

*Extrait du procès-verbal de la réunion hebdomadaire des directions**Extract from Weekly Divisional Notes*

SECRET

Ottawa, December 17, 1956

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I. THE UNITED NATIONS

1. *Further U.N. Resolutions on Hungary*

EUROPEAN DIVISION. The announcement on December 6 that the Hungarian Government was not prepared to receive Secretary-General Hammarskjöld on December 16, as agreed on December 4, aroused a strong U.S.A. protest in the General Assembly. On December 10, the United States introduced a new draft resolution, co-sponsored by 15 other countries, calling attention to the failure of the Soviet and Hungarian Governments to comply with the previous decisions of the General Assembly concerning the withdrawal of troops and related political matters.

India, together with Burma, Ceylon and Indonesia, introduced an alternative draft resolution, and later tabled a number of amendments to the 16-power resolution designed to delete the idea of condemnation and bring it closer to the Indian draft resolution whose terms were couched in a milder and more conciliatory tone on the grounds that co-operation from the U.S.S.R. would otherwise be impossible.

The debate on these resolutions and on an Austrian resolution introduced on December 11 continued until December 12. During this period the United States resolution acquired four new sponsors, and a fifth paragraph was added to the operative part of this 20-power draft to take into account the Austrian proposal that "the Secretary-General take any initiative that he deems helpful in relation to the Hungarian problem in conformity with the principle of the charter and the resolution of the General Assembly." Austria announced that it would not press its resolution if the 20-power resolution was adopted.

In the vote on December 12, the Asian amendments were rejected, the Austrian amendment accepted, and the 20-power resolution as a whole was adopted by a vote of 55, in favour (including Canada), 8 against (Soviet Bloc with Hungary absent) and 13 abstentions (the Arab States, Cambodia, India, Indonesia, Yugoslavia and Finland). In view of this vote, India announced that the 4-power draft would be withdrawn.

On December 13, Hungary submitted a letter to the Secretary-General announcing formally that December 16 was not an appropriate date for his visit to Budapest, but that steps might be taken towards reaching an agreement "at a later date".

(UNCLASSIFIED)

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Extrait des conclusions du Cabinet
Extract from Cabinet Conclusions

SECRET

[Ottawa], December 19, 1956

Present

The Prime Minister (Mr. St-Laurent) in the Chair.
 The Minister of Trade and Commerce and Minister of Defence Production (Mr. Howe).
 The Minister of Agriculture (Mr. Gardiner).
 The Minister of National Revenue and Acting Minister of National Health and Welfare (Dr. McCann).
 The Minister of Labour (Mr. Gregg).
 The Secretary of State for External Affairs (Mr. Pearson).
 The Minister of Justice (Mr. Garson).
 The Minister of Public Works (Mr. Winters).
 The Minister of Veterans Affairs and Postmaster General (Mr. Lapointe).
 The Minister of Finance (Mr. Harris).
 The Minister of Mines and Technical Surveys (Mr. Prudham).
 The Minister of Fisheries (Mr. Sinclair).
 The Minister of National Defence (Mr. Campney).
 The Leader of the Government in the Senate and Solicitor General (Senator Macdonald).
 The Minister of Citizenship and Immigration (Mr. Pickersgill).
 The Minister of Northern Affairs and National Resources (Mr. Lesage).
 The Minister of Transport (Mr. Marler).
 The Secretary to the Cabinet (Mr. Bryce).
 The Assistant Secretary to the Cabinet (Mr. Martin).
 The Economic Adviser, Privy Council Office (Mr. Lamontagne).

HUNGARIAN REFUGEES; REPORT BY MINISTER OF CITIZENSHIP
AND IMMIGRATION

27. *The Minister of Citizenship and Immigration* reported on his visit to Austria and other countries in Europe and on the steps taken to move Hungarian refugees to Canada. His latest information was that 135,000 refugees had entered Austria and 64,000 had departed, leaving about 70,000 to be cared for, or the same residual situation that existed two weeks earlier. Except for the United States, few countries were doing anything at the moment to relieve this problem in Austria. Most other European countries had quotas which they had already filled.

Canada was committed to take up to 10,000 refugees directly, who would enter before the end of January. In addition, the Netherlands had agreed to provide a staging arrangement for 2,000 who would start arriving after March 1st. The Netherlands authorities had agreed to meet the basic needs of these people in the meantime, while his department would provide such amenities as were necessary. He had also arranged with the French to permit 3,000 of those in France to come to Canada, provided France agreed to admit 3,000 more from Austria. The situation in the camps in France was most unsatisfactory, largely because the refugees had been led to regard France as a communist country. His officers in going about the camps in France were doing their best to quieten fears and improve morale. In the United Kingdom he had suggested that Canada might grant visas after April 1st next to 5,000 more refugees presently in camps there if the U.K. would make arrangements similar to those made by Holland and France.

The situation in Austria was almost desperate. Before the Hungarian outburst there had been 130,000 people in refugee camps for eleven years. In two months this figure had doubled and more would continue to come as long as chaos reigned. Whether the Russians were deliberately letting people out to create trouble was uncertain but he did know that Hungarian officials were helping their countrymen across the border. Most of those who had come were healthy men, under the age of thirty-five, many of them single, and nearly all skilled in one trade or another. Once they learned English or French they would be eminently employable.

As far as reception arrangements in Canada were concerned, the situation in Ontario had not turned out to be as satisfactory as earlier indications might suggest. Except for maintaining a centre in Toronto, the Ontario government had done virtually nothing. He proposed in a few days to find out exactly what the province intended to do in the future and to make the best arrangements he could. In other provinces arrangements appeared to be as good as could be expected. The most desirable situation would be to have agreements, like the one made with Saskatchewan, with all provinces where the bulk of the refugees were likely to go.

Specifically, he now requested authority to admit in February 2,000 more refugees now in Austria, to admit a further 1,000 in January and February in aircraft chartered from the Maritime Central Airways, and to arrange for the entry beginning April 1st of 5,000 refugees at present in the United Kingdom as well as the 2,000 from Holland and 3,000 from France.

28. *During the discussion* the following points emerged:

(a) There would be very little difficulty in placing arrivals leaving Europe after April 1st. As at present they would be sent to the areas where they were wanted and where employment opportunities were best. Up to date it had been thought better not to use the services of the Unemployment Insurance Commission to place the refugees in work because of the danger of interfering with normal employment of Canadians, but that avenue of approach was open if it were needed. Practically all coming were urban dwellers so there would not be much hope of directing many to farms to relieve the labour shortage. However, instructions had been given to send forward immediately any who did have farm experience.

(b) On the whole, the university people would be integrated and taken care of very well. In addition to the school of forestry from Sopron going to British Columbia, other faculty members and students would be brought in and offers of co-operation had been received from four Canadian universities. The rumours about the opera company coming to Canada were a myth.

(c) Immigration from western Europe would increase considerably next year, particularly from the United Kingdom. The number of enquiries in the past few weeks at offices in the U.K. had increased greatly and while many persons might eventually decide not to emigrate, most of those who did would be able and willing to pay for their own transportation. The main reason for this renewed interest was the course events had taken in the last few months.

(d) Some municipalities, particularly in Ontario, were worried over the possibility of having to care for any refugees who might become ill or unemployed. The Minister should reassure them by announcing that the Federal government would assume basic maintenance costs, if any, for the first year of residence in Canada.

(e) Refugees who wished to pay their own costs of transportation were free to do so and those who wished preferred treatment must pay too. All those who had borrowed before the recent change in policy would have their loans cancelled.

29. *The Cabinet* noted the report of the Minister of Citizenship and Immigration on the Hungarian refugee situation and agreed,

- (a) that a further 2,000 refugees now in Austria be admitted during February;
- (b) that aircraft chartering arrangements be suspended except for the contract with Maritime Central Airways, which would continue in January and February and provide transport for the admission of an additional 1,000 refugees from Austria; and.
- (c) that 5,000 refugees now in the United Kingdom and 3,000 in France be admitted starting from April 1st, 1957, as well as 2,000 in Holland from March 1st, 1957.

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35.

DEA/8619-40

*Le représentant permanent auprès des Nations Unies
au secrétaire d'État aux Affaires extérieures*
*Permanent Representative to United Nations
to Secretary of State for External Affairs*

TELEGRAM 21

New York, January 3, 1957

CONFIDENTIAL. IMPORTANT.

Reference: My immediately preceding telegram.†
Repeat Washington, London, Paris, NATO Paris (Information).

HUNGARY

We understand from the USA delegation that they are attempting to dissuade the Cuban delegation from proposing the expulsion of the Hungarian delegate from the First Committee by interesting them instead in a resolution to be introduced in plenary the effect of which would be to appoint an investigating committee of governments. This move would come when the Secretary-General made his report, probably early next week, announcing the break-up of the three man observation committee. The USA proposal would be intended in part to keep the Hungarian question before the Assembly, in part to forestall wilder moves (such as a mooted resolution to impose sanctions on the USSR), and in part to relieve the Secretary-General of some of the more embarrassing aspects of the task imposed on him by the Assembly. The USA seems to have decided, at least for the present, not to pursue the plan to hear Anne Kethly in the First Committee. As an alternative they think this new committee might hear her and probably other Hungarians.

2. We have now heard from the UK delegation that they have received new instructions which would permit them to introduce a resolution starting from the USA base but going on to name an investigating, or watch-dog committee, from among five smaller countries with missions in Budapest. The individuals would actually be members of the diplomatic missions of those countries in Hungary.

3. My reaction, which I have not yet given to the UK, is that this is not a very wise move. The Soviet bloc is bound to vote against such a resolution, and the Hungarians would probably claim it was an infringement of their sovereignty, in which case the members of the committee in Budapest would be placed in a very invidious position.

4. I would be grateful for your comments. My inclination is to try to dissuade the UK, but to support the USA move.

[R.A.] MACKAY

*Le représentant permanent auprès des Nations Unies
au secrétaire d'État aux Affaires extérieures*
*Permanent Representative to United Nations
to Secretary of State for External Affairs*

TELEGRAM 55

New York, January 7, 1957

CONFIDENTIAL. IMPORTANT.

Reference: Our telegram 21 January 3.

Repeat London, Washington, Paris, NATO Paris (Information).

By Bag Bonn, Moscow, Vienna, Prague, Warsaw, Belgrade from London.

HUNGARY

In view of the obvious determination of the Western Powers not to use force either to aid the Hungarian rebels, or to enforce UN decisions, there are, it seems to me, only three possible courses of action open to us:

(a) We can go on passing resolutions in the UN (with ever-decreasing majorities), which we know will not be accepted by the Russians and Hungarians, the aim of which will be presumably to continue to focus public opinion on Soviet misdeeds in Hungary;

(b) We can leave the Russians to try to work out some kind of modus vivendi with the Hungarians; or

(c) We can try to facilitate the second course or, better still, try to find a formula by which the Russians will actually leave Hungary.

2. The latter course would require an overall settlement in Central and Eastern Europe and presumably would only be acceptable to the Russians if they became convinced that there was no long term political and economic solution to the problem of Soviet subjugation of Eastern Europe, and if at the same time they were offered something substantial in return for their withdrawal, such as for example the withdrawal of USA and Canadian forces from Western Germany. This, however, seems hardly likely to appeal to either the Russians or the Americans at this stage, and in any case is hardly feasible if Washington is determined to approach questions such as that of the Middle East primarily on the basis of an overt struggle against Soviet aggression, and if Moscow faced with its very difficult problems in the satellites is determined not to compromise where it still holds the upper hand.

3. The difficulty with the first course is that public opinion is not likely to be aroused much longer by repeated UN resolutions which are obviously not enforceable. The West can probably better bring home to the Russians their reaction to the events in Hungary by such action as a scaling down of cultural exchanges, and so on. I think it is important that the Russians continue to be aware that they cannot embark on repressive actions in any part of the world and still gain the benefits of their policy of peaceful coexistence. But we have just about exhausted the possibilities of the UN in this connection.

4. Condemnatory, but futile resolutions, may, however, goad the Russians into taking harsher action in Hungary. The logical conclusion the Russians may eventually reach, if they are unable to establish any kind of native communist, or even semi-communist, régime in Hungary, is that they must set up an outright military government and possibly extend this to some other satellites as well. This would then be the logical time for a strong

move in the Assembly, which would be that much stronger if it were not preceded by a number of inconsequential resolutions at regular intervals which had diluted its moral effect.

5. I think we must come reluctantly to the conclusion that it would be best for the Hungarians, and for the West, if the Hungarians were to come to whatever compromise they can arrange with the Russians. If Kadar is unable to make his strictly "stalinist" — type régime work nor to secure support from non-stalinist or non-communist elements, then the Russians may have to take over with a blatantly Soviet military government which would surely be much worse for the Hungarians. The reaction this would produce in the other satellites might also necessitate an increase in the Soviet military establishment elsewhere in Eastern Europe, the net result being the bringing of Soviet troops in large numbers and in an ugly mood to the borders of the West. The increasing tension, the greater danger of incidents, and the increased difficulty in reaching a solution with the Russians of the problems of Central and Eastern Europe need hardly be underlined.

6. Although it may sound rather cynical I think we must conclude that the struggle for Hungary may well be over, at least temporarily, in which case our main political pre-occupation ought to be to preserve the gains made by the Poles. This would certainly not be easy if the Russians, who can hardly be in a very confident mood right now in view of the political and economic problems they face, were to decide that relations with the Western world had degenerated to such an extent that they could take no chances inside their bloc.

7. All this may, of course, happen no matter what the Assembly does, but I am now inclined to think that unless we can hit on something effective, we would do well to avoid further action intended to score propaganda victories, although naturally some measures in the UN are going to be required. Of those suggested, the move to establish an investigative committee seems the most acceptable and most effective.

8. I recognize the political unpalatability of these conclusions but I think, nevertheless, in spite of the positions we have to take publicly, that we should clearly analyze developments in Hungary and Eastern Europe, and try to balance the necessity of giving all possible moral support to the Hungarians against the political realities and the desirability of avoiding an outright Soviet military role in the satellites. This might in the long run lead to the final downfall of the Soviet system, but in the short run it would mean added misery for the peoples of Eastern Europe, and incalculably greater risks of war.

9. Holmes and I entirely agree with this telegram which has been prepared by Ford. I should be grateful for your comments.

[R.A.] MACKAY

37.

DEA/232-BG-40

*Note du sous secrétaire d'État aux Affaires extérieures
pour le secrétaire d'État aux Affaires extérieures*

*Memorandum from Under-Secretary of State for External Affairs
to Secretary of State for External Affairs*

CONFIDENTIAL

[Ottawa], January 7, 1957

Enclosed is the latest Immigration Operational Directive† dated December 21 which you may find interesting. It revises directives which hitherto have been in use in dealing with Hungarian refugees.

2. It is evident from this that there has been a radical change in our immigration procedures for Hungarian refugees. For example, more complete medical examinations are now obligatory. In Austria only, where hitherto the medical examination has been somewhat superficial, x-rays may be waived where facilities do not exist, but elsewhere complete medical examination including x-rays and vaccination where necessary are required. Furthermore until now there has been no security screening in Austria: an oral interview is now to be given. In all other countries where previously an oral interview took place, the normal complete security check will go into effect. This is not very clearly expressed in paragraph 7 of the directive and it is understood that the question of security screening is still under review.

3. Further tightening may be seen in the instruction that the Visa Office in Vienna is to deal with sponsored cases only, within the liberalized meaning of the term "sponsor", which means any relative or friend. Processing teams in the refugee camps in Austria however will deal with all applicants within the limits set by transportation but will give priority to farm workers, students and other particularly desirable applicants. In other Western European countries excluding The Netherlands, France and the United Kingdom where special arrangements have been made, the processing of Hungarian refugees is to be limited to sponsored cases. In all other countries, e.g. Yugoslavia, normal immigration procedures are to be followed and it will therefore be impossible for Hungarian refugees now in Yugoslavia to qualify for immigration to Canada unless they have close relatives here.

4. The net effect of this is to retard the flow of refugees into Canada during the winter months. Immigration officers abroad are being asked not to publicize this slowing down of the movement. We understand that the firm commitments made for the months of January and February, together with the 4,500 refugees who had arrived by December 31, will bring the total number of arrivals to 15,000 by March 1. No estimate has yet been made of arrivals in March but by the end of that month the movement of 10,000 refugees from The Netherlands, the United Kingdom and France for which special arrangements have already been completed will begin. On the completion of that movement therefore the total number of refugees who will have arrived in Canada should be in excess of 23,000.

JULES LÉGER

This makes depressing reading in the light of the 70,000 odd refugees left in Austria. I am wondering if a further effort shouldn't be made to bring more to Canada.²²

J. LÉGER

38.

DEA/8619-40

*Le représentant permanent auprès des Nations Unies
au secrétaire d'État aux Affaires extérieures*

*Permanent Representative to United Nations
to Secretary of State for External Affairs*

TELEGRAM 58

New York, January 8, 1957

CONFIDENTIAL. IMPORTANT.

Reference: Ottawa telegram S-11 January 7.†

²² M. Léger a ajouté ce paragraphe à la main.
Léger added this paragraph by hand.

Repeat London, Washington, Paris, NATO Paris (Information).

HUNGARY

There has been no suggestion here that Canada would be a member of the proposed Assembly Committee. Although final agreement had not been reached the names being mentioned yesterday were Australia, Denmark, Burma, a Latin American country (Brazil, Cuba or Peru) and Tunisia. The Australian delegation has told us that Spender has instructions to seek a place on the committee and there is not likely to be any move to have both Australia and Canada on a Committee of Five.

39.

DEA/8619-40

*Le secrétaire d'État aux Affaires extérieures
au chef de la délégation à l'Assemblée générale des Nations Unies
Secretary of State for External Affairs
to Chairman, Delegation to United Nations General Assembly*

TELEGRAM S-13

Ottawa, January 8, 1957

CONFIDENTIAL. IMMEDIATE.

Reference: Your telegrams 48,† 54,† 55† of January 7.

Repeat Washington, London, Paris, NATO Paris (Information).

HUNGARY

The Minister has agreed that you may co-sponsor the USA draft resolution.²³ Like you, we regard the resolution as providing a useful opportunity for tidying up a number of loose ends, as suggested in the Secretary-General's report of January 5. For one thing, it will presumably take the place of the Assembly observers who have not yet been sent to Austria to take evidence from refugees. For reasons given in your telegram 55, with which we are in general agreement, we would also hope that the present resolution would be the Assembly's last of the series unless the situation in Hungary changes drastically. A number of wavering delegations might be persuaded to vote for the resolution on this basis, but whether you can do any missionary work in this sense will, of course, depend on the attitude of the other co-sponsors.

²³ Pour de plus amples renseignements sur cette résolution, voir United States, Department of State, *FRUS 1955-1957*, Volume XXV, p. 552.

For additional information on this resolution, see United States, Department of State, *FRUS 1955-1957*, Volume XXV, p. 552.

*Note du sous-secrétaire d'État aux Affaires extérieures
pour le secrétaire d'État aux Affaires extérieures*

*Memorandum from Under-Secretary of State for External Affairs
to Secretary of State for External Affairs*

CONFIDENTIAL

[Ottawa], January 11, 1957

DISCUSSIONS WITH THE NEW UNITED NATIONS HIGH COMMISSIONER FOR
REFUGEES, MR. AUGUSTE LINDT

We had a meeting with the UNHCR last week and during the discussion Mr. Lindt mentioned the following matters which are weighing on his mind:

I. Hungarian Refugees

Mr. Lindt gave the figure of approximately 150,000 who have fled to Austria. (The latest figures as of January 3 which we have are 158,183 to Austria and about 2,300 to Yugoslavia.) The High Commissioner said the reason for the great surge over the Austro-Hungarian border was that the mines had been cleared from that border but not from other Hungarian borders. He also said that at the beginning of the exodus his Office roughly estimated that the majority of the first 30 to 40,000 refugees would return when conditions in Hungary became less disturbed. Then the picture changed and those coming out after the first week or so were coming out permanently. He explained this change of heart among the Hungarian refugees by saying that for years prior to the Second World War Hungary was a country of emigration; but for 16 years the normal flow of emigrants had been bottled up; the refugees wanted to start a new life in another continent. They were not interested in going to South America which had offered refuge to a small number of them because apparently they thought that South America had few opportunities for their work skills or professions. Also most of the Hungarian refugees wanted to get out of Europe.

With regard to the number of refugees, Mr. Lindt noted that anything could happen in the near future — Hungarians might continue to come out at the present rate of about 1,000 a day or, if conditions in Hungary became brutal again, there could be a quick surge of many thousands in a few days and these refugees, he said, would be mainly the "freedom fighters".

The Austrians have done a splendid job in this emergency; it has cost them at least \$6,000,000 and they cannot afford such a drain on their economy. He therefore stressed the urgent need for additional financial assistance.

The High Commissioner mentioned some of his fears —

(a) The siphoning off of Hungarian refugees from Austria is slowing down considerably; there are over 70,000 of them still in Austria and they are becoming slightly restive; should there be another great flight out of Hungary, the living conditions in Austrian camps would become serious;

(b) The psychological hazard, even given no further great flight from Hungary, of this slowing down of movement out of Austria is troubling him. The United States is still processing refugees in the expectation that their allowed total will be increased; however, they can give no definite guarantee to any more since the 21,500 (their present limit) have already been chosen. Mr. Lindt was pleased that Canada has worked out the staging process which relieves to some extent the congestion in Austria. As you know, Canada has agreed to take 5,000 refugees who have been moved temporarily to the U.K., 3,000 from

France and 2,000 from the Netherlands. But all Mr. Lindt's conversation was directed towards getting us to take more Hungarian refugees out of Europe now and not wait until the spring. He was interested in learning of Mr. Michael Barkway's articles in *The Financial Post*²⁴ which urged Canada to bring in the refugees now, give them language training, and try to Canadianize them during the winter and have them part way ready to strike out for themselves in the spring. Mr. Lindt mentioned that Citizenship and Immigration admitted in his discussions with them that reception centres, mostly unused army barracks, were available in Canada to receive refugees this winter. It was pointed out to him that for a number of years the Government has tried to space its immigration so as to minimize the number of people arriving in the winter. It was obvious however that Mr. Lindt felt there might be a greater modification of this policy in the Hungarian emergency.

II. Hungarian Refugees in Yugoslavia

Of the 2,300 of these, a small number, about 126, want to come to Canada. The High Commissioner urged that we take this small group as quickly as possible. He said if we could take them there would be great political advantage to us because none of this group, up to now, was getting any offers. He mentioned that the Yugoslavs would be happy to let them come since investigations have shown that the refugees in this group may be a political embarrassment to Yugoslavia since they are anti-communists and could not easily be assimilated in Yugoslavia. Our mission in Belgrade has told us that these "forgotten" Hungarian refugees in Yugoslavia fear they will be forced back to Hungary. In a memorandum which went to you on January 7 you were advised of the recent Immigration directive, dated December 21 which tightens up the whole movement of Hungarian refugees to Canada, and in fact makes it impossible for any more to be accepted unless they have sponsors in Canada. However even before December 21 there seemed to be almost insuperable difficulties in the way of taking this small group of Hungarian refugees now in Yugoslavia.

III. Long-term Refugees

This problem is worrying Mr. Lindt very much. He said it was heartless the way these long-term refugees were being overlooked. There are approximately 225,000 of them in Europe and of this number 70,000 are "hard core" cases still in refugee camps. These long-term refugees now saw what was being done for the Hungarians after two or three months and resented very much the double standard being followed — the strict immigration requirements being applied to them, and the relaxed immigration regulations being applied to the Hungarians. Mr. Lindt said his Office estimated that if the relaxed regulations were applied to the long-term group 50% of them could meet the standard. On humanitarian grounds alone this should be done. He then went on to argue that the calibre of Hungarian refugees was so high that surely the receiving countries when taking the Hungarians could receive in addition about 10% of the long-term ones, that is 100 "hard core" refugees to 1,000 Hungarians. This, Mr. Lindt thought, would produce a fair cross section of population, but as things were working out now, the receiving countries were getting all first-class immigrants since the Hungarians were either university-trained or skilled workmen. Mr. Lindt was obviously very troubled by the problem of the long-term refugees and sympathized with the bitterness which is creeping over this tragic group.

I understand that you intend discussing this question of refugees with your colleague, the Minister of Citizenship and Immigration. Would you like us to follow up your conver-

²⁴ Voir/See Michael Barkway, *Financial Post*, December 22, 1956, "We Expected More from You," p. 3 and Michael Barkway, December 29, 1956, "Canadian is Living on Hypocrisy," p. 23.

sation with a letter to the Department of Citizenship and Immigration?²⁵ It seems to us that there are at least three points which require some clarification and perhaps a little pressure:

(a) The problem of the 126 or so Hungarians in Yugoslavia. They were there before the more stringent Citizenship and Immigration directive of December 21. The political reasons for taking this small group are quite strong.

(b) The problem of our winter slow down in receiving Hungarians. Fewer shipping facilities will be available in the spring because normal travelling is greater then. Do you think that the Hungarian emergency requires further modification of Canadian policy to hold back immigration in the winter months?

(c) Could we not take a percentage of the "hard core" refugees? You may know that a year or so ago the Department of Citizenship and Immigration revised the way in which it keeps immigration statistics and so it is impossible to find out how many of these people we admit, but we think that in the last few years we have not been of much help to the High Commissioner in solving this heavy and tragic problem.

J. LJÉGER

41.

DEA/12476-40

*Le secrétaire d'État aux Affaires extérieures
au ministre des Finances
Secretary of State for External Affairs
to Minister of Finance*

CONFIDENTIAL

[Ottawa], January 11, 1957

My dear Colleague,

As you are aware, I have made a submission[†] to the Treasury Board concerning an item which I believe should be included in the proposed special supplementary estimate to provide funds for urgent expenditures arising from the Hungarian tragedy. My submission was for an item of \$1,250,000 "for assistance for the victims of the recent tragic events in Hungary". Of this total \$250,000 was proposed to meet certain expenses for relief of refugees awaiting immigration to Canada in transit camps in the Netherlands; the main figure of \$1,000,000 was to assist the various international agencies engaged in the provision of relief either within Hungary or for refugees who have not been accepted anywhere for settlement.

The figure of \$250,000 was tentative, as the arrangements for the staging camps were still being worked out. I now understand that the Citizenship Branch proposes to meet a part of the costs involved, and that the figure of \$250,000 in my submission can be correspondingly reduced. A letter covering this matter is going forward to the Secretary of the Treasury Board.

I am writing to you to urge the approval of the main figure of \$1,000,000 for assistance through international channels. My submission to the Board explains how the scale of the tragedy and of the need for emergency relief has increased since the Government recommended the earlier vote of \$1,000,000 for this purpose. I do not believe that there can be any question of the need of these various agencies for further substantial assistance, and the only real question is where it should come from.

²⁵ Note marginale /Marginal note:
Yes. L.B. Pearson]

Popular feeling about the Hungarian tragedy runs very strong in western Europe, and relief assistance from private sources in many of the countries concerned has been on a large scale. We have had a fairly recent report from Sweden, for example, that their voluntary subscription fund had reached \$4,000,000 — a large amount for such a small country. The fund established by the Lord Mayor of London, which it is true received some contributions from outside the city itself, passed £500,000 a month ago. There has been a series of reports indicating a similar high level of voluntary contributions from other western European countries. It is true that governmental assistance, at least in money, has been on a lesser scale in Europe, but the fact remains that per capita contributions from all sources has for those countries been high.

In North America, in contrast, contributions from the public have been disappointing. On January 7 private subscriptions in Canada to the Red Cross Fund (which receives the contributions to the great majority of the various individual fund-raising organizations) had totalled \$367,000; in addition there had been received \$250,000 from the Federal Government and from the provincial governments of Alberta, Ontario and Saskatchewan the amounts of \$7,000, \$25,000 and \$2,000 respectively. Although I have no precise figures, I understand that private contributions in the United States have been even more disappointing. This is particularly distressing in the light of North America's reputation for humanitarian generosity and for leadership in the opposition to the Communist dictatorship responsible for the Hungarian disaster. No doubt with these considerations in mind the United States Government has announced an emergency assistance programme of \$20 million; of this \$5 million has already been contributed in the form of cash grants to the various international agencies concerned. It has not yet been determined what form the remainder of the \$20 million programme will take, but we understand it will be primarily for assistance to refugees and that officials are now, as a separate operation, considering what type of aid programme will be required for the provision of relief within Hungary.

In these circumstances I do feel that the Government should take whatever steps are necessary to ensure an adequate level of assistance from this country. Perhaps this should be done by giving a stronger lead to the public than has so far been provided, so that private contributions might be increased; I would welcome such a course. But the results of such action would not be fully effective for weeks or months; the need is urgent, and is known to the governments and peoples concerned to be so. I therefore feel strongly that for political reasons we should take action which will be effective rapidly, and it seems to me that this can be done only by announcing an adequate further contribution of money.

There is, of course, no special magic in the figure of \$1,000,000. I have no particular plan for how best to divide such a sum. But in the circumstances, given our contribution of \$1,000,000 earlier and the fact that the problem has not merely doubled but has increased three or fourfold since then, I do not expect that anything less would be regarded, either in Canada or abroad, as adequate.

You may consider that this matter should be discussed in Cabinet before a decision is taken by the Treasury Board. If so, I regret that I will not be present next week and would hope that my submission would be sympathetically examined in the light of the considerations I have outlined.

Yours sincerely,

L. B. PEARSON

*Le secrétaire d'État aux Affaires extérieures
au représentant permanent auprès des Nations Unies*

*Secretary of State for External Affairs
to Permanent Representative to United Nations*

TELEGRAM E-55

Ottawa, January 11, 1957

CONFIDENTIAL. IMMEDIATE.

Repeat Permis Geneva, Washington, London, Canac Paris, Paris and Vienna (Immediate) (Information).

HUNGARIAN RELIEF

1. The Treasury Board today considered a recommendation from this department that a further sum of \$1,000,000 for Hungarian relief through international channels be provided in a special supplementary estimate which may shortly be submitted.

2. The Board was unable to reach a decision, considering that the recommendation was not adequately supported by figures of the assistance provided by other western countries. Accordingly the matter will be decided by Cabinet on Tuesday morning by which time we have undertaken to provide all available information on assistance from other western countries.

3. Please send in time for the meeting whatever information you can concerning assistance from western countries. We have in mind assistance both from governments and from voluntary or non-governmental contributions, since the level of non-governmental assistance from European countries has been far higher relatively than in North America, and this difference may be relevant. We recognize that time may not permit a complete report, but please send what you can.

*Note du sous-secrétaire d'État aux Affaires extérieures
pour le secrétaire d'État par intérim aux Affaires extérieures*

*Memorandum from Under-Secretary of State for External Affairs
to Acting Secretary of State for External Affairs*

CONFIDENTIAL

[Ottawa], January 16, 1957

HUNGARIAN RELIEF

As you may recall, the Special Session of Parliament voted \$1 million as a Canadian contribution for Hungarian relief. Sometime ago one half of this sum was divided evenly between the Canadian Red Cross and the United Nations High Commissioner for Refugees on the understanding that the money would be used for relief either in Hungary or for Hungarians who had fled their country, on condition that it should be provided impartially on the basis of need and used under effective international supervision to ensure that this condition is fulfilled. (This vote was not intended to be used for the expense of transporting Hungarian refugees to Canada.) Last week the Treasury Board approved release of the remaining \$500,000 to the Canadian Red Cross (\$100,000) and to the United Nations High Commissioner for Refugees (\$400,000).

In making available this final \$500,000, we proposed that the Canadian contribution might be used most effectively if it were given to the United Nations Secretary-General who is in a better position than we, despite our careful sifting, to determine which of the deserving appeals from the Austrian Government, the Red Cross, the United Nations High Commissioner, and the Intergovernmental Committee for European Migration, for example, is most urgent at present. However, some Ministers indicated a preference for disbursing this money through the High Commissioner for Refugees since this ensured that none of the funds would be spent within Hungary itself, and this course was accepted.

It has been generally understood for some time that the sum voted as a Canadian contribution would undoubtedly have to be augmented when the complex relief problem could be more clearly appreciated, if Canada is to provide more than token support for the international co-operative effort to assist the 160,000 Hungarian refugees in their attempts to seek freedom. Thus, an item is included in the Supplementary Estimates which are to go before Parliament in the next few days to provide a further \$1 million for this purpose.

This second million dollars, however, will probably be expended in a somewhat different manner. The Cabinet has agreed that the costs incurred in the Netherlands staging camp where Hungarians destined for Canada are to await their movement across the Atlantic should be met from this sum. These costs will probably amount to \$250 - 300 thousand and will be administered by the Department of Immigration.

The remainder, I suggest once more, might be made available to the Secretary General in order that maximum flexibility and control can be ensured in the utilization of Canadian relief resources. While the point may not be of enough significance to stress strongly, I do think that it would be most feasible for us to contribute through the Secretary-General and, if it is considered desirable, to make our assistance conditional as we see fit. Thus, if it is not considered appropriate to permit further assistance to be given to the citizens of Hungary who are still within their own country, this stipulation can be made although I do not think that such an arrangement need be made unless the Ministers suggest it should.

I would recommend therefore that we should seek the agreement of the other Departments concerned to the release of the \$1 million to be requested of Parliament in the next few days as follows:

(a) to provide for the expenditures of the Department of Immigration for the staging camps in the Netherlands (on the understanding that this will require about \$250 - 300 thousand)

(b) to place the remainder at the disposition of the Secretary-General of the United Nations so that the most efficient use may be made of the funds in meeting such urgent requirements as he is aware of (with the understanding, if it is so desired, that a stipulation be made preventing any expenditure of these funds in Hungary, and requesting *some* assistance be given to the Austrian Government if any explicit recommendation to this effect is felt necessary).

I enclose letters to the Minister of Finance and the Minister of Immigration, which you might sign if you agree. In these letters, I have provided additional details they have requested regarding the extent of assistance provided by other Western countries. I have concluded by indicating the nature of the problem faced by the Austrian authorities, and by recommending as in this memorandum, that Canadian aid can most usefully be distributed through the Secretary-General of the United Nations.

J. L. [EGER]

[PIÈCE JOINTE/ENCLOSURE]

*Le secrétaire d'État par intérim aux Affaires extérieures
au ministre de la Citoyenneté et de l'Immigration
et au ministre des Finances*

*Acting Secretary of State for External Affairs
to Minister of Citizenship and Immigration
and Minister of Finance*

CONFIDENTIAL

Ottawa, January 16, 1957

My dear Colleague:

As you will recall it was agreed with the Secretary of State for External Affairs before he left for New York that an item for \$1 million be placed in the forthcoming supplementary estimates for 1956-57 to be presented to Parliament within the next few days. It was agreed further that before any expenditure from this sum would be permitted that agreement would be sought among the three Departments concerned on the most feasible method of allocating this money to the various international agencies and governments who are concerned with the problem of Hungarian relief.

You will recall also that in discussing earlier the disposition of the remaining \$500,000 from the vote made during the Special Session of Parliament the Department of External Affairs agreed to conduct a further assessment of the manner in which other Western nations are continuing to assist in the very great task which must be faced and solved by international co-operation if the more than 160,000 Hungarians who have left their country are to be cared for satisfactorily. To this end I am reporting on a few of the more recent comments we have had on the extent to which other friendly nations have committed themselves.

You may be especially interested to learn of the latest aid provided by the United States. The initial government authorization of \$20 million has been allocated among the various organizations which are operating in this international task. This sum has been supplemented of course by money provided previously for such schemes as the United States Escapes Programme, which assists refugees fleeing satellite nations, and the International Committee for European Migration which has received a special grant within recent weeks. The Department of Defence is expected to spend a total of \$12 million before its "Operation Safehaven" is completed, which is destined to move 15,000 refugees to the United States. To this public assistance must be added private contributions which now have reached about \$10 million; thus the total assistance provided by the United States will probably exceed \$42 million (by far) in addition to funds previously destined for relief work. The final cost to the United States has not yet been suggested and authorities predict that expenditures on relief will continue for some time.

From Western Europe, several comments have been received in the past few days which show this assistance for Hungarian refugees in this part of the world continues to be forthcoming. In France about \$6 million has thus far been set aside for Hungarian relief. Most of this money is intended for use outside the country and much of it has been collected privately. In Norway some \$3.5 million has been collected, most of it in private donations. The Danish Red Cross reported \$1 million for relief by the beginning of December and at the same time Finland had provided about \$.75 million. In Sweden voluntary contributions reached about \$2.5 million by mid-December. In most of these areas government contributions have not compared with private collections largely because the governments con-

cerned have devoted substantial and often incalculable amounts for the financing of internal reception arrangements for refugees.

The situation in Austria is at the other extreme, of course, since the amounts expended internally far exceed requirements abroad. By the end of December, we have been informed by the Austrian authorities, relief expenditures had reached \$8 million and these had been offset by external grants only to the extent of \$1 million. Since then the United States has provided an additional \$2 million. Moreover, the serious situation which exists can hardly be expected to improve in the coming months if large numbers of the refugees remain in Austria. The latest available figures place the number of Hungarians in Austria at 70,000. This number is increasing by about 600 - 800 a day. Almost no refugees are leaving Austria now, although 90,000 have thus far been relocated in other countries. During the current year if 80,000 refugees are to be cared for in Austria the Austrian government has estimated that some \$130 million would be required. Of this amount \$96 million would be used in the construction of lodging facilities. It is apparent, therefore, that the Austrian government, if it is to provide even a minimum amount of assistance, will continue to require large expenditures for those refugees remaining within Austrian borders for even a short time.

In addition to the initial problem of providing assistance for Hungarian relief, the Austrian authorities and the Secretary-General of the United Nations have both indicated that the aid provided must be as flexible as possible. Previous contributions specifically made for care of orphans or for immigration assistance to particular nations and commodity gifts have been useful but not necessarily of maximum value. It would seem that in addition to an increased volume of assistance, there is a need for greater co-ordination of relief so that a comprehensive programme can be carried out.

Therefore, I would recommend that we might arrange for the \$1 million to be requested of Parliament to be disbursed as follows:

(a) to meet the expenses of the Department of Immigration for clothing, medical expenses and language training of refugees in the staging camps in the Netherlands, which it is estimated will reach about \$250 - 300 thousand.

(b) the remainder to be placed at the disposal of the Secretary-General of the United Nations, within whatever specific terms we may wish to prescribe, in order to make the most effective Canadian contribution possible.

Yours sincerely,

PAUL MARTIN

*Extrait des conclusions du Cabinet**Extract from Cabinet Conclusions*

SECRET

[Ottawa], January 17, 1957

Present

The Prime Minister (Mr. St Laurent) in the Chair,
 The Minister of Trade and Commerce and Minister of Defence Production (Mr. Howe),
 The Minister of Agriculture (Mr. Gardiner),
 The Minister of National Health and Welfare
 and Acting Secretary of State for External Affairs (Mr. Martin),
 The Minister of National Revenue (Dr. McCann),
 The Minister of Justice (Mr. Garson),
 The Minister of Veterans Affairs and Postmaster General (Mr. Lapointe),
 The Minister of Finance (Mr. Harris),
 The Minister of Mines and Technical Surveys (Mr. Prudham),
 The Minister of Fisheries (Mr. Sinclair),
 The Leader of the Government in the Senate and Solicitor General (Senator Macdonald)
 (for morning meeting only),
 The Minister of Citizenship and Immigration (Mr. Pickersgill),
 The Minister of Northern Affairs and National Resources (Mr. Lesage),
 The Minister of Transport (Mr. Marler),
 The Secretary of State (Mr. Pinard),
 The Secretary to the Cabinet (Mr. Bryce),
 The Registrar of the Cabinet (Mr. Halliday),
 The Economic Adviser, Privy Council Office (Mr. Lamontagne).

MAIN ESTIMATES, 1957-58; FURTHER SUPPLEMENTARY ESTIMATES (2)
 1956-57; HUNGARIAN RELIEF
 (PREVIOUS REFERENCE JAN. 14)

30. *The Minister of Finance* submitted the main estimates for 1957-58 and further supplementary estimates (2) for 1956-57. The main estimates totalled \$4,827,600,056, an increase of approximately \$171 million over 1956-57.

The supplementaries contained items for freight assistance on western feed grains (\$2 million), transportation and other assistance for Hungarian refugees coming to Canada (\$9 million), further Hungarian relief (\$1 million), grants to municipalities (\$2,024,000), grants to universities (\$7,986,000), immigration medical services (\$225,000), construction of a P.E.I. ferry (\$600,000), veterans hospital at Deer Lodge (\$435,000), and a loan to finance the clearing of the Suez Canal (\$1 million), a total of \$24,270,000.

In the matter of further Hungarian relief, the Minister recalled that, at the previous meeting, it had been decided to include the item subject to revision when further information was available. What information had now been received was not too satisfactory. It appeared that the Austrian government estimated that it would cost about \$130 million to look after the refugees in that country for one year, of which some \$96 million would be capital outlay for new buildings and rehabilitation of existing barracks and camps and about \$35 million for maintenance of refugees. The situation seemed complex and unorganized as yet. He felt \$96 million on buildings was a large amount to spend when this refugee movement would likely be over in a year. It also seemed that disposal of the original \$1 million, less some \$200,000 needed for refugees in Holland, would be left with the

Secretary General of the United Nations. It had been originally considered that the relief amounts were to be handled by the High Commissioner for Refugees in Austria. This way there would be some kind of sensible relationship of Canadian contributions to other ones. It did not seem desirable to embark on a programme which could perpetuate the relief situation in Austria and Canada's contribution should be in bringing refugees to Canada. Total contemplated Canadian expenditures in assisting Hungarians, amounting to some \$15 million, seemed far out of proportion to what, for instance, the United States was doing.

31. *Mr. Martin, as Acting Secretary of State for External Affairs*, reported that it had now been ascertained that U.S. expenditures on aid to Hungarians were about \$42 million. Other approximate figures were — France \$6 million, Norway \$3.5 million, Denmark \$1 million, Finland \$0.75 million, and Sweden \$2.5 million. Some of these were private contributions. Up to the end of December, expenditures for relief in Austria had been \$8 million. A large number of refugees, some 70,000 were still in that country and were being added to at the rate of 600-700 a day. If 80,000 were to be looked after, the suggested total of \$130 million might well be required. Large expenditures would undoubtedly be needed but there was still little precise information.

32. *During the discussion* it was suggested that it would be better to wait for a time to see how matters would turn out. If necessary, provision could be made for more assistance in the further supplementary estimates in March; meanwhile, costs of assisting refugees coming to Canada could come out of the special Immigration Branch votes, including the amount that had been planned for assistance to those in Holland and included in the relief figure.

33. *The Cabinet* approved the main estimates for 1957-58, as submitted by the Minister of Finance and the further supplementary estimates (2) for 1956-57, after deletion of an item of \$1 million (vote 540) for Hungarian relief, and agreed that the Governor General be asked to recommend them to the House of Commons, in accordance with the provisions of the British North America Act.

IMMIGRATION: HUNGARIAN REFUGEES
(PREVIOUS REFERENCE DEC. 19, 1956)

34. *The Minister of Citizenship and Immigration* recalled that no commitment had been made to bring to Canada Hungarian refugees from Austria during March. It was now considered that it would be relatively easy to handle a further 2,000 during that month and these could be taken in just as soon as their papers were processed and transportation found. It seemed desirable to keep the "refugee pipeline" full. After April, those in Canada would soon be absorbed in the country. It was desirable not to keep the refugees together any longer than necessary.

35. *The Cabinet* noted the report of the Minister of Citizenship and Immigration and agreed that a further 2,000 Hungarian refugees from Austria be admitted to Canada during March.

*Le secrétaire d'État aux Affaires extérieures
au représentant permanent auprès du Conseil de l'Atlantique Nord*
*Secretary of State for External Affairs
to Permanent Representative to North Atlantic Council*

TELEGRAM S-35

Ottawa, January 18, 1957

SECRET. IMMEDIATE.

Reference: Your telegram 78 January 16.†

Repeat London, Washington, Candel New York, Paris (Information).

By Bag Rome, Bonn, Moscow, Prague, Warsaw, Vienna, Belgrade.

WESTERN ECONOMIC AID TO HUNGARY

We were interested to learn that the French and Italian governments have been approached about the possibility of providing economic aid to Hungary. This confirms press and radio reports that the Kadar régime is faced with a desperate economic situation and is willing to accept economic assistance from the West.

2. While for humanitarian reasons it is necessary that food and clothing be provided through the International Red Cross or United Nations agencies to alleviate hunger and cold among the Hungarian people, it would seem reasonable to insist that representatives of such relief organizations should have freedom to exercise some control over the distribution of supplies. Anything beyond belief, it seems to us, must be considered in the light of East-West strategy and our own commercial interests.

3. According to a report in the Swiss economic daily *Neue Züricher Zeitung* the Hungarian national rising reduced the Budapest government's planned production for 1956 by one-quarter, or 10 billion of florints in terms of national income. Physical destruction and displacement of people is leading during the current year to an acute shortage of labour in the mines and agriculture and to serious unemployment in the cities. Other reports indicate that the five year plans in all the satellites and in the Soviet Union have been seriously affected by the developments in Hungary and Poland and that the cost of destalinization to date for the USSR may be close to 2 billion dollars apart from considerations of prestige and defence. We can see little political advantage now in making concessions to ease this situation at its most acute point, in Hungary, particularly if by extending loans or credit we bolster a Moscow-imposed régime that the Hungarian people and workers' councils have so far refused to accept.

4. Against these political considerations must be weighed the commercial interests of western countries. When the uprising began, Canada, for example, was on the point of concluding a trade agreement with Hungary providing for the sale of 300,000 tons of wheat over a period of three years and was willing to extend one year's credit for at least the first year's purchase. The agreement was never signed in view of public opinion here and abroad. Moreover, the credit position of the Hungarian government is shaky and the Hungarian Minister of Agriculture admitted on November 27 that the Hungarian government was not in a position to honour trade agreements concluded with foreign countries.

5. On balance therefore we are inclined to share the USA view that there should be no truck or trade with the Kadar régime except for relief measures through the International Red Cross or the United Nations. Should economic or other pressures force some degree of

liberalization in Hungary, we would have to reassess this attitude. The French rationalization about aiding the satellites to achieve greater economic independence of the Soviet Union would, in our opinion, apply in the case of Poland but is hardly applicable to the puppet régime in Budapest at present, though we must recognize that if the Kadar régime breaks down completely the Red Army might have to run the country directly.

6. You will by now have received Candel's telegram 228 of January 17[†] giving a confidential report of de Seynes' impressions of the Kadar government and of the economic crisis which Hungary is facing. Although you will not be able to use this private account in the Council, de Seynes noted that the Kadar régime was regarded with contempt, that power and coal supplies are barely brought to keep one or two basic industries going, and that food stocks would be exhausted by May, leading to an extremely serious situation. You will also have seen Candel's telegram 251 of January 18[†] summarizing the official public report of de Seynes and of the experts who accompanied him.²⁶ While the findings of the UN team may perhaps provide a more acceptable framework either for aid or trade, the basic political difficulty remains that of having to deal with the Kadar régime. So far as may be possible, we would prefer arrangements or any western aid to be made with Kadar's administration through Red Cross and UN channels, but if big program is developed this might prove impossible. In any case further consideration will need to be given both at the UN and by individual governments to the general policy of aid to Hungary and to the methods of distribution, should more relief be extended. In the meantime, we think it well worthwhile to have a further exchange of views in the Council.

46.

DEA/12476-40

*Le secrétaire d'État aux Affaires extérieures
au chef de la délégation à l'Assemblée générale des Nations Unies*
*Secretary of State for External Affairs
to Chairman, Delegation to United Nations General Assembly*

TELEGRAM E-87

Ottawa, January 21, 1957

CONFIDENTIAL. IMPORTANT.

Reference: Your telegram 261 January 19.[†]

For the Minister, Begins: Canadian Contribution for Hungarian Relief

Cabinet deleted from the supplementary estimates the further item for Hungarian relief. This decision was apparently based upon a feeling that an unduly high proportion of the proposed expenditure by Austria was of a capital rather than a current nature.

2. Expenditures in connection with the staging camp in the Netherlands to be used for prospective immigrants will now be financed from the supplementary vote which Citizenship and Immigration is seeking for transporting these immigrants to Canada.

3. In view of this rejection I would think we should attempt to achieve the maximum effect from the funds already made available by arranging formally or informally that one half or more of the four hundred thousand dollars which Treasury Board agreed last week

²⁶ Pour le rapport public de Seynes, voir Nations Unies, Assemblée générale, *Documents officiels de l'Assemblée générale, onzième session, Annexes*, 12 novembre 1956 - 8 mars 1957, 1956-1957, pp. 46 à 53.

For de Seynes' public report, see United Nations, General Assembly, *Official Records of the General Assembly, Eleventh Session, Annexes*, 12 November 1956 - 8 March 1957, 1956-1957, pp. 45-51.

would be given the High Commissioner for Refugees should be passed on to the Austrian government for its relief work. For this reason we ascertained from the delegation this morning that such a rider would be proper and acceptable when our grant to the High Commissioner is made.

4. As for the question of a further vote, in the event that you may consider it advisable on your return to recommend additional relief assistance, we are continuing to collate available information on the need and the extent to which it is being met in Hungary, in Austria and beyond. To this end we are asking the delegation today to request from the [Secretary-General] an appraisal insofar as is possible of what will be required in the coming months.

47.

DEA/12476-40

*Le sous-secrétaire d'État aux Affaires extérieures
au sous-ministre de la Citoyenneté et de l'Immigration*

*Under-Secretary of State for External Affairs
to Deputy Minister of Citizenship and Immigration*

CONFIDENTIAL

Ottawa, January 25, 1957

Dear Colonel Fortier:

HUNGARIAN REFUGEES IN YUGOSLAVIA

Just before Mr. Pearson returned to New York last week for meetings of the eleventh session of the United Nations General Assembly, he asked me to take up with your Department three questions concerning refugees in Europe. Perhaps the most important matter requiring attention at the moment is that of Hungarian refugees in Yugoslavia; the other two questions — the winter slow-down of movement of Hungarian refugees out of Austria to Canada, and the problem of long-term refugees in Europe — will be dealt with in a subsequent letter.²⁷

The latest word we have received concerning Hungarian refugees in Yugoslavia indicates that, with more and more refugees crossing the Hungarian-Yugoslav border, the total in Yugoslavia has now reached 8,000 and is rapidly growing. Of this number, it seems likely that a few hundred may wish to come to Canada, for the last definite figure we had was 126, when the total influx was less than 3,000.

I am sure that your Department will already have under review the desirability of arranging for the admission of a sizable proportion of these refugees from Yugoslavia and will appreciate the advantages of avoiding the criticism that Canada is discriminating against refugees who fled from Hungary to Yugoslavia rather than to Austria, by requiring them to have close relatives in Canada as sponsors before they will be considered for admission. However, there is, in addition, a strong case on grounds of international policy for taking action to admit Hungarian refugees now in Yugoslavia.

You will, no doubt, have seen telegrams 133† and 134† of January 22 on this subject from the High Commissioner in London. These two telegrams have already been referred to you, but I attach copies for convenient reference. In these telegrams Mr. Robertson submits further information derived from the United Kingdom Ambassador in Belgrade and

²⁷ Non retrouvée./Not located.

suggests that our present policy towards Hungarian refugees in Yugoslavia might be reconsidered in the light of the marked change in attitude shown by the Yugoslav Government.

At the present time, in contrast with what is happening on the Austrian frontier, there appears to be little interference with the movement of Hungarian refugees across the Yugoslav border and the knowledge that this escape route is open to them may have an important bearing on the continued resistance to the Kadar Government of many Hungarians now actively dissident. If, however, Canada and other Western countries withhold their cooperation in facilitating the movement of refugees from Yugoslavia, it may become necessary for Tito to close the frontier against any further influx. This, in turn, may have an important impact not only upon events within Hungary but also upon relations between Yugoslavia and Hungary and may have the effect of upsetting the delicate balance which Tito, under increasing pressure, is attempting to maintain, and of drawing him closer to the Kadar régime, who will, no doubt, continue to press Tito for the return of Hungarian refugees.

In view of these important considerations, I should be grateful if our present policy with respect to Hungarian refugees in Yugoslavia could be re-examined and if the possibility could be reviewed of applying to the Hungarians in Yugoslavia the same criteria, and also the same opportunities for free passage, as are now being extended to Hungarian refugees in Austria. If a meeting would be helpful to discuss these matters as well as any other problems concerning the movement of refugees from Europe, I know that officials of this Department would be very pleased to attend such a meeting.

Yours sincerely,

J. LÉGER

48.

DEA/12476-40

*Le secrétaire d'État aux Affaires extérieures
au représentant permanent auprès des Nations Unies*

*Secretary of State for External Affairs
to Permanent Representative to United Nations*

TELEGRAM E-131

Ottawa, January 28, 1957

CONFIDENTIAL. IMPORTANT.

Repeat Geneva (Important).

Repeat Washington, Paris, NATO Paris, London (Information).

By Bag Berlin, Brussels, Belgrade, Bonn, Hague, Rome from London.

HUNGARIAN RELIEF

Allocation of the second half of the one million dollars voted by Parliament in December for Hungarian relief has now been decided upon. One hundred thousand dollars will be given the Canadian Red Cross for its international relief activities and the remaining four hundred thousand dollars is to be made available to the UN High Commissioner for Refugees, the chief co-ordinator for international assistance as designated by the UN Secretary-General. In making this sum available to the High Commissioner we are also requesting that two hundred and fifty thousand dollars of it be earmarked for the Austrian government for the relief of the many thousands of refugees who are not provided for by the International Red Cross under the terms of its agreement with the UN whereby the Red Cross acts

as the operating agency of the UN. In this way it is intended that Canadian assistance will be open to all; and by disbursing the one hundred thousand through the Canadian Red Cross provision is also being made for relief activities outside the scope of those which the UN has undertaken — especially aid to prospective Canadian immigrants, for example, and others who do not qualify for UN sponsored aid. (This of course is not to be taken as a reflection upon the work which the High Commissioner's office is engaged in; on the contrary, our confidence in the capacity of his office for co-ordinating the various national contributions towards Hungarian relief is demonstrated in our allocation of the entire Canadian contribution of one million dollars apart from the three hundred and fifty thousand dollars given to our own Red Cross. Our purpose is simply to ensure that our assistance is spread as widely as possible.)

2. Consideration is now being given to a further stipulation that fifty thousand dollars of remaining one hundred and fifty thousand dollars for High Commissioner be given to ICEM and for the moment it is planned that the High Commissioner shall have for use at his own discretion only one hundred thousand dollars. A decision will be taken on the remaining fifty thousand dollars within the next few days.

3. Please notify without delay on an informal basis the High Commissioner or his office of our decision so that there will be no danger of his learning of our actions from the press. You should emphasize that in allotting the sum mentioned for the use of the Austrian government and in considering a further stipulation with respect to the ICEM our intention is not to interfere unduly with his freedom of action but rather is to ensure that some help is directed towards the wide spread needs which are not now covered by the UN-IRC agreement and which have been brought to our attention by the Austrian authorities, other international agencies and by the High Commissioner himself.

4. Apart from notifying the appropriate UN people we would not wish mention of our contribution to be made publicly prior to a press release which will be issued here on Thursday at eleven am.²⁸ This course is subject to the minister's concurrence although the time will remain approximately the same in any event. Any change will be sent to you by immediate telegram.

5. The cheque for the High Commissioner for four hundred thousand dollars will be forwarded Tuesday January 29 according to present plans.

²⁸ Pour le texte du communiqué, voir Canada, Ministère des Affaires extérieures, *Affaires Extérieures*, vol. 9, N° 2, février 1957, p. 81.

For the text of the press release, see Canada Department of External Affairs, *External Affairs*, Vol. 9, No. 2, February 1957, p. 81.

Extrait des conclusions du Cabinet
Extract from Cabinet Conclusions

SECRET

[Ottawa], January 31, 1957

Present

The Prime Minister (Mr. St-Laurent) in the Chair.
 The Minister of Trade and Commerce and Minister of Defence Production (Mr. Howe).
 The Minister of Agriculture (Mr. Gardiner).
 The Minister of National Health and Welfare
 and Acting Secretary of State for External Affairs (Mr. Martin).
 The Minister of National Revenue (Dr. McCann).
 The Minister of Labour (Mr. Gregg).
 The Minister of Justice (Mr. Garson).
 The Minister of Public Works (Mr. Winters).
 The Minister of Veterans Affairs and Postmaster General (Mr. Lapointe).
 The Minister of Finance (Mr. Harris).
 The Minister of Mines and Technical Surveys (Mr. Prudham).
 The Minister of Fisheries (Mr. Sinclair).
 The Minister of National Defence (Mr. Campney).
 The Leader of the Government in the Senate and Solicitor General (Senator Macdonald).
 The Minister of Citizenship and Immigration (Mr. Pickersgill).
 The Minister of Northern Affairs and National Resources (Mr. Lesage).
 The Minister of Transport (Mr. Marler).
 The Secretary of State (Mr. Pinard).
 The Secretary to the Cabinet (Mr. Bryce).
 The Assistant Secretary to the Cabinet (Mr. Martin).
 The Registrar of the Cabinet (Mr. Halliday).

IMMIGRATION; HUNGARIAN REFUGEES; ARRANGEMENTS WITH PROVINCES;
 JEWISH REFUGEES FROM EGYPT
 (PREVIOUS REFERENCE DEC. 5, 1956)

54. *The Minister of Citizenship and Immigration* said that the Minister of Planning and Development for Ontario [Nickle] would be in Ottawa to-morrow to discuss an agreement with the province on care of Hungarian refugees.

Ontario had been offered much the same terms as the agreement made with Saskatchewan but had come back with unacceptable proposals. In addition to asking the Federal government to pay \$3 a day for each refugee during the time in reception centres, Ontario expected payment for the capital cost of these centres. This was quite out of the question. The Federal government would also, as with Saskatchewan, pay Ontario the cost of providing immediate clothing needs. The Saskatchewan agreement also required that the Federal government pay full costs of medical treatment of indigent Hungarian immigrants during the first year in Canada, provided that the province would assume such costs after that year.

The Minister suggested that the best way to break the "jam" was to say that Ontario could either have an agreement such as that with Saskatchewan or rely on the existing agreement for landed immigrants; that was a fifty-fifty share of costs in respect of immigrants, but with the Federal government bearing the full cost of treatment for those not legally landed.

As regards the other provinces, Nova Scotia would probably accept on the same basis as Saskatchewan but Manitoba had raised the question of paying for persons who had not been landed. Quebec did not wish to deal with the Federal government but proposed to go ahead on its own. The Minister had supplied a provincial committee with the terms of the Saskatchewan agreement and, in effect, refugees in Quebec would get everything they got elsewhere. A good job was being done and some \$100,000 had been made available. An excellent agreement had been negotiated with Newfoundland, but it was unlikely that many refugees would go there.

55. *Mr. Pickersgill* raised the question of Jews leaving Egypt. The Canadian policy in respect of such persons had been quite severe and no applications were processed in Egypt. Emigrants had to get first into other countries, excluding Italy, and were required to go through all the formalities, such as medical examinations and security checks. He thought a more liberal policy might be taken in making arrangements for dealing directly in Egypt with those Jews who had relatives in Canada who had been landed two years or more, and were well established. To do this, it would be necessary to send to Egypt, temporarily, a small team of an immigration officer and a doctor. Any such immigrant approved would, of course, be expected to pay his own way to Canada. Probably some 400 persons might be involved.

56. *During the discussion* the following points emerged:

(a) There would only be a few Hungarian immigrants who were not landed. They would be persons not thoroughly examined or even unable to satisfy requirements, who had been accepted under the same system adopted in the emergency by the United Kingdom and France.

(b) Without a special agreement, Canada would have to take care of those not landed who required treatment. It was argued that section 48 of the Immigration Act dealing with medical treatment applied to the Federal government just as to any transportation company.

57. *The Cabinet* noted the report of the Minister of Citizenship and Immigration and approved.

(a) the proposed line to be taken with representatives of the Ontario government on an agreement with that province on the care of Hungarian refugees; and,

(b) the temporary stationing in Egypt of an examining team to deal with relatives of persons of Jewish origin resident in Canada for two years or more, who wished to emigrate to Canada at their own expense.

...

50.

DEA/8619-40

*Le secrétaire d'État aux Affaires extérieures
au chef de la délégation à l'Assemblée générale des Nations Unies*

*Secretary of State for External Affairs
to Chairman, Delegation to United Nations General Assembly*

TELEGRAM S-56

Ottawa, February 1, 1957

CONFIDENTIAL. IMPORTANT.

Reference: Your telegrams 55 of January 7 and 364 of January 26.†
Repeat Washington, London, Paris, NATO Paris (Information).

HUNGARY

In our view, the special committee on Hungary should place primary emphasis on ascertaining what happened in Hungary and how it happened, holding up the documented record beside the principles of the Charter and the terms of the resolutions passed by the Assembly.

2. To serve this purpose, the committee ought to ensure that its report provides effective answers to the following obvious questions: (a) Has the present régime a legal mandate or has it been imposed by Soviet force? (b) What was the nature of the Soviet intervention and under what conditions did it take place? (c) Have arrests, deportations and executions been carried out without due process of law and in disregard of human rights?

3. We agree that the substance of a report along these lines is bound to be damaging to the USSR, but consider that this should not be permitted to divert the committee from the discharge of its responsibilities.

4. In the light of this, there seem to be two problems. First, should the aims of the committee be related only to the simple condemnation of the USSR, or should its work be exploited as part of a grander design? Second, how far should it go by publicity, etc., to heighten the condemnation which the facts alone will convey?

5. Although it may still be too soon to attempt to draw up a detailed policy regarding Hungary and the satellites as a whole, there seems to be general agreement that the West should encourage a gradual drift away from Soviet dominance. This drift must spring from national Hungarian initiatives. The committee may help to serve this end.

6. The low standard of living, as well as the lack of fundamental freedom, have, we think, been basic causes of the trouble in Eastern Europe, including Hungary. A refugee movement of such dimensions cannot however be explained solely by the desire for freedom in the abstract. It may be that one of the avenues of approach by which to encourage the drift will prove to be through economic channels. It would follow that the committee should ensure that its findings are not confined to the course and circumstances of Soviet intervention, but should ensure that its reports paint a concise but telling picture of the economic lot of the individual on the eve of the trouble. For this purpose, it has abundant human source material available. Thus the facts themselves will not only condemn the USSR, but will document the legitimacy of the Hungarian rising. Moreover, they put the case for the other satellites, at a time when at least some of them show signs of wanting more trade with the West rather than with the USSR and the Middle East, will help to explode the myth of the communist economic solution for a classically underdeveloped area ("Green Europe"), will say explicitly what the flight of over 200,000 refugees implies, and will be of no little interest to the Afro-Asian countries who tend to overlook the violations of human rights behind the curtain and may be tempted to take similar short cuts to industrialization.

7. As to the second question, the USSR has made it clear that it does not wish a resumption of the cold war, despite Suez and the Sino-Soviet reply to the Eisenhower doctrine.²⁹ It cannot simply put the clock back on the October 30 declaration, for the Soviet Union faces a persistent and similar problem at home. Already, Soviet military posture in Hungary suggests that Moscow expects to be able to ride out the storm in a long-term occupation and not to have to impose direct military rule. Should it do so, the Assembly can always take strong action, as you have suggested.

²⁹ Pour une note sur la Doctrine d'Eisenhower, voir volume 22, document 208, note 173.

For a note on the Eisenhower Doctrine, see Volume 22, Document 208, footnote 173.

8. We therefore think that the hearings should be conducted in public, if only to prevent the USSR from discrediting evidence taken in camera. It would be unfortunate if the committee were to allow a desire to obtain the widest possible measure of agreement to lead to emasculation of its report and to direct its hearing accordingly. Although we believe that by confining itself to facts the committee should be able to present a succinct report we would hope that these facts could be fully documented in annexes and that in any event if the committee found itself too strongly divided to produce an acceptable common statement, it should be prepared to present either majority and minority reports or an agreed report followed by supplementary submissions.

9. The use to which the report should be put will depend on its conclusions and the circumstances at the time of its release. We agree that further condemnatory resolutions in the meantime are likely to be futile and inadvisable, unless there is a sudden change in the picture.

10. All reports indicate that the struggle is not yet over in Hungary. The régime is held in contempt even by its employees and passive resistance continues. It would seem that both the Kadar régime and the USSR are counting on the winter and the depletion of food stocks to bring the population to heel. It would follow that we should expect no compromise before the spring. Only such a compromise will make it easy for many members of the UN to move beyond relief. It might be useful if the committee took this possibility into account as regards the timing and substance of its reports.

11. These suggestions imply, within the broader terms of reference of the committee which are inherent in the circumstances of its creation, the adoption of a few precise but connected objectives: documentary justification for the condemnation of the USSR, the exposure of the myth of the Soviet socialist solution for Eastern Europe, the holding of Hungary, which has rebelled against that solution, in the limelight, a show of moral support for the valour of the Hungarians, and the encouragement of continued resistance by a demonstration that in the eyes of the UN a compromise is not only possible but inevitable, with a hint to all concerned that a compromise will make it easier for the West to move beyond relief to consider re-habilitation for Hungary. We realize, however, that we can only attempt to influence the committee's programme through our close friends on the committee.

51.

DEA/12476-40

*Note du sous-secrétaire d'État aux Affaires extérieures
pour le secrétaire d'État aux Affaires extérieures*

*Memorandum from Under-Secretary of State for External Affairs
to Secretary of State for External Affairs*

CONFIDENTIAL

[Ottawa], February 4, 1957

CANADIAN RELIEF FOR HUNGARY

In telegram 152† of January 30 our Delegation to NATO reports on a further Council Session at which the problem of Western aid to Hungary was considered. You may recall in earlier telegrams (CANAC telegram 123† and Paris telegram 86† of January 25) it was reported that the French were pressing proposals which would provide for some measure of rehabilitation as well as relief for Hungary. Copies of these telegrams are attached for your reference. Since it appears probable that this question will be under continued consid-

eration in the next few weeks I thought you might wish to consider a few of the points at issue, in the light of our own position, and perhaps to advise us of your views.

We have been giving some consideration in our own Department to the problem of Hungarian relief and to our trade relations with Hungary. We have not yet had time to work out a detailed policy on Hungary and the satellites. It may be that we must shortly recognize in current trends in eastern Europe an important opportunity for the west, and that to exploit these concretely western countries may later on have to consider an increase in trade with this region, including Hungary (although in Canada's case, we would not expect much trade to develop with Hungary whatever the circumstances). Meanwhile, and thus far, we have adopted the attitude that there is no political advantage to be gained from dealing with a régime which is not acceptable to the people of Hungary. The limited credit-worthiness of the present Hungarian government has reinforced this attitude.

The French proposals would provide for:

- (a) Free deliveries of coal, wheat, barley, etc.,
- (b) Re-establishment of normal commercial relations with Hungary by NATO Members in so far as the individual interests of each are served by such relations.

If it is likely to become necessary or desirable to modify our stand, it may be wise to explore now the probable alternatives which are before us. We have examined the de Seynes report (together with the request the FAO made of us for feedstuffs in conjunction with this report) in an effort to determine what the effect of a Canadian contribution of relief supplies to Hungary would be, because at this stage we do not think that the conclusion of an agreement to sell wheat on credit would be understood either in Canada or abroad. However, the de Seynes report goes considerably farther than suggesting relief measures alone as aid to Hungary in the coming months. The three fields for activity it sets forth are:

- (a) The resumption of agricultural production to satisfactory levels,
- (b) The encouragement of deliveries of commodities from the farms, and
- (c) The import of foods and other requirements.

In our opinion, category (a) would seem to be an advanced form of rehabilitation which would assist the Kadar régime. Category (b) practically involves political action since it is the communist system to which the farmers are objecting; we see no reason to give the régime support in crushing farm opposition.³⁰ It is only in the third category that we see a possibility for true relief assistance since the commodities requested will to a great extent be used to supply urgent needs mainly in urban centres where critical shortages exist and where external assistance can best be justified on humanitarian grounds.

At the present time, however, we do not have funds available for additional relief. The million dollars voted by Parliament has now been allocated and is being used primarily for aid to refugees. While it is true the Treasury Board directive does not prevent the use in Hungary of the funds given the Red Cross, it is naturally at the discretion of the Society whether or not they wish to do so. You may wish to give some thought therefore to whether we should consider a recommendation for aid of this type both in a positive spirit of responding to the United Nations request and also as a practicable alternative to the sale of wheat on credit. Under present circumstances such assistance might well take the form of a Canadian gift of surplus agricultural products. While we have not explored this possi-

³⁰ Note marginale :/Marginal note:
No [L.B. Pearson]

bility with other Departments (except that the FAO request was passed to the Departments of Trade and Commerce and Agriculture for any action which they might wish to take and no reply or comments have yet been received). There would seem to be several distinct advantages in such assistance if a further contribution is to be made. After examining de Seynes' report and taking into account those political facts which come immediately to mind, we would suggest that Canadian flour might be the most appropriate form for such a gift to take since the distribution in Hungary would be much easier and less subject to political obstruction, since the timing of Hungarian requirements would more easily permit a gift of flour than most others, since its source would be more likely to be known than in the case of most other products, and since such aid would contribute much to relief of distress but would do little rehabilitate the Kadar régime.

While the latest telegram from the NATO Delegation shows that the difference of opinion between the French and other representatives is less pronounced than had earlier seemed the case, there may be some continued pressure for a more liberal attitude towards Hungary. There are of course additional considerations which we will continue to examine and report to you if it seems advisable; in the meantime you may wish to give some thought to the problem of Canadian relief for Hungary and to advise us whether a contribution along the lines described should be investigated.

J. LÉGER

I don't think we should take any lead at this time in providing any type of assistance to Hungary.³¹ This problem is complicated by the heavy financial burden of the Government in the field of immigration.³²

52.

DEA/12476-40

*Le secrétaire d'État aux Affaires extérieures
au représentant permanent auprès du Conseil de l'Atlantique Nord*

*Secretary of State for External Affairs
to Permanent Representative to North Atlantic Council*

TELEGRAM E-229

Ottawa, February 12, 1957

CONFIDENTIAL, IMMEDIATE.

Reference: Our S-35, January 18, Canac telegram 202, February 6,† Candel New York Telegram 514, February 8,† and others.

Repeat Candel New York (Immediate), Pernis Geneva, Washington, Paris, London (Important).

By Bag Vienna, Belgrade, Moscow, Warsaw, Prague, Bonn, Brussels, Hague, Berne, Oslo, Stockholm, Copenhagen, Rome.

RELIEF FOR HUNGARY

The question of relief for Hungary has been considered at some length and the conclusion reached that no further action on the part of the Canadian government is warranted at this time. This decision has been influenced both by the extent of government assistance for Hungarians, mainly refugees, already provided — over \$10 million to which must be

³¹ Note marginale :/Marginal note:

Nor do I. L.B. [Pearson]

³² Léger a ajouté ce paragraphe à la main./Léger added this paragraph by hand.

added several million in private funds — and by the number of refugees being accepted by Canada, probably a total of thirty thousand by mid-year. Another consideration is the nature of the problem in Hungary itself, where rehabilitation seems more critical than relief, thus making the issue political as well as economic.

2. Thus far, as indicated in our S-35 of January 18, we have taken the stand that, for humanitarian reasons, food, clothing and medicines should be provided through the facilities of the International Committee of the Red Cross provided some control over local distribution is retained. Both the original \$250,000 and the \$100,000 just given the Canadian Red Cross Society have been made available for use of the Society in the refugee work and in its *International Relief Programme*; thus a share of this \$350,000 of the Canadian vote of \$1,000,000 of last December could find its way into Hungary. However, what proportion, in fact, the Red Cross has considered it just to spend inside Hungary we do not know.

3. Beyond such relief, we did not consider it advisable to go. The de Seynes' report, together with the FAO report which forms part one of the former, have been examined as has the ICRC report which portray the extent of assistance which Hungary is said to require. Along with these reports we have received formal or informal requests for Canadian contributions. These are now to be rejected for the time being at least, for the reasons outlined in paragraph 1. As anything beyond traditional relief is bound to assist in some measure in rehabilitating the Kadar régime, we have examined with extreme care suggestions for contributions of agricultural feedstuffs and fertilizers. The dangers inherent together with the extent of aid already rendered dictate against any further assistance now.

4. As far as normal commercial relations are concerned, we have not been asked recently to reconsider the proposed Hungarian trade agreement. Given the existing state of the economy, the Hungarians are hardly likely to be able to meet its terms, nor would we be likely to consider signature at this time even if these economic difficulties did not prevail. *For CANAC* — We agree with the action proposed in the Council and reported in your telegram under reference whereby information will be collated from members with representation in Budapest. Our decision to take no action now is consistent with the view in (b) of paragraph (3) requesting members to refrain from assisting Hungary until such consultation takes place. Our previous information in telegram S-35 of January 18 continues to describe the state of our commercial relations with Hungary and there is nothing further for you to report to the Council.

For Candel New York — In view of our attitude towards this problem, there is little value, in our view, for Michel and Meyer of the ICRC to visit Ottawa. Their memorandum which you forwarded has been examined as have all other requests for aid and will be kept in mind should our position be changed. With respect to your telegram 438 of January 31† and the informal approach made to you by de Seynes' staff, we presume no formal communication is expected of us. If you consider it advisable and the occasion presents itself you may wish to intimate that we do not expect to take any action in the near future. The suggestion in your telegram 514 of February 8‡ that a contribution of Canadian flour or wheat might be made to Hungary was one which had previously been considered and brought to the attention of the minister last week. At that time, however, it was considered inadvisable to pursue the matter for the reasons noted previously. Therefore, if you believe there are any new and compelling arguments favouring such a proposal you might wish to mention these to the minister and to report to us any reaction favouring a further investigation of such a gift. However, we should point out that if any item is to be added to the

supplementary estimates, and such a gift would require an addition, immediate action must take place as supplementary estimates are being closed probably today.

53.

DCI/555-54-565-9

*Le sous-ministre par intérim de la Citoyenneté et de l'Immigration
au sous-secrétaire d'État aux Affaires extérieures*

*Acting Deputy Minister of Citizenship and Immigration
to Under-Secretary of State for External Affairs*

Ottawa, February 12, 1957

Dear Mr. Léger:

In Colonel Fortier's absence I am replying to your letter of January 25, 1957, in which you suggest a re-examination of our policy with respect to Hungarian refugees in Yugoslavia.

The considerations regarding these refugees as outlined in your letter are appreciated. However, Mr. Pickersgill believes that any action should be in co-operation with other Western countries, rather than on our own, in an attempt to provide the same facilities in Yugoslavia as we have done in Austria. He does not feel that in the circumstances he should take the initiative, but rather that it should come from your Department. In his opinion Canada should not act unilaterally in this situation although he would consider some form of joint action with other Western countries, particularly if the United Kingdom and the United States of America took part.

We are endeavouring to find some means of simplifying the processing of sponsored cases which would help to alleviate the situation in Yugoslavia.

Yours sincerely,

C.E.S. SMITH

*Extrait des conclusions du Cabinet**Extract from Cabinet Conclusions*

SECRET

[Ottawa], March 21, 1957

Present

The Prime Minister (Mr. St-Laurent) in the Chair.
 The Minister of Trade and Commerce and Minister of Defence Production (Mr. Howe).
 The Minister of Agriculture (Mr. Gardiner).
 The Minister of National Health and Welfare (Mr. Martin).
 The Minister of National Revenue (Dr. McCann).
 The Minister of Labour (Mr. Gregg).
 Secretary of State for External Affairs (Mr. Pearson).
 The Minister of Public Works (Mr. Winters).
 The Minister of Veterans Affairs and Postmaster General (Mr. Lapointe).
 The Minister of Finance (Mr. Harris).
 The Minister of Mines and Technical Surveys (Mr. Prudham).
 The Minister of Fisheries (Mr. Sinclair).
 The Minister of National Defence (Mr. Campney).
 The Leader of the Government in the Senate and Solicitor General (Senator Macdonald).
 The Minister of Citizenship and Immigration (Mr. Pickersgill).
 The Minister of Northern Affairs and National Resources (Mr. Lesage).
 The Minister of Transport (Mr. Marler).
 The Secretary of State (Mr. Pinard).
 The Secretary to the Cabinet (Mr. Bryce).
 The Assistant Secretary to the Cabinet (Mr. Martin).
 The Registrar of the Cabinet (Mr. Halliday).

IMMIGRATION; ADMISSION OF HUNGARIAN REFUGEES FROM YUGOSLAVIA AND
 AND ITALY; IMMIGRATION FROM POLAND

29. *The Secretary of State for External Affairs* pointed out that the problem of Hungarian refugees in Austria was diminishing as the flow into that country had practically ceased and the outflow was continuing. However, with the closing of the Austrian border by the present Russian supported Hungarian government, thousands of refugees were entering Yugoslavia where there was now a total of 18,000. This had led to a serious situation and the Yugoslav government did not understand why western countries were taking more than 120,000 refugees from Austria while doing little for those in Yugoslavia. Only a few of the refugees wished to remain in that country.

Several western countries were now prepared to accept some of these people and the United States was considering the admission of 1,000. The Canadian Embassy in Belgrade had been informed that over 2,000 Hungarians wished to come to Canada, and it had been suggested that up to 1,000 might be admitted.

The Minister felt this would be a useful action to take. The Yugoslav government was standing up vigorously to the U.S.S.R., and this example had a strong influence on the present Polish government and on other satellite governments. There would be important subsidiary benefits in admitting these refugees.

30. *The Minister of Citizenship and Immigration* pointed out that there would be careful selection of any Hungarian refugees that were in Yugoslavia. Probably a better type could thus be obtained. This selection would be on the basis of those who had expressed a desire

to come to Canada, with a priority for those who were financially sponsored by friends or relations in Canada and for agricultural and mine workers. They would also have to satisfy the usual health requirements for immigrants.

An explanatory memorandum had been circulated.

(Joint memorandum, Minister of Citizenship and Immigration and Secretary of State for External Affairs, undated — Cab. Doc. 61 57)†

31. *Mr. Pickersgill* said there were two other immigration problems on which he would like the views of Cabinet. One had to do with Hungarian refugees in Italy and the other with persons of the Jewish faith in Poland who wished to emigrate to Canada.

There were some 4,000 Hungarian refugees now camped in various summer resorts in Northern Italy and the owners wanted the places vacated. The government of Italy was prepared to pay the passage to Canada of 1,500 persons on a selective basis. The proposal would be similar to an ordinary immigration movement and would be advantageous to Canada in increasing the number of Hungarians here who had been picked in accordance with the regular immigration criteria. The same selection team could be used for both the 1,000 refugees in Yugoslavia and the 1,500 in Italy. It would not involve any persons arriving before May or June, and he would propose to make no announcement about it.

In the case of the Polish Jews, strong representations had been made to him to take in more of them by increasing the admissible classes. It appeared that it was now the deliberate policy of the Polish government to allow any Jews to leave who could. He had said he could not consider doing anything for Jews alone, but thought it might be possible to extend the permissible categories to include brothers or sisters of Canadian citizens if they were satisfactorily sponsored financially and were recommended by the Canadian Polish Congress, the Canadian Jewish Congress or the Ukrainian-Canadian Committee, all of whom were strongly anti-communist. These persons would pay their own passage and there would be less than 500 altogether. He would propose to make no announcement.

32. *During the discussion* the following points emerged:

(a) The admission of Hungarian refugees from Yugoslavia would actually make little difference to the numbers entering Canada, as there was only so much transport available. The refugee problem in Austria was being substantially eased and it was understood that the United States were taking some 200 a day without any publicity or controversy, though this seemed to be of doubtful legality.

(b) It might be difficult to justify taking Hungarian refugees from Yugoslavia when Yugoslavs themselves were not able to get into Canada. Against this, it was pointed out that there was no reason why bona fide Yugoslav emigrants could not come in; the difficulty was that exit permits were made available generally only to communists. Canada did take Yugoslavs under 18 and over 60 where there were immediate Canadian relatives, and the main problem was with nephews and nieces.

(c) The admission of Hungarian refugees into Canada was working out far better than had been expected. There had been some concern expressed in labour circles and there had been a few troublemakers among the immigrants.

(d) Austria had indicated quietly that, if there proved to be some troublemakers among the Hungarian refugees from Austria they could be returned to Hungary via that country.

(e) There had always been anti-Jewish feeling in Poland and the government there appeared to be trying to overcome this by getting rid of as many as possible of the Jewish population. Some 100,000 were going to Israel. There seemed to be real fear in the minds of the government of an anti-Jewish pogrom.

33. *The Cabinet* noted the reports of the Secretary of State for External Affairs and the Minister of Citizenship and Immigration on Hungarian refugee problems and Polish Jews and agreed.

(a) that 1,000 Hungarian refugees in Yugoslavia be admitted into Canada; the persons to be selected from refugees who have expressed a desire to come to Canada, with a preference for those who were sponsored by friends or relatives here, and for agricultural or mine workers. All of whom must satisfy the usual health requirement for immigrants;

(b) that up to 1,500 Hungarian refugees in Italy be admitted to Canada; the persons to meet the usual immigration criteria and their passage to be provided by the Italian government; and,

(c) that the permissible categories be extended to allow the entry of residents of Poland who are the children or the brothers or sisters of Canadian citizens, together with their immediate families if any, if they were satisfactorily sponsored financially, and were recommended by the Canadian Polish Congress, the Canadian Jewish Congress or the Ukrainian-Canadian Committee;

it being understood that these additional immigration arrangements would be given no undue publicity.

55.

DEA/8619-40

*Le représentant permanent auprès des Nations Unies
au sous-secrétaire d'État aux Affaires extérieures*

*Permanent Representative to United Nations
to Under-Secretary of State for External Affairs*

LETTER NO. 101

New York, April 2, 1957

CONFIDENTIAL

HUNGARIAN QUESTION — ITEM 67: ELEVENTH GENERAL ASSEMBLY

With this letter I am enclosing a memorandum which was prepared early in March by Mr. Ford before his departure for Colombia. You are no doubt aware that he was concerned with the Hungarian question when it was being considered at the eleventh session of the General Assembly. Mr. Ford has given his impressions of the Assembly exercise. While I do not entirely agree with the conclusions in the memorandum, I suggest that it might be useful to add these views to others which were expressed by the Delegation from time to time.

2. At the same time I am enclosing a copy of Document A/3573† of April 1 which contains a note verbale dated March 26, 1957 from the Permanent Representative of Hungary to the Secretary General concerning the report of the Credentials Committee (Document A/3536 together with Resolution 484 of February 21, 1957). The Hungarian note complains because the Assembly "has, up till now, not reached a positive decision on the credentials of the Hungarian Delegation..."

R.A. MACKAY

Comment.

I have doubts like Dr. MacKay's. It seemed to me that the great majority of the Asians and Africans, after some hesitation, reacted quite strongly against Soviet action and that they were deeply affected by the debate. One result was that the Soviet position was considerably weakened during the rest of the Assembly. An important reason for Arab and Asian hesitation on this issue was the realization that the French and British were deliberately trying to divert attention from Egypt to Hungary — a tactic the latter admitted privately.

J.W. HOLMES]

[PIECE JOINTE/ENCLOSURE]

*Note**Memorandum*

CONFIDENTIAL

HUNGARY

I have reported from time to time on the developments during the past four months with regard to Hungary at the United Nations. In this brief memorandum I should like simply to record a few impressions and comments on the virtual failure of the United Nations to accomplish anything very concrete.

2. On March 6 a meeting was held under the chairmanship of Mr. Lodge to discuss the possibility of introducing another resolution on Hungary at the end of the Assembly. Most of those present, including ourselves, supported the initiative but with marked lack of enthusiasm, and outside the meeting soundings of other delegations revealed even greater reluctance to become involved in another debate on Hungary. The Irish representative said quite frankly that it would be a kind of "danse macabre" over the corpse of Hungary. The Italian said that we should not confess publicly our failure in the Hungarian question, and Sir Leslie Munro compared it to a Maori "tangi" or wake. Only Mr. Lodge protested that the United Nations had not failed completely. As he said, we had not accomplished our primary aim of driving the Russians out of Hungary, but at any rate we had focussed the attention of the world on their iniquities, and we had established a Committee of Investigation which was functioning efficiently and with remarkable unanimity.

3. Nevertheless I think we must agree that the action of the United Nations on Hungary was largely a failure, even if one concedes that it was never likely to achieve its primary aim of forcing the withdrawal of the Russians. Certainly United Nations action on Hungary stands in very sorry contrast with that taken in the Suez crisis. The one lesson which might profitably have been learned by the Arab-Asian group concerning the nature of the Soviet system has been obstinately refused. Though there are no doubt exceptions, I find it difficult to believe, however, that the majority of the Arab-Asian officials and ordinary people have seriously changed their minds about the USSR as a result of Hungary. The efforts of the United Nations may possibly have helped in some way, but I am not convinced of it.

4. Nor has the concomitant been accepted either by the Arab-Asian group, or by the Western nations, except in a rather academic way — that is, that for all practical purposes the USSR will not accept decisions of the United Nations when its own vital interests are involved. Equally we are unable to draw the necessary conclusion which in theory might have to be drawn. Indeed, it is doubtful that anyone seriously wishes to draw this conclusion, because, first, it is not necessarily in our interests to force the USSR out of the United

Nations into isolation, and, second, because almost a third of the present members would be most reluctant to side with the West on such an issue.

5. The question therefore arises: should the United Nations have set its sights lower and attempted some more limited aim? It is difficult to see how we could have acted any differently in view of the passions aroused by Soviet actions last October and November without admitting the impotence of the United Nations from the beginning. The debate served one purpose, however, and that was to focus the attention of the world on Hungary, and to serve as some kind of brake on Soviet repressive acts. The UN probably never had any real chance of doing more than this, of acting, for example, as a mediator between the Russians and Hungarians, and of moderating the demands of each side. Similarly United Nations actions in condemning the USSR could hardly have altered Soviet aims and methods in Hungary. In other words most of what the United Nations did was irrelevant to the basic fact that the USSR was determined to re-establish its dominant power in Hungary and was in a position to do so irrespective of what the outside world did, barring an act of war. The only thing which might have altered this would have been a unanimous Arab-Asian reaction against the USSR and even this would not necessarily have prevented the Russians from their course of action.

6. In the circumstances, therefore, the establishment of the Special Committee on Hungary was probably the only action the United Nations could take to assert its authority, to keep the issue alive, and to try objectively to present a definitive report on the actual events. Its work so far, and its interim report, are unspectacular but satisfactory. It seems likely that the final report will be a sombre and pretty convincing indictment of the Soviet Union.³³ But, basing myself on the reception of the interim report, it seems probable that it will have very little effect on world opinion.

7. As regards the question of the Hungarian Delegation to the United Nations, we were faced with the dilemma of accepting the credentials of a delegation of a government completely unacceptable to the vast majority of the Hungarian people, or having to deal solely with the Russians over Hungary. In the end the Hungarians themselves solved the question by voluntarily absenting themselves from the work of the Assembly.

8. To sum up, I must repeat my conviction that Hungary was the major failure of this Assembly. It failed to liberate Hungary, and it failed basically to change the Arab-Asian attitude towards the Soviet system, or Soviet colonialism. The first was due at least in part to a refusal to accept the basic premise that the United Nations is not yet in a position to force decisions on the USSR without going to war. The second is more serious because it was within the possibilities of the United Nations. The only mitigating factor in absolving it of this guilt is that the Anglo-French-Israeli attack on Egypt obscured what otherwise would have been easier to present as a clear-cut case of Soviet colonialism. But this must remain speculation, and I do not think we should exaggerate it. The fact that we did fail is a factor of far-reaching importance. It means that the anti-Western colonial bias is still great enough to prevent the Arab-Asian countries from seeing through the rosy haze in which they regard the USSR. But I also think it means that, subconsciously or not, the Afro-Asians are not prepared to take a high, moral line with a country which is in a posi-

³³ Voir Nations Unies, Assemblée générale, *Rapport du Comité spécial pour la question de Hongrie*, Documents officiels: onzième session, Supplément N° 189 (A/3592).

See United Nations, General Assembly, *Report of the Special Committee on the Problem of Hungary*, Official Records: Eleventh Session, Supplement No. 18 (A/3592).

tion to hurt them. This line can be reserved for the "decadent" colonial powers of Western Europe.³¹

R.A.D. FORD

³¹ Pour un point de vue plus positif de l'onzième assemblée générale des Nations Unies, voir volume 22, document 366.

For a more positive view of the UN's 11th General Assembly, see Volume 22, Document 366.