

Canadian forces have shared in the collective effort to halt aggression and restore peace to that unhappy land. Apart from the South Koreans themselves, our forces have formed the third largest contingent in the combined strength of the United Nations in Korea and they have fought with valour and distinction in conformity with our finest traditions. All Canadians recognize the magnitude of the sacrifice of those who have fought for the sake of peace in the cause of the United Nations and all have shared the anxieties of their families.

The military objective of the United Nations action in Korea has been substantially achieved. Having stopped the aggression, the United Nations has been making every effort to bring about an honourable armistice, so that the fighting may come to an end. Although this problem has not yet been solved, we rejoice in the steps taken to bring about a return of sick and wounded prisoners and we hope that the renewal of the armistice negotiations at Panmunjom will be the prelude to that peace for which the whole world prays.

On the Korean question, as on other issues, we have at all times been prepared to consider any genuine proposals to this end, for our sole aim is peace. But we must be convinced by deeds as well as words that there is a desire for a permanent and durable peace before it will be prudent or safe to slacken our preparations to maintain the strength necessary to deter aggression.

We have looked to the United Nations not only as an instrument of collective security but also as a means for extending human welfare. Through its programs of technical assistance to underdeveloped countries, to which Canada has fully contributed, steps have been taken to increase world levels of production, to eradicate or reduce disease and illiteracy, and hunger over an ever widening area of the globe. Closely related to our participation in United Nations efforts in the field of technical, economic and social co-operation are the activities in which we have shared through participation in the Colombo Plan, which has provided a valuable demonstration of practical co-operation within the modern Commonwealth.

The North Atlantic Treaty has been in force throughout the life of this Parliament. The alliance of the Atlantic nations has proved its worth in lessening the risks of aggression in Europe by the build-up of an integrated force for the preservation of peace.

Our country has met promptly our obligations under the Alliance. A formation from the Canadian Army is now part of the integrated forces in Europe. The build-up of the air division of the Royal Canadian Air Force is nearing completion. Canadian naval strength is steadily increasing. We have made a substantial contribution through mutual aid to the armed strength of our European allies.

We have given attention, in the closest co-operation with the United States, to the direct defence needs of the North American continent and we are actively engaged in implementing joint plans to meet any attacks deemed possible on the scales presently envisaged by the military advisers of our two countries.

Other important steps toward world peace were taken during this period. The state of war with Germany was terminated by proclamation in 1951. Canada has since supported the association of the Federal German Republic, for the common defence, within the European Defence Community, and with the North Atlantic Treaty Organization. The Treaty of Peace with Japan was also signed in 1951, thus making possible the resumption of normal diplomatic relations with that country.

After the outbreak of hostilities in Korea my ministers reluctantly recommended a measure to vest in the Governor in Council for one year certain powers which might be necessary to meet any unforeseen emergency. This legislation expressly reserves to Parliament the control of expenditures and excludes any arbitrary power to arrest, detain, exclude or deport any person or to censor, control or suppress publications and writings, and contains provisions for review by Parliament of the exercise of these emergency powers by the Governor in Council. Because hostilities have continued in Korea this emergency legislation has had to be renewed year by year.

The Veterans Charter has been kept under constant review and the appropriate statutes amended from time to time. Pension rates for disabled veterans, widows of veterans and their dependents have been increased substantially. War veterans allowances have also been increased. At the present session you approved a measure designed to provide greater educational opportunities for children whose fathers died as a result of war service.

Canada's total trade with other nations has reached unprecedented levels. The removal of foreign exchange control and the high level of the Canadian dollar have demonstrated the basic strength of our national economy.

Through active participation in multilateral trade negotiations and by every other available means my ministers have sought to make an effective contribution to the removal of obstacles to the free flow of world trade.

Productive investment has increased year by year. Inflation has been brought under control. The national debt has been reduced every year with a cumulative reduction in the dead weight of its carrying charges.

Production and national income have risen so substantially year by year that it has been possible to finance the vast increase in our defence effort and at the same time make substantial reduction in rates of taxation.

My ministers have been concerned to promote this national development along lines designed to provide a fair share of the national income to all the various sectors of the Canadian economy.

Agricultural production and income have kept at high levels, despite some inevitable adjustments. To help reduce the impact of price changes, effective use has been made of price support legislation. Floor prices and governmental action on a large scale were essential to prevent great hardship in all parts of Canada resulting from the United States embargo on imports of Canadian livestock and meat following the outbreak of foot and mouth disease in the Province of Saskatchewan last year.

At the present session you approved Canadian participation in a new International Wheat Agreement and extended the life of the Canadian Wheat Board.

Great progress has been made in the long-term program for federal assistance in the modernization of our fisheries. The International Convention for the High Seas Fisheries of the North Pacific Ocean has been approved and you have approved the renewal of the Halibut Treaty. Provision has been made for the insurance of fishermen's boats and certain gear.

Throughout the life of this Parliament, employment has remained at a high level. Coverage under the Unemployment Insurance Act has been extended, benefits payable have been increased and supplementary benefits provided during winter months. At the present session you approved the payment of benefits to insured workers who while otherwise unemployed and entitled to benefit become incapacitated for work by reason of illness or injury.