

SPEECH FROM THE THRONE: The need to maintain the basic unity of the Commonwealth and the reality of the Western Alliance was stressed in the Speech from the Throne delivered by the Governor General, the Rt. Hon. Vincent Massey, C.H., at the opening of the 5th Session of the 22nd Parliament on January 8.

Text of the Speech is as follows:

"The international scene continues to be characterized by instability in the Middle East and in Eastern Europe.

"My Ministers remain convinced of the need to maintain the basic unity of the Commonwealth and the reality of the Western alliance, to contribute effectively to the supervision of the cessation of hostilities between Israel and Egypt under the authority of the United Nations and to the achievement of a lasting settlement of Middle East problems.

"Visits to Canada in the last few weeks by the Prime Ministers of Ceylon and India have been conducive to a renewed strengthening of the bonds which unite the peoples of the Commonwealth in their constant aim to cooperate in the pursuit of peace, liberty and progress.

"An encouraging advance is being made, as evidenced by the latest Ministerial Meeting of the Council, in the development of the North Atlantic Treaty Organization in the non-military as well as in the military field. My Ministers remain strongly convinced of the need to maintain the North Atlantic Treaty as the keystone of the defence of the Western nations.

"In the Middle East Canadian servicemen, as part of the United Nations Emergency Force proposed by Canada at the General Assembly of the United Nations, are performing valuable tasks in the interest of world peace.

"The United Nations has served to focus world opinion on the brutal repression of the heroic Hungarian people in their endeavour to throw off the yoke of the Soviet imperialism. The vast humanitarian problems that have arisen as a result of Soviet intervention require the joint efforts of many countries. Through the United Nations, the Red Cross, and in co-operation with the Government of Austria, this country is playing its part in relieving suffering and re-settling the refugees.

"The entrance into Canada of Hungarian refugees has been greatly facilitated and free transportation provided from Austria to new homes in this country. Already thousands of these Hungarians have been welcomed to Canada and we look forward to receiving thousands more during the winter and spring. There are also substantially increasing numbers of immigrants from the British Isles arranging to proceed to Canada this year.

"Recent events have confirmed my Ministers' belief in the importance of seeking so-

lutions to international problems through the United Nations and of upholding by all practical and constructive means the principles of the United Nations charter. My Ministers also believe, however, that while making every effort to achieve these long term goals, the Western nations must remain strong and united in their defences and in their diplomacy in order that aggressive action against them will be prevented and international tension can be lessened.

"Excellent progress is being made in our national economic development. Expansion is evident in every part of Canada. Rapid strides are being made in opening up and utilizing our natural resources and in our industrial and urban growth. Employment has reached unprecedented levels. Once again we have been blessed with good crops. External trade was considerably greater last year than during any previous year. Canadians in almost every part of the country have been enjoying the benefits of this invigorating economic climate.

"Indeed our economic expansion has been so rapid that it has put a serious strain upon the supply of various types of labour and materials needed for the many projects which are being put in hand. The corresponding competition to borrow savings to finance all these projects has brought about an increase in interest rates. Increases in the volume of money and credit have had to be carefully limited in order to check inflationary tendencies and the financial policies of my Government have also been directed to counteract these same tendencies.

"In the last few days a serious industrial dispute has led to a stoppage of work on one of the major railways of Canada despite the use of the normal processes of conciliation. Special efforts have been made and are continuing to be made by my Ministers to assist the parties to reach an agreed settlement.

"The preliminary report of the Royal Commission on Economic Prospects has been received and will shortly be laid before you.

"You will be asked to approve a measure for the establishment of a Canada Council for the Arts, Humanities and Social Sciences, in order to give a new impetus to the development of Canadian scholarship and culture. In this measure you will be asked to approve an endowment for the Council so that it may discharge its functions with the greatest possible sense of responsibility.

"Because it is important that our universities should be able to keep pace with the increasing demands to be made upon them by the increasing number of young Canadians, you will be asked to approve a further grant of money to the Canada Council to be distributed by it for the purpose of assisting Canadian universities in some of their necessary construction projects. You will