

the threats to national freedom and human liberties and the need for strong defences. The ruthless crushing of the Hungarian people has exposed the cruel reality that lies behind the genial phrases of peaceful coexistence.

There has been disappointingly little progress towards any international agreement on disarmament. As the devastating power of thermo-nuclear weapons grows, the need for such an agreement becomes every day more urgent, and it is the firm conviction of my Ministers that all Governments must continue to exert every effort to reach that goal, but until it is attained the Western Powers cannot abandon their preparations nor relax their vigilance.

New and urgent significance has been given to the subject with the carrying out of the British tests in the Pacific of its nuclear weapon. As my Prime Minister has made clear, my Government will continue to advocate and support any comprehensive programme of supervised limitation of armaments, including nuclear weapons, with an adequate system of international inspection upon which agreement can be reached by the powers principally concerned.

The policy of my Ministers has continued to be based on active support for the United Nations and on the closest co-operation with other Commonwealth countries and with the United States.

The forthcoming meeting of Commonwealth Prime Ministers will provide a valuable opportunity for an exchange of views by Commonwealth leaders on world problems.

Instability continues in the Middle East and developments in the area accordingly still cause my Advisers deep concern.

In the United Nations my Government's representatives have urged that the difficulties of the Arab-Israeli problem be squarely faced and that attention be directed to its basic causes. My Government regards the United Nations Emergency Force as an important element in efforts to stabilise the Middle East and favours its retention in the area until substantial progress has been made towards settlement of Arab-Israeli differences and until secure rights of navigation in the Suez Canal have been restored. In my Advisers' view the international character of the Suez Canal should be fully observed and it should be operated under a system which, while of benefit to Egypt, is efficient, financially stable, secure against the influences of personal caprice and national ambition, and without discrimination against the shipping of any country. My Government will continue to work with other countries for a settlement with Egypt that will satisfy these conditions.

Progress has been made through the South-East Asia Treaty Organisation in building up the defensive strength of the member countries and in developing friendly co-operation among them in various fields. At the meeting of the Council of Ministers of SEATO, which took place in Canberra earlier this year, there was real cause for satisfaction with the advances made.

In the light of the present international situation and of the nature of the military measures necessary for the security of the free world, my Ministers have recently conducted a comprehensive review of defence policy. They are confident that the modifications set out in the White Paper that will be placed before you will enable our armed forces to make a realistic and effective military contribution to the collective defence arrangements to which New Zealand is a party.

Among the countries in this part of the world, the Colombo Plan is an instrument for international co-operation to which my Ministers have always attached the greatest importance. At the meeting, held in Wellington last December, of the Consultative Committee of the Plan there was encouraging evidence of the beneficial social and economic results of the operation of the Plan and of the improvement in international understanding that it has promoted. My Government invites your continued support for this beneficent project.