We can, however, take comfort from the fact that the critical periods through which we have passed during the year now ended have proved, on the whole, sobering, rather than shattering to our coalition. Where there have been set-backs, these have been accepted and plans made to recover <u>from</u> them. As the year ends, our coalition for peace seems, I think, stronger than it was at the beginning. We are learning to live with the situation that exists, without panic but without illusions.

There have also, we must not forget, been significant successes during the year. In Korea, though it has not proved possible to advance from truce to a political agreement for peace, the armistice has been maintained and a withdrawal of United Nations troops, including Canadian, has begun. Agreement was reached at Geneva last summer which stopped the fighting in Indochina. The settlement there has involved heavy new responsibilities for Canada. To assist in the difficult task of pacifying that area, Canada was asked, with India and Poland, to undertake the onerous and complex duties of membership on three International Supervisory Commissions. These responsibilities were certainly not sought by us but we could not refuse them.

And so today, Canadians in the service of their country and of peace are seeing the old year out and the new year in not only in diplomatic missions throughout the world, not only in garrisons and airfields in Western Europe and outposts on hilltops in Korea, but also in patrols along the jungle paths of Indochina.

Another important Asian development during the past year was the decision of a number of countries located in or with particular historic interests in South-East Asia, to develop in SEATO collective defence arrangements somewhat analogous to those developed in NATO for the North Atlantic region.

Equally important, a group of South Asian countries, which has come to be known as the Colombo powers, has also met to consider the contribution which they can make to peace in that area.

The further development and extension of membership in the Colombo Plan for economic development of that region is also noteworthy. We were happy to be host in Ottawa in the autumn to Ministers from Colombo Plan countries at their annual consultative meeting.

In Europe the most important political events in the international field have been connected with the plan, worked out at conferences in London and Paris in the early autumn, for the association of a free, democratic, sovereign Germany with NATO and the Western European Union. The programme of debates in our various capitals, on the ratification of these arrangements, has called forth from the Kremlin a remarkable mixture of blandishments and threats; of "sticks and carrots". Their obstructive purpose is obvious and it is to be hoped it will not be achieved.