff. It has been decided not to make those additional expenditures at this time.

Mr. DECORE: I am raising this question because there is evidence that the potential underground is strong in Czechoslovakia, Poland and the Ukraine; there is a population of twenty-four million in Poland, forty million in the Ukraine and ten million in Czechoslovakia and I wondered if it would be possible to extend the service both to Poland and to the Ukraine because they are the people we can rely on very extensively at a later date.

Hon. Mr. PEARSON: I think we might take up with the international service the addition of Poland and Ukraine. I know it would not be possible under our present budget, but as to the addition of Ukrainian and Polish broadcasting, we will look into that.

Mr. DECORE: What about the extension of the broadcasting service to Europe when our service personnel arrive there?

Hon. Mr. PEARSON: I am now getting into a field on which I have no knowledge.

Mr. BENIDICKSON: I think the year's cost figure for this service was mentioned at \$1,600,000. Does that cost include capital as well as operating costs?

Hon. Mr. PEARSON: Our difficulty, Mr. Benidickson, in answering that question is: we are not responsible for inserting this item in the budget at all, but if the committee so desired I could get that information from the C.B.C.

Mr. FLEMING: In the book of estimates there appears the notation that this service is only performed by C.B.C. as an agent of the government on a payment basis.

Mr. BENIDICKSON: They get a direct grant.

Mr. DECORE: You say there are only two transmitters at the moment?

Hon. Mr. PEARSON: I think there are only two, yes.

Mr. BENIDICKSON: The capital cost to date, amounting to some millions, I believe, and the cost of the annual upkeep are kept in a separate account—international broadcasting?

Mr. DECORE: Would you have an estimate of what two extra transmitters would cost?

Hon. Mr. PEARSON: I have not any estimate but we could get that information.

Mr. COLDWELL: Of course it is to be remembered that these stations broadcast to countries other than European countries.

Hon. Mr. PEARSON: Yes, shortwave broadcasting is also directed to Latin America. When the government was considering the reduction of shortwave broadcasting by eliminating the Latin American broadcasts the Department of Trade and Commerce and business interests generally advised very strongly

against that because, they said, the diffusion of this kind of information to Latin American was a very good background against which to develop our trade and they deprecated any reduction of broadcasting to Latin America.

Mr. MACNAUGHTON: I understand there was a reduction in broadcasting to the United Kingdom; at least it is rumour.

Hon. Mr. PEARSON: I have not heard that.

The CHAIRMAN: That would be a question to be directed to the CBC.

Mr. COLDWELL: Of course, when this service was first set up it was not set up to wage ideological warfare, it was set up as a service to our troops in Europe, primarily. That was one of the reasons.

Hon. Mr. PEARSON: That is right.

The CHAIRMAN: A few moments ago I received the following letter from the Speaker. It is dated May 30, 1951, and it reads as follows:

Dear Mr. Chairman:

The Honourable Trygve Lie, Secretary-General of the United Nations, will be in the House of Commons on Friday, June 1st. I expect he will be present at the opening of the House and will sit in the Speaker's Gallery. About 3.30 he will come to my Chambers. I would be pleased to receive, at that time, the members of the External Affairs Committee so that they can be presented to the Secretary-General. Would you kindly extend this invitation to the members of your committee? If you could give me some idea as to the number who will be free to accept the invitation, I would appreciate it.

Yours sincerely,

(Sgd.) W. Ross Macdonald
Speaker

I presume I could give the Speaker the complete list of our thirty-six members.

Mr. STICK: Some of us are going to Chalk River on Friday.

The CHAIRMAN: How many will be going?

Mr. JUTRAS: I am going.

The CHAIRMAN: I would also like to explain to the members that the luncheon tomorrow will cost \$1.50, which is a very reasonable price.

Shall we proceed with the next order of business?

Mr. GOODE: Mr. Chairman, I am going to ask for permission from you while we are fortunate enough to have the minister here, if you will suspend consideration of the next item for a moment. I want to ask the minister a question regarding Tibet. I think the matter is a serious one now and you should give me permission to ask the question. From press reports it seems the Peiping government has created a situation in Tibet that may be of danger to India in the next few months. Could you say anything about that now?

Hon. Mr. PEARSON: I might say a few words on that but I am not quite clear exactly as to what has happened in the last few days and the information I have is what I have seen in the press. I know that the Indian government has been worried about developments in Tibet because Tibet in the hands of an unfriendly aggressive government might be considered by them as a threat to India. On the other hand all you have to do is to learn a little of the geography of Tibet to realize it would not be like having hostile armies on your doorstep. Tibet in a sense is not a doorstep to any place. It is the roof of the world. The relationship between Tibet and China over the centuries has

been one of recognition by Tibet of Chinese suzerainty. China in its turn has recognized the right of the Tibetans to govern themselves under that suzerainty. The Chinese communists claim all they are doing is trying to exercise or to secure formal recognition of a right that they already have. The situation has been clouded by the fact that Tibet is not a very strong country militarily or economically, and is not able to defend itself, and its government is, shall I say, rather unusual. It is ruled by the Dalai Lama and priests, whose rule have been challenged by another Lama, Panchen Lama, who, I think, has been living in China in recent years. This situation may be considered as justifying some anxiety in India, but I would not like, on the basis of the information I have received, to suggest that it is as alarming as the situation in some other parts of the world.

Mr. STICK: The passes from Tibet into India go up to an elevation of close to 15,000 feet. From the standpoint of an army invasion there would be more fear of danger through the Burma road. There would be a danger of ideological influence there, but from a military standpoint it would be impossible to do anything.

Mr. GOODE: Well, what about considering it from the standpoint of landing fields, Mr. Minister? Have you any idea of what can be done about having landing fields there?

Hon. Mr. PEARSON: The operation of a landing field in Tibet would be very hazardous, and I speak again without much knowledge on the subject. I do not think Tibet could be considered as a very promising place for a landing field in the hands of a hostile air force. I really think, as Mr. Stick has said, that there would be more danger from the Burma road area and that part of Asia bordering India in the north, Assam especially.

Mr. MACNAUGHTON: I understand there was a treaty between the Tibetans and the Chinese. Has that treaty been scrapped?

Hon. Mr. PEARSON: I do not know whether it has been scrapped. I do not know what arrangements have been reached between these two governments.

Mr. GOODE: You do not view the situation as too serious at the moment?

Hon. Mr. PEARSON: I would prefer to say there are more alarming situations in other parts of the world.

Mr. HIGGINS: What is Canada's attitude with regard to the participation of communist China in the Japanese peace treaty?

Hon. Mr. PEARSON: As I think I said at the first meeting, or some place, we do not feel it would be realistic to invite the government in Peiping to participate in the signing of a Japanese peace treaty while we are fighting against the soldiers of that government in Korea. But if the Korean conflict could be brought to an end and an honourable arrangement made, then we would consider the question of Chinese communist participation in the peace treaty as at least an open one.

Mr. HIGGINS: India has joined with the United Kingdom at the present time in this request; is that not correct?

Hon. Mr. PEARSON: The United Kingdom has not I believe committed itself to that extent about Chinese participation in the peace treaty. The United Kingdom policy in that regard is, I think, that they would prefer to postpone any decision until a more propitious moment.

Mr. HIGGINS: It has been so reported in the press quite recently.

Hon. Mr. PEARSON: I saw those reports too and I think they were a little exaggerated. The United Kingdom certainly had expressed in no uncertain terms its disinclination to agree to the Chiang Kai-shek government being a signatory to a Japanese peace treaty. There are one or two other matters

that came up, Mr. Chairman, and if you want me to deal with them now I am ready to do so. I was not here at the last meeting on Monday but I understand Mr. Coldwell had some questions.

Mr. COLDWELL: Mainly a clarification.

Hon. Mr. PEARSON: Of what?

Mr. COLDWELL: In view of the conflicting reports we are getting from the United States and the interpretation that might be placed upon your own remarks on Saturday I wonder if you could clarify Canada's position in regard to these points: Where do we stand now regarding the proposals that were made in January?

Hon. Mr. PEARSON: So far as we are concerned we stand by the Statement of Principles of the United Nations which visualize a settlement of the Korean question and other Far Eastern questions in accordance with the principles that we laid down in that settlement. We have not changed our position in that regard. As I said last Saturday night on that broadcast—possibly I might quote my words:

We must hope that the day will come when they will realize that it is not China, but Russia, which is being served by the aggression in Korea in which they have participated. Then, they may be ready to enter into discussions leading to a settlement of Korean and other Far Eastern issues, on terms that the United Nations can accept.

That means that we will be willing as a member of the United Nations to discuss questions within the resolutions of the United Nations, with the Chinese communists provided there is a cease fire in Korea, followed by a political settlement in Korea and other Far Eastern questions.

Mr. COLDWELL: That will include Formosa?

Hon. Mr. PEARSON: The Statement of Principles definitely made mention of Formosa but we would not be willing to sit down with the Chinese communists and discuss any political settlement in Korea, or Formosa, or any other political settlement while they are fighting our men in Korea.

Mr. COLDWELL: A cease fire must be the first step.

Hon. Mr. PEARSON: Yes, a cease fire must be the first step.

Mr. COLDWELL: But beyond that, the situation as far as Canada is concerned, remains as it was in January?

Hon. Mr. PEARSON: That is correct.

Mr. COLDWELL: That is the understanding?

Hon. Mr. PEARSON: Yes.

Mr. MACINNIS: If a cease fire should take place and negotiations for a Korean settlement begin, would that imply recognition by Canada of the Peiping government?

Hon. Mr. PEARSON: No, it would not necessarily imply that because the discussion of this question with the Chinese communist government would be nothing more than a discussion with a government which we have not yet recognized but with which we are willing to talk under certain circumstances.

For instance, we were quite willing to talk with the representative of the Chinese communist government at Lake Success last January regarding a cease-fire. I personally was waiting to talk with him, but I would not have considered that if he had been willing to talk to me that I was thereby recognizing the government which he was representing.

Mr. GRAYDON: You would not talk his language.

Mr. MCKINNON: Well, perhaps there is no more logic in External Affairs than in any other matter, but it would not be logical to discuss agreement with the Peiping government without that ultimately leading to recognition?

Hon. Mr. PEARSON: One of the points of the Statement of Principles was that if these other matters could be satisfactorily settled then we would be willing to discuss recognition. There has been some suggestion made in the press and elsewhere, as a result of the speech made in New York by Mr. Dean Rusk, the Assistant Secretary of State, for whom I have a very great regard, that the United States position in this regard has changed and that they are now not willing to discuss anything with the Chinese communist government, or recognize it in any way as the spokesman of the Chinese people. We have been informed after making inquiries of the State Department as to the meaning of this speech that Mr. Rusk's address represents no change in United States policy.

Mr. CROLL: Yes, but go ahead.

Hon. Mr. PEARSON: Mr. Acheson in his press conference shortly after the speech made it pretty clear in answer to questions that the United States government is willing to negotiate with the Chinese communist government.

Mr. COLDWELL: On the basis of—

Hon. Mr. PEARSON: There is no mention of basis but they will talk with the Chinese government. There was a question asked of Mr. Acheson at that press, and I have the verbatim record here:

Sir:—If there were to be a settlement with whom do you conceive of this being negotiated—with the North Koreans, with the Russians or with the Chinese?

Mr. Acheson replied: "Well, I suppose that any settlement that would be negotiated would be negotiated with those who are now causing the trouble and I imagine that would be with the Chinese".

He was also asked this question: "Mr. Secretary, to get more specific, Mr. Rusk's statement to the effect that the Peiping regime does not represent the people of China doesn't mean that we wouldn't negotiate a settlement in Korea with that government if the opportunity arose. Is that correct?". Mr. Acheson replied: "Well, as I pointed out if you are going to stop fighting with the people who are fighting you, you would have to deal with the people who are fighting with you. I think General MacArthur stated that. Everybody has stated that". That is how Mr. Acheson felt.

Mr. GRAYDON: It seems to me, in regard to Dean Rusk's statement on policy towards China, that there has been considerable said but one of the clearest comments was made by Mr. J. B. McGeachy of the C.B.C. on Sunday night in which he stated the situation very clearly.

Hon. Mr. PEARSON: Since that time we have received a reply from our ambassador in Washington who was requested to get information directly; we have received assurances that Mr. Rusk's statement did not represent any change of policy and was not cleared through his superior officers in the department. We were very glad indeed to get that assurance.

Mr. COLDWELL: May I ask if our ambassador, Mr. Hume Wrong accompanied Sir Oliver Franks when he made representations to the State Department regarding the Korean situation and the conflicting speeches which have been made in the United States recently concerning that situation?

Hon. Mr. PEARSON: Sir Oliver Franks? No.

Mr. Low: I think I did suggest the other day that one of the terms used so often by the members of the department—and I pointed out that the minister used it in his speech last Saturday night—and which causes considerable confusion, is "defeat of aggression". I wonder if the minister could clarify that term rather specifically for us?

Hon. Mr. PEARSON: I do not know whether I can be much more specific than I was in that broadcast but what I did say at that time on this point was this—and I had better read it before I start explaining it or trying to explain it. I said that our objectives in Korea were the defeat of aggression and victory against the aggressor. I then went on and I quote: "but victory in this type of limited United Nations war may not have to be the kind of complete capitulation of the enemy with which we have been made familiar. Victory is the achievement of our objectives, and they remain the defeat of aggression against the republic of Korea." That is from my broadcast and that is what you would like to have explained in more detail?

Mr. Low: Yes.

Hon. Mr. PEARSON: What I meant by that was that I did not feel that we were under any obligation by virtue of any resolution of the United Nations—which is still the only source of our obligations in Korea—to conduct a war through to a victorious conclusion, in the sense that victory must mean the defeat of the Chinese government in China.

It is true that this government, through its troops, is intervening in the aggression in Korea, but our objective is to defeat that aggression and if that can be done by limited action with limited objectives then I think we will have discharged our obligations under the United Nations resolution.

Now, in recent days—as late as yesterday in the hearing before the Senate committee, General Vandenberg indicated that the aggression might be defeated if the north Korean and Chinese aggressors were driven back beyond the thirty-eighth parallel and ceased their efforts to attack. I can visualize a situation where the actual aggression might be defeated by a Chinese and north Korean withdrawal behind that line—as an indication of a willingness that they meant to negotiate.

The aggression began when they broke through the thirty-eighth parallel; the aggression might conceivably be ended when they agreed to keep behind it again and to negotiate a political settlement which would bring about the unification and liberation of all Korea by political means.

Mr. DICKEY: Our objective would be the unification and liberation of Korea?

Hon. Mr. PEARSON: Our political objectives, in the Statement of Principles are, first, a cease fire, to be followed by a political settlement which would make it possible for a united and liberated Korea to be set up by a decision of the Korean people themselves.

Mr. COLDWELL: My interpretation of what you said now I think would be correct—that you had in mind the liberation of the Republic of Korea, which would mean that beyond the thirty-eighth parallel we were not interested in military activities—although we are interested in a political settlement for all Korea.

Hon. Mr. PEARSON: I would not go so far as that because it may well be that in order to maintain our position in south Korea and restore the republic of Korea it may be necessary to destroy military elements of the aggressor north of the thirty-eighth parallel. It would depend upon the military position, the situation, or what the Americans call the "military posture of the aggressor". If he moved well back and de facto cease fire resulted, that would be one situation. The fact that he moved back beyond the thirty-eighth parallel to regroup, refit, and reorganize with a view to another attack might mean that it would be necessary to attack him there.

Mr. Low: The reason that I brought up the question is that I think you can see, as I mentioned in the debate on External Affairs, the possibility of the United Nations suffering considerable loss of prestige as a result of what may be

our policy there—in this way. How many small countries in the future might be prepared to come to the United Nations for an appeal for assistance against aggression when they have seen what has happened in Korea?

Hon. Mr. PEARSON: That is true, but it is not entirely related to the policy I suggested as possible. I still want to make a distinction between an aggressor that has been driven behind the thirty-eighth parallel so badly defeated that he has given up the aggression and is prepared to negotiate, as against an aggressor who has gone beyond the thirty-eighth parallel, as a refuge, in order that he can attack again. The situations are entirely different.

Mr. COLDWELL: Has this thought you have in mind been made clear to the north Koreans and the Chinese now that they have been driven back—that we are prepared to negotiate with them?

Hon. Mr. PEARSON: If they have been reading the record of the congressional hearings in the last two weeks—which I doubt—it should be made clear to them in the statements made by General Marshall, General Bradley, and now General Vandenberg. I would hope there have been steps taken to make it quite clear to them—but I do not know about that.

Mr. QUELCH: You would not consider that aggression had been defeated until the Chinese had agreed to cease fire?

Hon. Mr. PEARSON: No, I would not myself consider aggression had been defeated until the aggressor had ceased fire in Korea.

Mr. Low: In Korea?

Hon. Mr. PEARSON: Yes. That cease fire might be brought about as a result of negotiations arranged along the lines we tried to put into effect in December, or it might be brought about by a de facto situation.

Mr. MURRAY: Mr. Chairman, do you not think that the Chinese now feel that they have been taken for a ride by the Russians?

Hon. Mr. PEARSON: I hope so.

Mr. MURRAY: That is a fact is it not? That they feel that way?

The CHAIRMAN: It might be the other way around.

Mr. MURRAY: As soon as it gets around among them there will soon be dissention.

The CHAIRMAN: I may be wrong but my own view is that China did not want any Russian soldiers in Korea. I feel they did not want any Russian soldiers because in the past their experience has shown that when the Russians put a foot on Chinese soil it is all over.

Mr. MURRAY: It is Russian material and all that sort of thing.

Mr. FRASER: Vandenberg evidently intends to keep chasing them past the thirty-eighth parallel because the other day he said that the thirty-eighth parallel did not mean anything to him.

Hon. Mr. PEARSON: That is right. Our own troops are beyond the thirty-eighth parallel now. It would be very unrealistic to suggest, in the middle of a campaign, that they should stop at any line. What I am suggesting is that there might be certain circumstances when they might negotiate a settlement on the basis of the cease fire arrangement put forward last December which did visualize the Chinese and north Koreans on one side, the south Koreans and the United Nations on the other side, with a neutral zone in the middle, and that they stand there while the settlement is being made. I am not unhopeful that such an arrangement be brought about a little more easily in days ahead.

Mr. QUELCH: You have not given up the intention of unifying Korea?

Hon. Mr. PEARSON: No, it still remains the intention to free and unify Korea.

Mr. McKINNON: May I ask a question on that? The United Nations would be prepared to negotiate on other terms than on a unified Korea?

Hon. Mr. PEARSON: No, I do not think the United Nations can negotiate for a permanent settlement which would recognize a division of Korea. That would be inconsistent, not only with the recent resolution but the resolutions of the United Nations of two or three years ago by which we still abide.

Mr. MACNAUGHTON: I was going to raise a point that the minister indicated that he wanted to make several other answers to questions.

Mr. JUTRAS: Might we have a statement on the International Joint Commission?

Hon. Mr. PEARSON: I would be glad to make a statement on passports in view of certain questions which have been asked.

The CHAIRMAN: Were they questions pertaining to the present discussion?

Mr. JUTRAS: No, questions were asked at previous meetings. There was also the matter of the International Joint Commission.

Hon. Mr. PEARSON: I would like to make a statement on passports.

The standing committee on external affairs recommended in its fourth report, on June 22, 1950, that the Department of External Affairs:

Actively re-examine at once the question of issuance and revocation of passports granted to Canadian citizens whose loyalty to alien systems of government take priority over their loyalty to ours.

Methods by which this recommendation could be most satisfactorily complied with have been under consistent examination for nearly a year both on official and ministerial levels.

I may say we have given this matter a great deal of consideration. It is a very difficult and complicated subject. Friendly governments confronted with the same problem have also been consulted.

The mere refusal of passports to Canadian citizens mentioned in the recommendation, and withdrawal or invalidation of the travel documents already held by such persons, would not prevent these persons from visiting iron curtain countries, as they could leave Canada on direct transportation facilities or acquire a travel document from the country which had a particular interest in their visit. Although Canadian citizens returning to Canada without Canadian passports might experience some delay on arrival at Canadian ports of entry, they would not be inadmissible because they did not hold Canadian passports; they would merely have to identify themselves satisfactorily as Canadian citizens, and then we would have to admit them or re-admit them.

We have been confronted with the situation of loyal Canadian citizens getting into difficulty with local authorities while visiting iron curtain countries. The other kind of Canadian citizen does not seem to get into much difficulty in those countries. In order to enable us to give these travellers all the protection and assistance within our power, the following "Notice to Travellers" has accordingly been incorporated in the Canadian passport regulations and will shortly be published in the Canada Gazette:

This is the notice which is to be shortly published.

Owing to difficulties which may be encountered by Canadian travellers abroad, holders of Canadian passports who intend to visit Albania, Bulgaria, Czechoslovakia, Hungary, Poland, Roumania, the Soviet Zone of Occupation in Germany or the Union of Soviet Socialist Republics are required before undertaking such visits to notify the Passport Officer, 38 Bank Street, Ottawa, or the nearest Canadian diplomatic or consular officer abroad of their travel plans and of the length and purpose of their visits.

On arrival in any of the countries named, Canadian travellers are required to furnish to the nearest Canadian or United Kingdom diplomatic or consular officer particulars of their passports and home addresses together with details of their itineraries. They should keep in close touch with the appropriate Canadian or United Kingdom officers—that is in countries where there are no Canadian diplomatic officers—and on leaving the country should notify the officer to whom they last reported.

Failure to comply with these requirements may result in withdrawal of passport facilities.

Mr. GRAYDON: Is there any special reason, Mr. Minister, why the Soviet occupied zone of Austria is omitted?

Hon. Mr. PEARSON: No, I am not aware of any special reason. I would be glad to look into it.

Mr. COLDWELL: I notice you have omitted Yugoslavia.

Hon. Mr. PEARSON: Yes.

The last point I wish to make is that this procedure for checking in and out of iron curtain countries will also assist the government in its attempt to ensure that Canadian passports, which are the property of the Canadian government, are not being used for improper purposes.

Mr. Minister, you say this is a note that will go in a passport. Is it a loose note, or is it fastened or stamped on the passport?

Mr. COLDWELL: Pasted into the passport?

Hon. Mr. PEARSON: It will be pasted inside the passport.

Mr. FRASER: Would it not be better to have a stamp made and stamp it right on one of the sheets of the passport—so that they would not be able to plead ignorance?

Hon. Mr. PEARSON: I think it will be attached in such a form that they will not be able to plead ignorance.

Mr. FRASER: That will be all right.

Hon. Mr. PEARSON: This will serve the purpose of enabling our representatives abroad to keep in touch with all Canadians who are in iron curtain countries, where it is difficult indeed to give them protection at times—and it will be a very real service to bonafide loyal travellers. It is not an attempt on our part to restrict that kind of travel at all. It is restricted, but through no effort of ours. It will also enable us to know who are going to iron curtain countries, why they are going, and it also gives our officials in those countries a better chance to get help if they need help.

Mr. FRASER: Well, will your department notify people leaving Canada to go abroad that you are putting this in new passports?

Hon. Mr. PEARSON: Yes, they will all be notified.

Mr. FRASER: They will all be notified as they leave.

Mr. QUELCH: Have there been many cases where Canadians who decide to visit relatives behind the iron curtain have gone there and have been prevented by the Soviet from returning?

Hon. Mr. PEARSON: I do not know of any case where a Canadian has gone on a visit to an iron curtain country and has not been allowed to return. Of course, there are very few Canadians who have been given that privilege—unless they were of a disposition not to object to remaining there.

Mr. FRASER: Yes, but the Russians refused to allow the wife of a Canadian diplomat to come to Canada?

Hon. Mr. PEARSON: Yes.

Mr. MACNAUGHTON: Has any consideration been given to the question of issuing special type passports for members of the House of Commons and the Senate?

The CHAIRMAN: It was mentioned before but it was "no go".

The WITNESS: An order in council was passed some time ago governing the issue of special passports—official passports—and among those to whom such special passports may be issued are members of the Senate and the House of Commons, members of provincial cabinets as well as the members of their immediate family travelling with them or proceeding to join them abroad—regardless of the purpose for which the head of the family goes away. So, while you are a member of the House of Commons you are entitled to a special passport.

Mr. COLDWELL: That has been in effect for two years.

Mr. GRAYDON: Would that apply to a communist member of a provincial legislature?

Hon. Mr. PEARSON: Members of a provincial cabinet. I do not think there is a communist member of a provincial government.

Mr. FRASER: Mr. Chairman, in regard to that I understood you to say that a member is entitled to an official passport for himself and his family.

Hon. Mr. PEARSON: That is right.

Mr. FRASER: I asked about one last year and I was told that I would be a whole lot better off without one because if one had an official passport he might get into trouble.

Hon. Mr. PEARSON: Sometimes it is easier to travel on an ordinary passport. I have had that experience myself in going from Ottawa to New York or Washington. If I show an ordinary passport and say I am only going there for a couple of days I will get through in two or three minutes but if I show my diplomatic passport they may summon two or three other officials who are all so kind and courteous to me that it may take me about twenty minutes to get through!

Mr. FRASER: I was told that if I got an official passport I would have to get it for a definite journey and when I returned from that journey I would immediately have to return that passport to the passport office.

Hon. Mr. PEARSON: I will look into that. I did not know that was the case, but of course you will appreciate that a member of parliament might cease to be a member of parliament and therefore not be entitled to a passport of that type, so there has to be some check on it.

Mr. MUTCH: Mr. Minister, if you ever got that kind of treatment from immigration officials you should have taken their names and remembered them.

Mr. MURRAY: I applied for a passport and sent \$5, and they sent me back the \$5 and a very nice passport.

Hon. Mr. PEARSON: Our motto in our department is courtesy and service.

Mr. MUTCH: The only difference is I did not send \$5 but I got a passport.

The CHAIRMAN: Any further questioning on that subject?

Mr. JUTRAS: Mr. Chairman, I think the last time, if I am not mistaken, I understood the minister to say he would make a further statement on the International Joint Commission particularly with regard to the Mid-Western Watershed reference. I might elaborate a little on what I have in mind.

Hon. Mr. PEARSON: I wonder if you would permit me to postpone that matter until the next meeting. I am not quite ready with that.

Mr. JUTRAS: Might I say a few words on the particular point I have in mind? You remember last year the commission made the statement and gave us the assurance that they would really tackle this problem of flood control in the Red River Valley and so forth. I notice in the estimates of this year that is rather misleading because the amount expended is a little over \$7,000, which seems very little for any very serious effort on work of that magnitude. I think I know the answer, though, that it is partly due to the fact that the greater bulk of the work is to be done by some other agencies of the government. Possibly to get a clear picture and to bring this figure up to date as best you can could you give us a general picture of the work that is being done at the present time? When we compare that \$7,000 and the \$56,000 on the other reference it gives a clear picture.

Hon. Mr. PEARSON: I will try to clear that matter up.

Mr. GRAYDON: Mr. Chairman, may I ask a question of the minister the answer to which he may wish to give at the next meeting. I want to ask about the status of high commissioners as between the various units of the commonwealth. There was a news item some time ago,—perhaps two or three months ago,—which indicated that at some either formal or informal commonwealth meeting the question of the status of the high commissionerships from one commonwealth country to another would come up and a decision was arrived at, and that there was some rumour at that time that an agreement had been reached among the members of the commonwealth to the effect that high commissioners would be placed in some similar position to that of an ambassador. I am wondering how far that has developed or what the present situation is with respect to it.

Hon. Mr. PEARSON: I speak from memory on this point but I do know that a change was made in the status of commonwealth representatives some time ago by which their position was made similar to that of a foreign ambassador and that they were allowed this status and the privileges and the dignity of ambassadorial status.

Mr. GRAYDON: And precedence?

Hon. Mr. PEARSON: And precedence, providing they desired it. They were, for instance, entitled to the designation "Excellency" under this change, if they desired it. The details of these changes I would have to bring to the next meeting. I think they now take their precedence in Ottawa according to their date of appointment; their seniority would be according to their date of appointment, and they have the same status as a foreign ambassador.

Mr. GRAYDON: Prior to that, was the high commissioner's position a somewhat lesser position in precedence than that of a foreign ambassador?

Hon. Mr. PEARSON: Yes, it was, and that was due to the fact that in a sense he had a more intimate position here.

Mr. GRAYDON: He had a sort of a family relationship.

Hon. Mr. PEARSON: He was not representing a king accredited to another Head of State; he was a representative of a government to another government. Technically speaking, he could not rank as an ambassador as long as he represented a government and not the head of a state. The fact that he was here representing a government put him in a closer relationship to the Canadian government in one sense than a foreign ambassador but in another sense it meant he did not get exactly the same precedence.

Now we leave it to the commonwealth representatives to decide what they want in this regard.

The CHAIRMAN: What would be the next subject now, Mr. Minister?

Hon. Mr. PEARSON: I think that deals with all the points I had in my notes for answering.

Mr. GRAYDON: Could I ask one more question? Has the permanent appointment been made yet with respect to the permanent representative of Canada at the United Nations?

Hon. Mr. PEARSON: No permanent appointment, and by permanent appointment I mean no final decision, has been made as to who will take Mr. Riddell's place. Mr. Holmes was sent down to New York on an acting basis, and it is our intention to bring him back to head the United Nations division here as soon as he can be replaced by a permanent appointment, an announcement of which will be made in a short time.

Mr. FRASER: Could I ask a question? I noticed in the New York Times last night that the Russians had shipped in to their section of Germany over 500 of their new, I believe they call them, MI jet planes which are supposed to be faster than our F-86's. Is there any restriction on armaments in their part of Germany?

Hon. Mr. PEARSON: There is a very special restriction on the shipment of armaments to Germany, to east Germany; in fact, there is a prohibition on such shipments.

Mr. FRASER: Well, how is it the Russians can ship in there these 500 jet planes?

Hon. Mr. PEARSON: Shipped into eastern Germany?

Mr. FRASER: That is what it says.

Hon. Mr. PEARSON: Eastern Germany is under Russian occupation and there is nothing to prevent them doing anything they like in that zone.

Mr. FRASER: They can do what they like?

Hon. Mr. PEARSON: Yes, they can rearm there, and they can rearm the eastern Germans. They have no control, however over the western zones.

Mr. FRASER: The United Nations have no control?

Hon. Mr. PEARSON: No, the Russians are occupying eastern Germany and they have the same rights of reinforcing their army of occupation there as the United States has of reinforcing its army of occupation in western Germany.

Mr. COLDWELL: What is our relationship with Yugoslavia now? Have we any representation there now?

Hon. Mr. PEARSON: We have an embassy there.

Mr. FRASER: A little louder please.

Hon. Mr. PEARSON: Mr. Crean is the chargé d'affaires. An ambassador has not now replaced the former ambassador who was transferred to Peru but we will be announcing an ambassador for Yugoslavia shortly. Our relations with that country are quite friendly.

Mr. COLDWELL: And our nationals may pass in and out of there easily?

Hon. Mr. PEARSON: Yes, there is very little difficulty in travel between Yugoslavia and our own country and that was one reason why it was not necessary to include Yugoslavia in that new passport regulation.

Mr. GRAYDON: May I ask if there are any plans in prospect for any member of the royal family to visit Canada in the near future?

Hon. Mr. PEARSON: I do not know of any plans for an early visit of any member of the royal family to Canada. The King and the Queen and, I think, Princess Margaret are going to Australia in the autumn, and I do not know of any plans for them to come to Canada subsequent to that visit.

The CHAIRMAN: Are there any further questions?

Thank you very much, Mr. Minister, indeed.

Before we adjourn I want to draw the members' attention to these two functions, a luncheon tomorrow at 12.30 in room 16 for the Moral Rearmament group and reception Friday afternoon at three-thirty at the Speaker's office for Mr. Trygve Lie.

Mr. FRASER: Will the minister be here again, Mr. Chairman?

The CHAIRMAN: Not likely.

Hon. Mr. PEARSON: I am available.

Mr. FRASER: In that case there is just one other question I would like to ask. The question is this: I notice in the press that the United States have cut their grant for the International Children's Emergency Fund to about one-third of their former grants. I wonder what Canada is doing in regard to that?

The CHAIRMAN: Will it be possible to hold a meeting on Friday at eleven o'clock in the morning? I ask this as a special favour. It will be almost impossible to have a meeting next Monday or Tuesday. Monday is the King's birthday.

Hon. Mr. PEARSON: Mr. Chairman, in answer to Mr. Fraser's question, the question of the Canadian grant to the United Nations International Children's Emergency Fund is still under consideration by the government. There will probably be a grant in the supplementary estimates covering that but I suspect it will be less than last year. The grant last year was \$600,000.

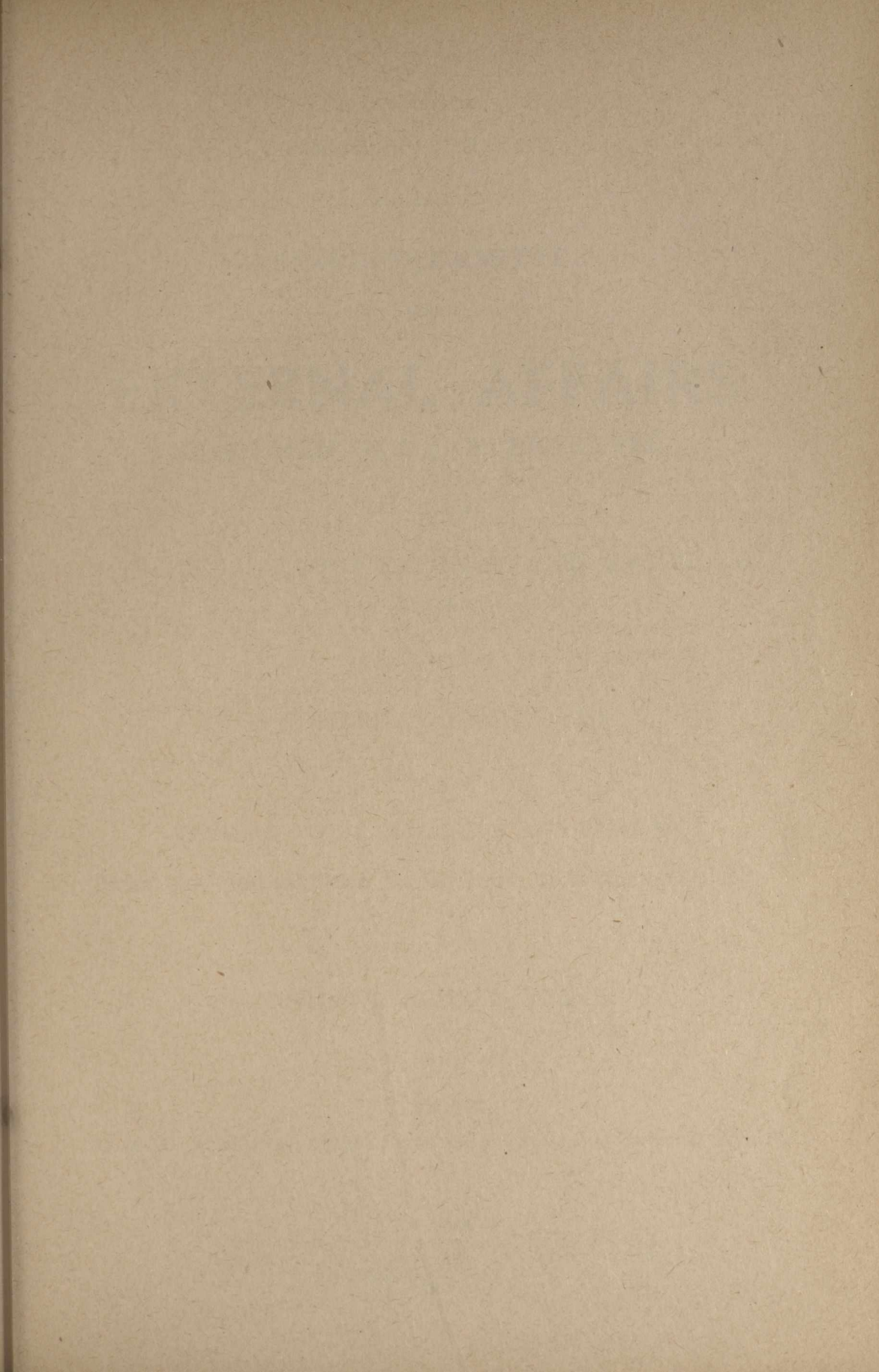
Mr. FRASER: Is it to be made in proportion to the American grant?

Hon. Mr. PEARSON: No, I would not like to say that. I do not think our grants in the past have been proportionate to those of the United States.

The CHAIRMAN: Do we meet on Friday?

Mr. FRASER: Mr. Chairman, on Friday there will be a number of members going to Chalk River. Let us have a meeting next Wednesday afternoon.

Agreed



SESSION 1951
HOUSE OF COMMONS

STANDING COMMITTEE

ON

EXTERNAL AFFAIRS

CHAIRMAN: MR. J. A. BRADETTE

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 5

WEDNESDAY JUNE 6, 1951

ITEMS 92 TO 111 INCLUSIVE AND ITEM 566

Main Estimates of the Department of External Affairs

SECOND AND THIRD REPORTS

WITNESS:

Mr. A. D. P. Heeney, Under Secretary of State for External Affairs.

OTTAWA
EDMOND CLOUTIER, C.M.G., O.A., D.S.P.
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
CONTROLLER OF STATIONERY
1951

CORRIGENDUM

Minutes of Proceedings No. 4, 28th line thereof
status of Ambassadors should read
"status of High Commissioners"

MINUTES OF PROCEEDINGS

WEDNESDAY, June 6, 1951.

The Standing Committee on External Affairs met at 4 o'clock. Mr. J. A. Bradette, the Chairman, presided.

Present: Messrs. Bater, Bradette, Breithaupt, Coldwell, Decore, Fraser, Gauthier (*Lac St. Jean*), Graydon, Higgins, Lesage, MacInnis, MacKenzie, Macnaughton, Murray (*Cariboo*), Picard, Richard (*Ottawa East*), Robinson, Stick.

In attendance: Messrs. Heeney, Moran, Hemsley and Tovell.

Mr. A. D. P. Heeney was called. He tabled supplementary replies to questions previously asked by Messrs. Murray, Coldwell, Green and Fraser on

1. The United Nations Information Division
2. The status of refugees and stateless persons. The International Refugee Organization and its relationship with United Nations High Commissioner for Refugees
3. Paid subscriptions to External Affairs Monthly Bulletin
4. The Issuance of Special Passports

Mr. Heeney read supplementary statements on passports to the Soviet Zone of Occupation in Austria and on the status of High Commissioners in the Commonwealth countries.

The members of the Committee being called for a division in the House, the proceedings were suspended from 4.10 to 4.30.

Resuming, the witness completed the tabling of the above enumerated answers which were ordered incorporated in the evidence as was a promised statement on the International Joint Commission.

Mr. Heeney filed with the Clerk a document listing the statements and speeches put out by the Information Division of the Department in 1950.

The Committee continued its study of the Estimates:

Items 92 to 111 inclusive were adopted.

Item 566 was approved.

Mr. Heeney was particularly examined on Items 92, 93, 94, 95, 96, 98, 99, 100 to 104 and 106.

Mr. Moran supplied answers on Items 99 and 103.

An answer relating to Item 107 was ordered incorporated in the evidence.

The witness was questioned at some length on the assessments and contributions of member nations to the United Nations and on payments and arrears thereof.

On motion of Mr. Lesage,—

Ordered,—That the Chairman report back the Estimates to the House as approved.

The Chairman undertook to place a draft report before the Committee early next week.

Mr. Bradette expressed the Committee's appreciation to the Under Secretary and his assistants.

The witnesses were retired.

At 5.45, the Committee adjourned to the call of the Chair.

ANTONIO PLOUFFE,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

TUESDAY, June 12, 1951.

The Standing Committee on External Affairs met *in camera* at 10.30 o'clock. Mr. J. A. Bradette, Chairman, presided.

Present: Messrs. Bater, Bradette, Coldwell, Croll, Decore, Dickey, Gauthier (*Lac St. Jean*), Graydon, Jutras, Lesage, Murray (*Cariboo*), Quelch, Richard (*Ottawa East*), Robinson.

The Chairman submitted a draft report of the Agenda Committee which met at 10 o'clock this day.

The Committee considered the said draft as read by the Clerk.

A recommendation dealing with broadcasts to the Iron Curtain was allowed to stand for further draft.

At 11 o'clock, the discussion still continuing, the Committee agreed to adjourn until 4 o'clock this day to approve a final draft.

AFTERNOON SITTING

The Standing Committee on External Affairs met *in camera* at 4 o'clock. Mr. J. A. Bradette, Chairman, presided.

Present: Messrs. Bater, Benidickson, Bradette, Croll, Decore, Dickey, Fleming, Fraser, Gauthier (*Lac St. Jean*), Graydon, Lesage, MacKenzie, Quelch.

The Committee further considered the draft report.

After discussion, the paragraph concerning broadcasts to the Iron Curtain was adopted as amended.

The amended draft was adopted.

On motion of Mr. Croll, seconded by Mr. Dickey,

Resolved,—That the Chairman present, as amended, the report to the House.

At 4.45 o'clock, the Committee adjourned to the call of the Chair.

ANTONIO PLOUFFE,
Clerk of the Committee.

REPORTS TO HOUSE

WEDNESDAY, June 13, 1951.

The Standing Committee on External Affairs begs leave to present its

SECOND REPORT

The House passed the following order on Monday, May 14:—

That votes 84 to 111 inclusive, and vote 566 of the main estimates 1951-52, be withdrawn from the Committee of Supply and referred to the said Committee, saving always the powers of the Committee of Supply in relation to the voting of public moneys.

Your Committee has given consideration to the aforementioned estimates and approves them.

Your Committee recommends that the Government continue its efforts to help relieve the food shortage in India with such foods as are available, and acceptable to India.

Your Committee also recommends that future Canadian Delegations to the United Nations General Assembly continue to urge that the budgetary contribution which the Soviet Union and associated countries make be increased to figures which more closely correspond to their capacities to pay.

Your Committee further recommends that a closer liaison be established between the Department of External Affairs and the International Service of the Canadian Broadcasting Corporation with a view to ensuring, in the interests of the free way of life, the maximum effectiveness of broadcasts directed to the peoples behind the Iron Curtain.

All of which is respectfully submitted.

J. A. BRADETTE,
Chairman.

FRIDAY, June 15, 1951.

The Standing Committee on External Affairs begs leave to present its

THIRD REPORT

Your Committee now tables a printed copy of its minutes of proceedings and evidence.

All of which is respectfully submitted.

J. A. BRADETTE,
Chairman.

EVIDENCE

JUNE 6, 1951.

The CHAIRMAN: Gentlemen, we have a quorum. Mr. Heeney will begin by tabling answers to questions and then we will proceed with the estimates. I think we have done pretty well so far and we have reached the stage where we will see an early end to our activities, if it is possible to have at least one meeting, or perhaps two, before this week is over.

Some members will be unable to attend but they have suggested we go ahead. It is impossible for all members to be here at the present time and they will have to go to the record of our deliberations to find whether their questions have been answered.

Mr. STICK: There are a lot of committees meeting.

The CHAIRMAN: Yes, and we have to do the best we can.

Mr. STICK: I think Friday is a good day for meetings.

The CHAIRMAN: We cannot have any meeting tomorrow. I asked several members but they have other work and personally I would favour a meeting on Friday at 11.00 o'clock.

Mr. STICK: Perhaps we can have two meetings.

The CHAIRMAN: We might have one—a lot of members leave on Friday afternoon. We might then have another meeting on Monday and that would be nearly the end. I do not say that to rush things but I think the work has been accomplished.

Mr. BATER: I suppose Saturday would be out of the question. I would like to see a meeting on Saturday.

The CHAIRMAN: I would like to see one myself.

Mr. BATER: I would throw it in as a suggestion.

Mr. FRASER: Throw it in, but it will be thrown out again.

Mr. BATER: Well, quite honestly, I believe this is important and that we should get the work of this committee completed.

Mr. STICK: I think so too; get at it and get it cleaned up. We are all members of other committees and one interferes with another.

Mr. BATER: People like to have Saturdays off, but I would be willing to sit for an hour or two on Saturday. I suppose the staff would not like that.

The CHAIRMAN: It is seldom done—but the staff will be here all right.

Mr. STICK: When do you plan completing the work.

The CHAIRMAN: It is left in the hands of the members of the committee. Personally I would like to see it completed fairly early next week, by having one or two meetings at the most. I believe that is possible because we have now reached item 92 and some of the heaviest items have been passed.

Mr. STICK: I do not wish to rush things if anyone has anything to bring up that will benefit the department and the committee but, if we can get right on with our business and deal with it in a businesslike way—and not have too much chin wagging—we can do it.

Mr. A. D. P. Heeney, Under Secretary of State for External Affairs, called:

The WITNESS: Mr. Chairman, there are a few questions by members of the committee of which note was taken. I might begin by attempting to answer Mr. Murray's question concerning information from the United Nations information service. Mr. Murray had reference to printed materials and the like.

In addition to its responsibilities in the fields of radio, television and films, the Department of Public Information of the United Nations produces a wide variety of printed material on every aspect of U.N. activities. This material may for convenience be divided into four principal sections of which the first two (press releases and feature service) are distributed free and the second two are for sale:

- (a) *Press Releases.* Every meeting of the organs, agencies and committees of the United Nations is recorded in mimeographed press releases, is made available to the world press, and distributed by teleprinter service and other distribution media to member states of the Organization. Copies of these releases are received daily in the Department of External Affairs;
- (b) *Features Service.* The Department of Public Information is responsible for producing feature articles or "clip sheets" on all phases of United Nations activities. These articles, which are normally on subjects of topical interest, are provided on request to all newspapers and news agencies and are also made available to member states through their Delegations in New York. Whenever, for example, a new project is launched or a newsworthy event takes place which bears a special interest or relationship to the United Nations, the "feature service" is a means of ensuring that word of any such development is disseminated on a world-wide basis;
- (c) *Periodical Publications.* The more important periodical publications issued by the Department of Public Information are the following:
 - (i) The United Nations Bulletin—a printed record of U.N. events and meetings, published on the 1st and 15th of each month;
 - (ii) The United Nations Yearbook—a comprehensive, factual account of the proceedings of all United Nations organs and agencies, published on a yearly basis;
 - (iii) The Handbook of the United Nations and the Specialized Agencies—a compact summary of the structure and functions of all organs, agencies and subsidiary bodies of the United Nations, now in its third edition;
- (d) *Other Publications.* In addition to periodicals, the Department of Public Information prepares booklets, background papers, reports of meetings and other relevant summaries, for sale to the public.

The amount set aside in the United Nations Budget for the Department of Public Information for the financial year 1951 is \$2,687,000. It should be noted, however, that this figure includes the substantial costs involved in United Nations radio, television and film activities, which are not discussed in reply to this question.

The CHAIRMAN: Is there any more information you would like?

By Mr. Fraser:

Q. I would just like to ask Mr. Heeney whether that is a reduction from a year ago?—A. I have not got that figure but I could get the information for you. My impression is that it is a reduction because most of these services were reduced a bit last year.

Q. I understood you to say that the printing has been considerably cut?—A. We were then talking about the Department of External Affairs in Ottawa.

Q. But I thought you said the United Nations also?—A. No, that had reference purely to our own department.

The CHAIRMAN: I hear the division bell and we will have to postpone matters for a few minutes.

On returning from the House:

The CHAIRMAN: We will now resume. Are there any more questions, Mr. Fraser?

Mr. FRASER: No, I was asking about a reduction in the United Nations literature.

The WITNESS: I replied that my impression was that this is rather less than last year, but I would have to check that.

The other day Mr. Coldwell asked a number of questions concerning refugees and stateless persons. Perhaps in his absence I might put this on the record. The answers are rather lengthy and perhaps that would serve Mr. Coldwell's and the committee's purpose.

The CHAIRMAN: Would that be satisfactory?

Agreed.

The WITNESS: One statement had to do with the United Nations conference of plenipotentiaries on the status of refugees and stateless persons.

During its Fifth Session, the General Assembly decided to convene, in Geneva, a conference of plenipotentiaries to complete the drafting of and to sign both the convention relating to the status of refugees and the protocol relating to the status of stateless persons. This conference will take place in Geneva commencing July 2. The head of the consular division, will be the Canadian representative and he will be assisted by an officer from the Canadian permanent delegation in Geneva.

2. The convention which this Conference will consider was drafted in the first instance by an ad hoc committee of the economic and social council. This committee held its first session at Lake Success in January and February 1950 under the chairmanship of Mr. Chance. It held its second session in Geneva in August 1950 and reported to the Fifth Session of the General Assembly. The economic and social council, at its summer session in 1950, only discussed the clause determining what categories of refugees would come under the scope of the convention. The General Assembly also discussed this definition clause and recommended a compromise definition for the consideration of the Conference. The other clauses of the convention were not considered by the Assembly.

3. The refugee convention was designed to guarantee to refugees the enjoyment of fundamental rights and freedoms without discrimination. The purpose of the protocol of stateless persons is to extend the rights covered by the convention to persons who are stateless, but who are not refugees. The draft convention, as it now stands, covers a considerable number of rights which will be extended to refugees by those countries which decide to adhere to it. There are general articles such as the one on discrimination which states that no contracting state shall discriminate against a refugee within its territory on account of his race, religion, or country

of origin, or because he is a refugee. There are other more specific clauses which, in some cases, call upon contracting states to grant refugees similar rights to those given to their own nationals, and in other cases, rights similar to those given to other aliens. Examples of these rights are those concerning the acquisition of property and leases and other contracts relating to property; rights concerning the protection of industrial property such as inventions, industrial designs, trademarks and trade names; rights of association; the right of free access to the courts of law; and the right to engage in wage earning employment and self-employment. Contracting states are asked to grant refugees the same rationing privileges as nationals and to treat them not less favourably than aliens in matters pertaining to housing. There are other clauses dealing with such matters as public education, public relief, labour legislation and social security, freedom of movement, identity papers and travel documents.

4. The definition of refugee which the Assembly approved and which the Conference is free to accept, modify, or reject, represents a compromise reached by those countries which preferred a narrow category type definition and those which preferred a broad definition. Canada is in the latter category. In brief, the definition recommended by the Assembly, if adopted, would cover any person who, as a result of events occurring before January 1, 1951, is outside the country of his nationality or former habitual residence because of "well-founded fear of being persecuted for reasons of race, religion, nationality, or political opinions" and who is unable, or unwilling, to return to or to accept the protection of his former government. Among those excluded are persons having the rights and obligations of citizens in their countries of residence; those benefitting from other United Nations Agencies such as the Palestine refugees; war criminals; and persons guilty of non-political offences or acts contrary to United Nations' principles.

The second question had to do with the related question of measures being taken to liquidate the International Refugee Organization.

At its April session, the General Council of the International Refugee Organization unanimously adopted a resolution authorizing the Director-General to continue the approved operational programmes of the Organization beyond September 30, 1951 (the previous cut-off date) for so long as the existing realizable resources of the Organization permit and there are left any refugees within the mandate of the Organization who require resettlement assistance, and for whom resettlement opportunities can be found. The Director-General estimates that the present financial resources of the Organization will be exhausted about the end of 1951 and that its activities will, therefore, be terminated during the first quarter of 1952. Member governments have not been asked for additional contributions to finance this additional period of operations.

Mr. GRAYDON: "Liquidation" has a significance which perhaps should not be applied.

The WITNESS: Perhaps it is the wrong word to describe the bringing about of the end of the activities of the International Refugee Organization.

The third question had to do with the relationship of the International Refugee Organization and the United Nations High Commissioner for Refugees.

The primary functions of the International Refugee Organization have been repatriation, identification, registration and classification, care and assistance, legal and political protection, transportation, resettlement and re-establishment. These functions have been carried out in respect to the following classes of refugees: persons who are outside of their countries of nationality, or of former habitual residence, and who were

victims of the Nazi, Fascist, or Falangist regimes, or who were considered refugees before the outbreak of the Second World War for reasons of race, religion, nationality or political opinion. The IRO Constitution specifically excluded certain groups of refugees, notably persons of German ethnic origin.

The General Assembly decided to establish the Office of High Commissioner for Refugees so that the important function of providing international protection for refugees would be continued after the IRO was dissolved. The promotion of legal and political protection for refugees was one of the functions of the IRO. It is the main function of the new High Commissioner for Refugees. His work will be entirely non-political and will be concerned, as a rule, with groups and categories of refugees, instead of with individuals who may appeal to him for assistance. The High Commissioner will endeavour to promote the inclusion and ratification of international conventions for the protection of refugees, supervise their application and, if necessary, propose amendments to them. One of the first conventions of this nature which will receive his attention will be the United Nations Convention on Refugees and the Protocol on Stateless Persons. In addition, the High Commissioner will endeavour to improve the state of refugees by promoting special agreements with governments to improve the conditions and to reduce the number of persons requiring protection. He will assist governments and private organizations in their promotion of voluntary repatriation or assimilation. He will call upon governments to admit refugees and he will co-ordinate the efforts of all private organizations concerned with the welfare of refugees.

At the present time, the High Commissioner is not empowered to administer relief, or provide for the care and maintenance or transportation of refugees. These will be the responsibility of the interested governments. On the other hand, he is empowered to administer any funds which he may receive for assistance to refugees by distributing them to those private and public agencies which are best qualified to administer such assistance.

The High Commissioner will have more refugees coming within his limited terms of reference than did the IRO. In brief, he will be empowered to exercise his responsibilities with respect to all international political refugees who are outside the country of their nationality, or former habitual residence, because of fear of victimization by reason of race, religion, nationality, or political opinions, and who are unable or unwilling to return to, or to accept the protection of, their former government. There are certain exceptions such as persons having the rights and obligations of citizens in their country of residence, those benefiting from other United Nations agencies, war criminals and persons guilty of certain offences.

The High Commissioner, Dr. Van Heuven Goedhart, has been working in close co-operation with the IRO since he opened his office on January 1, 1951.

Then, I think it was Mr. Green who asked the number of paid subscriptions to the department's monthly bulletin, External Affairs. The answer is 5,741, which includes subscriptions in Canada of the United Nations Association numbering 3,900. That is to say there are 1,841 in addition to the United Nations Association subscriptions.

Another question had to do with speeches put out by the information division of the department in the Statements and Speeches series in the past year. I might perhaps just file that with the clerk of the committee if it is agreeable.

Agreed.

Mr. GRAYDON: Does the statement include the deputy minister's speeches?

The WITNESS: Yes, Mr. Chairman—two of them.

Another question had to do with or arose out of a statement made by the minister at one of the last meetings at which I was not present, concerning notice to travellers to Iron Curtain countries. The question was asked why the Soviet zone of occupation in Austria was not included in the notice to travellers' list. There are two reasons, first: the jurisdiction of the Austrian government extends to all zones. This is a very different situation from that which exists in the case of the Soviet zone of occupation in Germany.

The second reason is: the entry of Canadian citizens to the Soviet zone in Austria is governed by the grey permit card system and these cards are issued to Canadian citizens by the passport office in Ottawa.

A related question had to do with the issue of special passports.

Special passports issued to Justices of the Supreme Court, members of the Senate and House of Commons, members of Provincial Cabinets and members of the immediate family travelling with them, are made valid for five years and may be retained by the persons to whom issued while they possess the qualifications which permit the issuance of the special document.

Special passports issued to government officials and private citizens for the purpose of enabling them to represent Canada at international conferences or to go abroad for the purpose of attending to official duties, are normally made valid for not more than one year and are to be surrendered to the Passport Office on completion of the mission. They are held uncanceled in the Passport Office for re-issue should the persons named in them again be sent abroad in an official capacity.

The CHAIRMAN: Are there any questions about the answer?

Mr. FRASER: Yes. When was the change made regarding official passports?

The WITNESS: About a year ago. I have not the date with me but it was during 1950 and Mr. Moran thinks it was about September. My recollection is it was somewhat earlier.

Mr. FRASER: A little over six months ago.

By Mr. Picard:

Q. May I ask whether you have any recollection of Canadian citizens who have had difficulty entering Vienna or the Russian zone of Austria, or is it just a matter of getting the grey card?—A. As far as I know there has been no complaint or difficulty. It is not difficult if legitimate identification and so on is made.

Q. Even if a person is not going there officially? You mean that is so for a Canadian who wants to go to Vienna or the occupied zone—they can get a grey card if they know where to apply?—A. We have run into no difficulty.

Q. The ordinary citizen can do that?—A. That is my impression, but I can corroborate that.

The answer to the question about the date on which the passport regime was altered is May 1950.

By Mr. Fraser:

Q. You mention the fact that the passports for members of parliament are good for five years?—A. Yes, sir.

Q. Supposing a person ceases to be a member of parliament?—A. He is no longer entitled to it.

Mr. LESAGE: Mr. Heeney covered that point in the first part of his answer.

The WITNESS: The next question on which I have a note is one addressed to the minister regarding the status of high commissioners in commonwealth countries.

Following discussions on the subject at the meeting of commonwealth prime ministers in London in 1948, high commissioners in all commonwealth countries have been equated with ambassadors. As they do not present Letters of Credence, they take precedence with ambassadors in the diplomatic list according to their date of arrival in the capital. It was however agreed in London that the position of the Dean of the Diplomatic Corps would continue to be held by the senior foreign ambassador.

High commissioners are granted the style "excellency" and enjoy the same privileges as ambassadors.

Within the Canadian foreign service, no distinction of rank is made between the various types of head of mission designations and there is a complete interchangeability of posts. Consequently, ambassadors have been sent to new posts as high commissioners, ministers of consuls general and vice versa. The same general practice may be said to exist in other commonwealth countries with the exception of the United Kingdom where high commissioners are appointed from the commonwealth relations office.

Mr. PICARD: Is it in order to ask questions on the matter of passports, or has it been covered?

The CHAIRMAN: It has been covered. We had it the other day but you can ask a question now; there would be no objection.

Mr. PICARD: It is still in order?

The CHAIRMAN: We passed the item.

Mr. PICARD: I just want to know whether there is an explanation of who gets the official passports?

The WITNESS: I think the minister put that on the record with the exception of the footnote I added today.

Mr. HIGGINS: Is there any difference in the status of high commissioners to commonwealth countries?

The WITNESS: No, sir. They have the status accorded to foreign ambassadors.

Mr. HIGGINS: Among themselves?

The WITNESS: They rank in precedence according to the date of their arrival in the capital in which they serve.

By Mr. Graydon:

Q. What about our representative in Karachi. Is our representative at Karachi on all fours with our high commissioner in New Delhi?—A. Yes, sir. They are both high commissioners.

Q. There is no one at Colombo?—A. We have no high commissioner at Colombo. Mr. Chipman, high commissioner in New Delhi is also accredited in Ceylon, and we have a trade commissioner in Ceylon.

Q. Who is our man in Karachi?—A. D. M. Johnson.

Q. Ranking as a high commissioner?—A. Yes, sir.

Q. To Pakistan?—A. Yes, sir.

I think those are all the questions I had taken note of.

The CHAIRMAN: Well, we had reached item 92, Canadian section of Canada-United States permanent joint board on defence.

Shall the item carry?

Carried.

Item 93, grant to the United Nations Association in Canada?

Mr. FRASER: Mr. Chairman, the fee for belonging to United Nations Associations—I mean the associations across Canada—is \$3. I really believe that is too high because the local associations, I understand are only allowed to keep \$1 and the other \$2 comes to Ottawa. In order to increase the membership is there any way that you could suggest to the United Nations organization that the membership fee could be reduced in order to get a larger number of members?

The WITNESS: Mr. Chairman, I do know that the United Nations Association, as the committee will recall from the evidence presented last year, has difficulty in financing on the basis of the \$3 with the \$1 holdback. The central office of the United Nations Association, toward the upkeep of which the \$2 goes, does I think, have difficulty in operating with that revenue which, with the addition of the government grant, constitutes its sole revenue as far as I am aware. I therefore think it would be difficult for them to call for less from the local branches.

By Mr. Stick:

Q. They are a non-government body?—A. Completely, yes.

Q. We have no jurisdiction over the fees they charge?—A. No, sir.

Mr. FRASER: No, we have no jurisdiction.

Mr. COLDWELL: There is one way in which members of parliament may increase membership; that is by impressing upon their constituents, when they meet with them, the value of membership in the local United Nations Association. I know I do that.

Mr. HIGGINS: In how many provinces are there associations?

The WITNESS: I think in every province. I speak subject to correction but I am virtually certain of it.

By Mr. Stick:

Q. I do not think there is one in Newfoundland; I never heard tell of it.—

A. I am not certain.

Q. I have not heard of it.

The CHAIRMAN: Shall the item carry?

Carried.

Item 94, grant to the Canadian Red Cross Society.

Mr. BATER: Is this grant made now owing to the Korean war? It appears there was no grant in the two previous years?

The WITNESS: I might say something about that, Mr. Chairman. Canada ceased to contribute to the international committee of the Red Cross in 1948 due to the fact that the international committee had ended its activities relating to Canadians. The United Kingdom had taken a similar stand in 1947. It has now become apparent that the international committee cannot maintain itself in a state of adequate preparedness for assuming the tasks which are assigned to it in connection with the practical application of the Geneva Convention, unless financial help is forthcoming from Governments signatory to those Conventions.

Mr. COLDWELL: Is it that long since we gave any grants? What is this grant to Fairfield Trust Committee in 1951?

The WITNESS: If I may have a moment I can get that information. It was in connection with a Canadian-United States celebration.

Mr. MACKENZIE: It is on the border between United States and Canada.

The WITNESS: I think it was in connection with the dedication of a park in Fairfield. There was an international ceremony held in which Mr. McNicol was very interested and the federal government contributed.

Mr. GRAYDON: It had to do with the history of the Moravians.

Mr. MACKENZIE: It was really a peace memorial between Canada and the United States.

The CHAIRMAN: Item 95, United Nations organization, specialized agencies.

By Mr. Fraser:

Q. This is just United Nations organizations? Could we be told just exactly what the United Nations organization membership cost is, the membership, and the representation, and the whole set-up? Have you got that?—
A. Yes, sir.

Q. That is counting External Affairs representations there, what it costs Canada and is it going to cost us any more on account of having the meeting this year in Paris?—A. Perhaps I should answer the last part of your question first. There will be substantial additional costs, Mr. Chairman, because of the decision taken by the Fifth Assembly to meet in Paris instead of at the headquarters. I am not certain of the actual amount but the amount is very substantial. The Canadian delegation opposed the proposal to have the sixth session of the Assembly in Paris but were unsuccessful in their efforts. The general question of the costs to Canada this year as compared to last year is answered by a comparison of the two columns in the Blue Book of Estimates. This year our contribution to the United Nations organization will be \$1,466,100, and in the previous fiscal year it was \$1,343,700. This is the result of a re-apportionment of the assessment which raised our percentage of assessment from 3.2 per cent to 3.3 per cent of the total.

By Mr. Graydon:

Q. Our percentage of assessment is way out of line with the percentage of the assessment for one of the so-called great powers. It has been a matter of great concern to the members of this committee on previous occasions, and I think to the government, that we should be paying that percentage while I think Russia pays something over 6 per cent. I am only speaking from memory, perhaps it is 7 per cent.—A. 6.34 per cent in the previous fiscal year and that has been raised to 6.98 per cent.

Q. That is a scandalous increase. What is it—a fraction of 1 per cent?—A. Well, either Russia is a great power or she is not, and if she is a great power then she ought to pay her fair share of the United Nations organization—and she does not.

When you think of it, the United Kingdom pays something over 12 per cent. I realize the United States pays the great bulk but it seems to me this is one of the scandals of the United Nations organization—that Canada with something like 14 million people pays just about half of what Russia pays with 180 million people.

I have brought it up on occasions before and I know the government here is concerned about it. I hope we will continue in the United Nations budgetary meetings to try and get our position into some kind of relation with that of the Soviet Union. I think they are getting away with murder so far as their contributions to the United Nations organizations are concerned. If you were to put it on the basis of the time they take up and the obstacles they put in the way of the organization's activities they ought to be paying pretty nearly the whole thing.

Mr. MURRAY: I see that China pays nothing?

The WITNESS: The nationalist Chinese government is in default in contributions toward a number of specialized agencies. I am not too sure where she stands on contributions to the United Nations generally, although I think I should perhaps say a word in answer or in comment to the observations by Mr. Graydon.

As Mr. Graydon will be aware, the point of view which he has expressed is that of the government and of successive Canadian delegations to the United Nations.

Mr. STICK: It is his annual view.

Mr. COLDWELL: His permanent view.

The WITNESS: A serious attempt has been made through the administrative and budgetary committee of the United Nations, when this matter is under discussion or can be brought up for discussion, to have a re-examination of the scale of assessment. In 1950, last year, the scale was modified for the first time since it was originally set. The modifications were pretty modest although they were, however, in the right direction. The benefit of this additional contribution assessed to the Soviet Union and the satellite countries went to the United States, because one of the objectives which the administrative and budgetary committee has formulated is that no one country should pay more than one-third of the total budget. This will help to reduce slightly the United States contribution in this direction.

Mr. ROBINSON: What is Canada's exact percentage now?

The WITNESS: 3·3 per cent.

Mr. FRASER: And the United States percentage is 39· something.

The WITNESS: 39·89 it was and it has been brought down to 38·92.

Mr. STICK: What is this based on—not population?

The WITNESS: It is based on a very complicated formula, the essence of which is stated to be the capacity to pay. The statistics which they have been able to obtain from the nations hitherto, have not been regarded by most members of the administrative and budgetary committee as very satisfactory. Capacity to pay is the criterion but that is subject to modification on certain principles of which one is war damage and dislocation of economy as a result of the war. It was, of course, contended by the Soviet Union and other countries that were invaded, that they had suffered substantial material damage, and that was the basis of the reduction below a straight national income basis.

Mr. GRAYDON: Any country that can afford to keep 178 divisions of armed forces ought to be able to pay more than 6 and a fraction per cent of the United Nations organization's expenses. When you are talking of national income I think the Russians stand on pretty poor ground, as they often do on many matters, when they seek to have some reduction in their basic proportion of payment on the basis of the fact that they have not got the national income to do it. They have a national income sufficient for a lot of other things and I think that ought to be taken into consideration as one of the factors, and a main factor. If they can spend a tremendous sum of money on preparation for war surely they ought to be made to pay more for the preparation for peace. That is my point.

The WITNESS: That argument was made very strongly by the Canadian representatives on the contributions committee and, in addition to that, the argument by the Canadian representatives pointed out that the statistics which were being put out by the USSR involved pretty substantial claims for impressive post war recovery—which is also a related point.

The CHAIRMAN: Also Russia is sending students to various universities to pollute the minds of people of the other nations of the world and that must cost a lot of money too.

Mr. MURRAY: I suggest that you hold a meeting of the United Nations in Russia and arouse the interest of the Russians over there.

Mr. RICHARD: What about the South American countries? What are their contributions?

The WITNESS: I might perhaps give two or three examples in answer to that question. Argentina has for 1951 an assessment of 1.85 per cent. Brazil is exactly the same, 1.85 per cent.

Mr. LESAGE: Their national income is low.

Mr. GRAYDON: I wonder, Mr. Chairman, if the deputy minister would have the figures or information on the arrears on assessments for contribution by various countries. All of these countries do not always pay their debts.

Mr. COLDWELL: The assessments are in American dollars?

The WITNESS: Yes.

There are a number of countries, notably China, in arrears for contributions for 1949-1950. I think the assessments are paid up fully to the end of 1948, but for 1949-1950 there are some arrears and the principle nations in default for 1950 contributions are as follows:

Argentina, \$612,500 in round figures; Iran, \$150,000 odd.

Mr. GRAYDON: Iran will be able to pay now.

The WITNESS: India, \$140,000; Columbia, \$126,000; Poland, \$100,000; Cuba, \$94,000; Czechoslovakia, \$95,000.

Mr. COLDWELL: Those are American dollars?

The WITNESS: Yes, expressed in American dollars. The remaining states owe amounts less than \$66,000—and in some cases they are very small amounts.

Mr. COLDWELL: How long may they be in arrears before they are in default? China has been in arrears two years?

Mr. BATER: Are there any rules for dropping them from membership for lack of payment?

Mr. LESAGE: In each of the cases mentioned by Mr. Heeny the amount of the arrears is less than the total contribution for 1950.

Mr. COLDWELL: You were on that committee, Mr. Lesage?

Mr. LESAGE: No, it was Mr. Dickey and Mr. Elliott and they did whatever they could, especially when Mr. Mitchell Sharp came down to New York to try and convince the committee it was not fair to Canada.

The WITNESS: In answer to the question about regulations I might make this brief answer, and I am reading from page 152 of Canada and the United Nations 1950.

To prevent arrears from reaching dangerous proportions, the constitution of the United Nations and the agencies provide that, under certain conditions, voting rights and certain other privileges may be suspended where members have not fulfilled their financial obligations to the organization. In application of this provision, ICAO in 1950 suspended the voting rights of six of its members pending settlement of their arrears. During the year, UNESCO and ICAO also took steps to strengthen the constitutional provision for the "suspension of vote".

The CHAIRMAN: Shall the item carry?

Carried.

Item 96. Food and Agricultural Organization of the United Nations.

By Mr. Fraser:

Q. Is this organization meeting in Rome this year?—A. Its headquarters have been moved to Rome recently.

Q. Why do they not have their headquarters in—

Mr. STICK: Canada?

Mr. FRASER: No, in the United Nations building.

The WITNESS: There are a number of factors in the decision taken by this agency to establish headquarters in Rome. I do not know to what extent it is relevant in this case, but of course, the present accommodation is insufficient to include all the specialized agencies. Some are located in Geneva, and this I think is the first one in Rome. There is one, of course, in Montreal.

Mr. COLDWELL: Is it not more or less a tradition that the farm groups be in Rome? I remember that before the war there was a Rome agreement on wheat.

Mr. MURRAY: The International Agricultural Foundation. Rome was the traditional headquarters for that international agricultural body.

The WITNESS: Was it not called the "Institute"?

Mr. MURRAY: "Institute" was it?

Mr. COLDWELL: I remember meetings were held there.

Mr. MURRAY: There were worldwide ramifications.

Mr. BATER: You mentioned Montreal, what world organization is there?

The WITNESS: ICAO.

The CHAIRMAN: Shall the item carry?

Carried.

Item 97, International Labour Organization?

Shall the item carry?

Carried.

Item 98, United Nations Educational, Scientific and Cultural Organization.

By Mr. Graydon:

Q. Before you carry that, what is the situation with respect to UNESCO and the commission here in Canada?—A. Mr. Chairman, there is no national commission for UNESCO in Canada. As the committee may have remarked, this matter is the subject for recommendation in the recent report by the royal commission, known as the Massey Commission. Hitherto, coordinating work with national voluntary organizations, those in the cultural and scientific field, has been done within the Department of External Affairs through the information division.

By Mr. Coldwell:

Q. How are the delegates chosen, by the government?—A. By the government, yes.

Q. Recommendations are received?—A. Yes, recommendations are received from voluntary organizations such as the Canadian Adult Education Association—

Q. The Canadian Teachers' Federation?—A. The Canadian Teachers' Federation, and so on. We are in quite close contact with these associations which have been, of course, of the greatest help and assistance to us in working out the problems of Canadian association with UNESCO.

Mr. GRAYDON: What are the main factors that have led to delay in setting up the commission in Canada?

The WITNESS: Well, Mr. Chairman, I am not sure that I am the one to answer that. It is a matter of government policy. It has been stated on a number of recent occasions by members of the government that until the Massey Commission has reported the government was not prepared to make a decision whether or not to appoint a commission for UNESCO.

Mr. COLDWELL: We have asked questions on it in the House for a number of years, but not lately because of the answer you have just given.

By Mr. Graydon:

Q. Are there some obstacles in the way?—A. I think, Mr. Chairman, that I might go as far as this. There have been differences of opinion as to how such a national commission should be constituted, and what organizations should be associated with such a commission. After operating through the department for some number of years one of the reasons, if not one of the principal reasons for the government deciding to have the inquiry made by the Massey Commission, was to get advice as to what steps should be taken.

Q. Is there any dominion-provincial obstacle with respect to relations between the provinces and the dominion in connection with it?—A. I do not think there is any dominion-provincial obstacle. It is of course evident that many of the subjects of interest to UNESCO are within provincial jurisdiction and provincial interest — particularly education.

Mr. HIGGINS: Is Russia participating in UNESCO at all?

The WITNESS: No.

The CHAIRMAN: Shall the item carry?

Carried.

Item 99, International Civil Aviation Organization.

Mr. GRAYDON: I would like to ask a question in connection with ICAO. Does the zoning of airports come under the International Civil Aviation Organization?

The WITNESS: I will ask Mr. Moran to answer that.

Mr. MORAN: I am not quite clear what Mr. Graydon means by zoning of airports. There are airports in various parts of the world where ICAO advises on the facilities that should be established. Greenland is one, and there are some out in the far east.

Mr. GRAYDON: My point did not have to do with Greenland; it had to do with Malton. My understanding is that through ICAO there has been some agreement made on an international level to which Canada is a signatory. Landing fields known as I.L.S.—instrument landing systems—which includes the larger ones, are covered by some zoning of adjoining properties. I would be glad to know whether Mr. Moran knows how that fits?

Mr. MORAN: No, as far as I know, ICAO's concern with airfields relates solely to the facilities. They set the standards which must be met but they do not provide equipment or pay for it, or pay for maintenance or supervision. They do get agreement on standards. One reason is so that there may be uniformity thus enabling an aircraft leaving Europe equipped with a certain style of radio direction finding equipment to use such equipment for landing in Canada at say Malton.

Mr. GRAYDON: My question has to do with the fact that a bill introduced in the House, but which has not been debated yet, is an amendment to the Aeronautics Act. I suspect it is an attempt to bring the major I.L.S. airports in Canada within the regulations which have been set by the International Civil Aviation Organization?

Mr. MORAN: I am not familiar with that bill. It would come forward from the Air Transport Board.

Mr. COLDWELL: The actual landing rights and so forth are a matter of agreement between the countries?

The WITNESS: Bilateral agreement.

Mr. GRAYDON: I do not think this is a bilateral agreement; I think it is general agreement, you will find.

Mr. COLDWELL: I think they are bilateral.

Mr. MORAN: Canada has entered into a number of bilateral agreements which cover the rights to fly certain routes, customs procedures and so on. I think Mr. Graydon is referring to the established standards such as length of runways, type of directional finding equipment, and so on, which are required at the various airports—

Mr. GRAYDON: And the zoning regulations?

Mr. MORAN: —if they are to be used for international operations.

Mr. HIGGINS: Was that not the subject of a convention?

Mr. LESAGE: The question Mr. Graydon raises is covered on page 109 of the book "Canada and the United Nations 1950". It says that during the year Annex 9 to the Chicago convention on international civil aviation came into effect. Two further annexes were produced and approved for adoption by member states. Annex No. 11 on air traffic service contains standards and recommended practices concerning the establishment and operation of air traffic services, that is to say air traffic control, flight information, and alerting services.

Mr. FRASER: It also deals, Mr. Chairman, with buildings outside of airfields which must be regulated. Each building is regulated as to distance from the end of the runway.

Mr. LESAGE: It is quite possible the recommendations will be accepted by other countries.

Mr. COLDWELL: Is Russia in this?

Mr. MORAN: Poland is in it and also Czechoslovakia. I think they are the only two.

The CHAIRMAN: Does item 99 carry?

Carried.

Item 100 "World Health Organization".

Mr. FRASER: I wonder if Mr. Heeney would just say what this organization is doing now?

The WITNESS: The World Health Organization, is a specialized agency of the United Nations, of course. Perhaps I can do no better than to quote from page 122 of the book entitled "Canada and the United Nations 1950" as follows:—

...The Organization contributed considerably towards the eradication of such ancient scourges as cholera and malaria, and continued successfully the work commenced in 1949 such as "health demonstration centres" and joint action with other Specialized Agencies, particularly the Food and Agriculture Organization, and the United Nations International Children's Emergency Fund.

Mr. FRASER: The headquarters of this organization is in New York?

The WITNESS: No. The headquarters is in Geneva.

Mr. BATER: Do they meet annually?

The WITNESS: The central agency or council meets once a year.

Mr. MACINNIS: Did Canada make a contribution last year?

The WITNESS: Yes. I am informed we did. It does not appear in the main estimates. It was included in the final supplementary estimates for the preceding year.

The CHAIRMAN: Does the item carry?

Carried.

Item 101 "Commonwealth Economic Committee".

Mr. GRAYDON: With respect to the Commonwealth Economic Committee, how often has it sat during the last fiscal year?

The WITNESS: I cannot answer the question as to how often the committee has sat although I can obtain that information. But the Commonwealth Economic Committee is, perhaps more important as a clearing house, through the operations of the staff that are available to the committee rather than as a deliberative body. It is not a deliberative body. The committee was founded in March, 1925, as a result of a suggestion made at the Imperial Economic Conference of 1923. The present membership now includes Canada, Australia, New Zealand, South Africa, India, Pakistan, Ceylon, Southern Rhodesia and the Colonies. Canadian representation is provided by the High Commissioner's office in London.

Mr. GRAYDON: And they meet in London?

The WITNESS: Yes, sir. The work of the committee has been to bring up to date the seven volumes of the Commodity Series published annually pre-war so as to provide in respect of the war and post-war years the chief statistical data on world production and trade of groups of allied commodities of importance to the Commonwealth; and secondly, the resumption, as circumstances permitted, of the periodical intelligence services which published at weekly, monthly, or quarterly intervals as the case might be, up to date market intelligence on various commodities of interest to Commonwealth countries.

Mr. BATER: There was no special staff set up in connection with it at all?

The WITNESS: There is some staff on duty in London, and it is for that purpose that the funds are being asked.

Mr. GRAYDON: On what basis are the various assessments made against the commonwealth in connection with the expenditures of this committee?

The WITNESS: Canada contributes 16 per cent of the total; the United Kingdom contributes 35 per cent; Australia contributes 14 per cent, and the others contribute limited amounts.

The CHAIRMAN: Shall the item carry?

Carried.

Do you want to know the number of sittings, Mr. Graydon?

Mr. GRAYDON: I understand that that information is going to be put on the record.

The WITNESS: I shall ascertain that information for the committee.

The CHAIRMAN: Item 102 "Commonwealth Shipping Committee". Shall the item carry?

Mr. HIGGINS: What does it mean?

The WITNESS: \$510 is the estimate. The terms of reference are rather substantial in view of the amount of money which it will require.

The Committee's terms of reference are:

- (i) To inquire into complaints from persons and bodies interested with regard to ocean freights, facilities, and conditions in inter-imperial trade, or questions of a similar nature referred to them by any of the nominating authorities; and to report their conclusions to the governments concerned.
- (ii) To survey the facilities for maritime transport on such routes as appear to them to be necessary for trade within the Empire, and to make recommendations to the proper authority for the co-ordination and improvement of such facilities with regard to the type, size, and speed of ships, depth of water in docks and channels, construction of harbour works, and similar matters; and in doing so to take into account facilities for air transport on the routes in question.

These terms of reference, as members of the committee may recall, were formulated in 1920 and have not been changed except an addition regarding air transport. Quite frankly the committee is not very active and is not expected to be active in this coming fiscal year, and I think it is doubtful that it will continue.

Mr. HIGGINS: How long is it since it has been active?

The WITNESS: It has not been active since the war.

Mr. GRAYDON: It could not get very active on \$510.

The CHAIRMAN: Shall the item carry?

Carried.

Item 103 "Inter-allied Reparations Agency"

Mr. GRAYDON: I want to ask some questions with respect to this item, which I think raises the whole matter of reparations.

When the *Athenia* was sunk a few days after the second World War broke out, there were a number of Canadians on that vessel. Some of them lost their lives and some of them lost a good deal of property. The question has arisen from time to time. I imagine that the members have had it arise in their own constituencies. I know that I have; and I would like to know how that reparations situation presently stands? Is it possible that the reparations matter may soon be dealt with? Or what happens in the meantime in the way of interim payments to those who have suffered loss?

The WITNESS: Of course, I take it that any final disposition of the problem of war claims must await peace arrangements with Germany whatever they may be.

This agency for which funds are asked in this vote has a more restricted function. The Inter-allied Reparations Agency was established by agreement at Paris in January 1946. Its function is to effect equitable distribution of the total assets which were declared available as reparations from Germany among the 19 member nations entitled to reparations to compensate in some measure for the loss and suffering caused by Germany.

The forms of reparations made possible are industrial capital equipment, German external assets, merchant shipping, and captured enemy supplies.

The I.A.R.A. consists of an assembly comprising representatives from each of the 19 governments and international secretariats; and each country's share of the I.A.R.A. budget is calculated on the percentage of the reparations allocated to it.

For the calendar year 1950 Canada was assessed \$16,500 as her contribution. And it is anticipated that the agency will end its functions this coming year.

Most of the work has been completed; that is to say, most of this particular type of asset has been liquidated and distributions have been made of the proceeds. Our share in 1950 amounted to \$6,988.

Mr. STICK: And you say that it will gradually disappear in time?

The WITNESS: Yes, sir.

Mr. GRAYDON: What has happened to those people who lost personal property in Canada under circumstances such as I described in connection with the *Athenia*? Are they being paid by the Canadian government or by any other organization, or are these people going to have to wait until the Russians get ready to sign a peace treaty?

The WITNESS: I shall have to ask Mr. Moran to answer your question because he is more familiar with the situation than I am.

Mr. MORAN: A Canadian citizen may have one of two types of claims. One would be a claim for restitution of property; the other type would be a claim for compensation for loss or damage.

Claims of the former type have been forwarded as received to the appropriate government and in many cases restoration has taken place.

But in the case of compensation for loss or damage, the claim has been filed with the Custodian and will be met in whole or in part under whatever arrangements are made for payment. There may be a fund comprised of moneys from former enemy countries.

Mr. GRAYDON: Contributions from former enemy countries such as Germany? We seem now to be making a move to put Germany back into the running again. Are we going to take war reparations from her at the same time that we try to get her to re-arm? What is the situation?

Mr. MORAN: In the case of Germany there were approximately 1,800 German industrial plants earmarked by I.A.R.A. for dismantling and available as reparations. The various member countries were advised and given specifications and details of the plants. They were publicized in Canada as in other countries. But I think in only one case was interest shown in Canada. That was the case of the aluminum company. It showed some interest in a plant in western Germany. It sent men over to inspect it. But after carrying out the inspection, it decided that it was not worth while to proceed because the boilers were of the wrong type, or something of that nature.

We have received some foreign currencies as a result of German external assets being liquidated. The most recent case was in Spain where something like 17 million pesetas were transferred to Canada as its percentage share of German assets in Spain.

Mr. COLDWELL: Who owned the aluminum plant? It was not owned by a subsidiary of the Aluminum Company of America, is it?

Mr. MORAN: No, sir.

Mr. STICK: What about German assets in Canada?

Mr. MORAN: They are held by the Canadian custodian.

Mr. STICK: Will they go into this fund too?

Mr. MORAN: I do not know.

The WITNESS: German assets in Canada are subject to a prior Canadian lien, as it were; and it is from this sort of item that a private individual or others who claim loss or damage as the result of the war will have some possibility of making a recovery.

Mr. STICK: That is what I meant.

The WITNESS: Depending on whatever settlement is made with the German government.

Mr. GRAYDON: I think we ought to pursue that question of personal loss of Canadian citizens who suffered in the manner I outlined at the opening of this item. I do not think this thing should be allowed to die a natural death. Some settlement will have to be made, I think, by some authority. After all, I am not at all sure that we should ask individual Canadian citizens to bear such a heavy load of war losses themselves. I think there should be some distribution on a national level with respect to them and I would like it, Mr. Chairman, if the deputy minister or his associate would make some investigation into the position with respect to these claims and give us an idea at some other sitting of just how they stand and how many people in Canada are being inconvenienced and are suffering by virtue of not having been paid up to date.

I have not got the most recent information on it and I do not imagine that members of the committee have it either, but if there are quite a number of these claims, I do not think they should go on until they are outlawed by passage of the years. If they are proper claims, then somebody should meet them. I do

not think we should allow these people to have their claims stand forever. And most of those claims, if they stand much longer, will be only claims by estates rather than by the living individuals. I do not think it is at all fair.

The WITNESS: This matter of course is one primarily for the Secretary of State's Department. But I can give a general answer to the question.

German assets, as were all enemy assets, were vested in the custodian by executive action upon the out-break of hostilities. Those assets, of German nationals as well as of the German government in Canada, remain at this moment in the possession of the custodian of enemy property as security in part at least against claims which have been filed by individuals and by corporations.

I am not in a position to say now what the figures are of the total claims which have been filed with the custodian. But some time ago the custodian did advertise for claims and a number were then forthcoming and filed. These are under examination and scrutiny, and standing against partial realization at least from these German assets when they are liquidated.

The terms on which these claims will be tried have not yet been determined nor have negotiations been had or completed with the German authorities in this respect.

I feel a statement could be obtained from the custodian's office if the committee so desires.

Mr. GRAYDON: I think this is not a thing we should pursue in this committee. I think this is a question which should be raised on the estimates of the Secretary of State's Department when they come up in the House. I was under the impression that there was some relationship between this department and that subject, but I do not think that the reference to this committee would take it in.

The WITNESS: I.A.R.A. is quite distinct from the Secretary of State's branch.

The CHAIRMAN: Shall the item carry?

Carried.

Item 104 "Inter-American Committee on Social Security".

Mr. GRAYDON: I do not think we should carry this item until we know what the Inter-American Committee on Social Security is.

The WITNESS: The Permanent Inter-American Committee on Social Security is an off-shoot of the International Labour Organization which was a result of the first inter-American conference on social security held in 1942 at which Canada was represented. It is essentially an executive Committee which carries out the projects approved by the members during Conferences.

The purpose of the Committee and Conferences is, of course, to foster social security measures throughout the Americas.

The Inter-American Committee on Social Security is composed of members (American states) who meet in conference at irregular intervals. It is formed by regular and substitute members, appointed by the member-states. They are assisted by a secretariat provided by the I.L.O.

Canada has been a member of the Conference since its inception. However, she has never appointed members to the Committee.

Mr. BATER: Mr. Heeney mentioned the Americas. I presume he means the Latin Americas as well as the United States and Canada?

The WITNESS: Yes, central, south, and north Americas.

Mr. MURRAY: Isn't that an opportunity for the labour organizers to get busy in countries which are below normal in the way of wage scales and living conditions?

The WITNESS: This of course provides for a meeting of government officials or government representatives to discuss special security standards and condi-

tions within their own countries, to exchange ideas, and to get some measure of uniformity or at least co-operation in the development of measures of that character.

Mr. MURRAY: That would take in such matters as the eight hour day or the minimum wage?

Mr. BATER: Or old age security, for instance?

Mr. MURRAY: It is over-done in Canada and the United States while it is not done at all in these other countries.

The CHAIRMAN: Shall the item carry?

Carried.

Item 105 "General Agreement on Tariffs and Trade". Shall the item carry?

Mr. BATER: In connection with the Torquay agreements, is it?

The WITNESS: Yes, sir.

The CHAIRMAN: Does the item carry?

Carried.

Mr. FRASER: What is this for? Is it to set up a committee?

The WITNESS: This is an organization under the auspices of which tariff negotiations are conducted; and this vote is to provide our share of the expenses for that purpose.

Mr. FRASER: Who pays the other part of it, outside of those who go over? Who pays for the meeting place?

Mr. MACINNIS: That is covered by this item.

The WITNESS: That is right. That is Canada's share of it.

The CHAIRMAN: Does the item carry?

Carried.

Item 106 "To Provide I.C.A.O. with Accommodation at Cost".

Shall the item carry?

Mr. FRASER: On this item, "with accommodation at cost", just what does that mean? Does the I.C.A.O. pay anything?

The WITNESS: Oh, yes. They pay a certain rental at a level which I explained to the committee last year. It is estimated to be below commercial standard rates. In fact, the Canadian government is providing a subsidy for this purpose.

Mr. FRASER: In order to have it in Canada?

The WITNESS: That is right.

Mr. BATER: This is the organization which has its headquarters in Montreal?

The WITNESS: Yes, sir.

The CHAIRMAN: Shall the item carry?

Carried.

And on page 15 the item at the top of the page "Pensions and other Benefits". Shall this amount carry?

Carried.

"International Joint Commission, Salaries and Expenses of the Commission according to the Statute \$55,000". Shall the item carry?

Mr. STICK: We have got to carry it.

The CHAIRMAN:

Carried.

Item 107 "To provide for preliminary studies and surveys of the mid-western watershed". Shall the item carry?

The WITNESS: Mr. Jutras asked a question about this item, and as he is not present today, I would like to put this statement on the record.

The CHAIRMAN: Mr. Jutras said it would be satisfactory to him, unless the members want Mr. Heeney to read it.

Mr. STICK: No, let him put it on the record.

The WITNESS:

In the case of the Mid-Western Watershed references the general expenses of the investigation of the International Joint Commission are now borne by the Department of Resources and Development. The amount still provided by this Department is to take care of the fees of the legal counsel and engineering consultant, both of whom were employed by this Department to organize and present to the Commission the Government's case.

2. When a new reference is made to the International Joint Commission, it has been the practice for this Department to provide for the expenditure arising out of the first year's investigations. Subsequently these expenses are borne by the Department which turns out to be the one most intimately concerned with the investigation. It is for this reason that the estimates for the current year include items covering the St. John River reference and the Niagara Falls reference, both of which were transmitted to the International Joint Commission last fall. Next year it is anticipated that some other department will be responsible for these items.

3. The inclusion in the estimates of this Department of an item intended to provide for the expenses of the investigation under the Air-Pollution reference is an exception to the practice outlined above. All references provide that the Government will provide the necessary personnel to carry out the investigations envisaged by a reference and usually the Department concerned is able to do this. In this case the services of both Dr. Katz, Defence Research Board, and Mr. Menzies of the Department of National Health and Welfare were enlisted but no other qualified personnel were available to carry out the field work. Therefore, with the approval of the Civil Service Commission, several new temporary positions were created on the staff of the International Joint Commission. The amount in this Department's estimates in connection with this reference represents, therefore, in the main, the salaries, payment for office accommodation, travel expenses, and other sundry expenses incurred by these temporary employees of the International Joint Commission. For this reason this Department has continued to provide for the appropriation of the necessary funds.

Mr. BATER: Does the South Saskatchewan dam project come under this item?

The WITNESS: No. The project you mention is domestic and not international.

The CHAIRMAN: Does the item carry?

Carried.

Item 108 "To provide for Canada's share of an investigation on the matter of air pollution in the vicinity of Detroit and Windsor, \$40,000". Shall the item carry?

Mr. MACKENZIE: What was the reason for the substantial increase in this item from \$26,983 to \$40,000?

Mr. LESAGE: The estimate was \$26,983; but we had a supplementary vote. It would come under the supplementary estimate.

The CHAIRMAN: Does the item carry?

Carried.

Item 109 "To provide for Canada's share of the expenses in connection with the St. John River reference." Shall the item carry?

Mr. HIGGINS: This item is brand new.

The WITNESS: Yes. Would the committee like some explanation?

Mr. STICK: Yes.

Mr. HIGGINS: Are the United States paying anything in connection with this St. John River business at all?

The WITNESS: There would be a comparable sum expended on the other side. Are you not thinking of the Passamaquoddy. Mr. Higgins?

Mr. HIGGINS: That is right.

The CHAIRMAN: Shall the item carry?

Carried.

Item 110 "To provide for Canada's share of the expenses of the Niagara Falls reference." Shall the item carry?

Mr. FRASER: Perhaps Mr. Heeney could tell us what this is.

The WITNESS: This item is to provide for Canada's share of the studies of remedial works to enhance the beauty of Niagara Falls and prevent it from deterioration. The total estimate amounts to \$50,000 and the nature of the expenditure would be as follows: surveys, \$20,000; model experiments, \$25,000; and other expenses, \$5,000.

This reference was made to the commission pursuant to an article in the Niagara Diversion Treaty of 1950, which provided that Canada and the United States will ask the International Joint Commission to make recommendations concerning the nature of the remedial work which is necessary to retain and enhance the scenic view at the falls.

Mr. FRASER: After that has been done, what estimate will you be making in order to look after that work?

The WITNESS: That will depend on the report of the International Joint Commission; when their report is made, if the government agree to go along with the recommendations, estimates will come forward through another department, not through our department. We only provide in our estimates for the immediate work of the reference.

Mr. FRASER: You mean the survey work?

The WITNESS: Yes.

Mr. FRASER: And that would likely come under the Department of Public Works?

The WITNESS: I think it would be the Department of Resources and Development.

The CHAIRMAN: Shall the item carry?

Carried.

Item 111 "Commonwealth Consultative Committee on South and Southeast Asia". Shall the item carry?

Mr. STICK: Is this an outcome of the Colombo plan?

The WITNESS: Yes, the Colombo plan.

The CHAIRMAN: Shall the item carry?

Carried.

Page 71, Vote 566 "To authorize and provide for working capital advances in the current and subsequent fiscal years to maintain cash and bank balances at Department of External Affairs' posts abroad, subject to regulations of the Treasury Board, the amount of advances hereby authorized outstanding at any time not to exceed \$300,000". Shall the item carry?

Carried.

This completes our order of reference. Shall I refer the estimates back to the House?

Agreed.

We shall have to call a meeting of the steering committee and take steps to prepare our report which I believe will not be very voluminous. Any suggestions which members of the committee may care to make for the report will be gladly welcomed.

Mr. STICK: You will report back to this committee before you report to the House?

The CHAIRMAN: Yes. And I want to thank Mr. Heeney, Mr. Moran and the other officials of the department as well as the members of our committee for their diligence, attention, and co-operation.

Mr. LESAGE: When do you expect to have a report from the steering committee?

The CHAIRMAN: I shall try to get one as soon as possible.

Mr. LESAGE: Possibly on Monday afternoon?

The CHAIRMAN: Yes.

Mr. STICK: I move a vote of thanks to the chairman for the manner in which he has conducted our meetings.

The CHAIRMAN: Thank you.

