As we enter the new year, the prospect with its overtones of growing danger imposes heavy obligations upon us. These obligations were acknowledged, and plans made to fulfill them, at the meeting of leaders of Governments of NATO countries, which took place recently in Paris. As a result of that Meeting, the year 1958 will see an intensified effort on the part of NATO to raise the strength and efficiency of the organization to the level required by new Soviet challenges in the military and economic fields. Prudence requires that we seek this defence insurance first, and that it be adequate to our needs. But the key to peace and progress lies as much in reducing armaments and raising standards of living as in countering threats to our security. We, therefore, in the United Nations, in NATO, and in other forums, continue our efforts to improve economic standards in the less developed areas, and we will endeavour to find an acceptable solution to the question of disarmament and to probe, with appropriate safeguards, for opportunities to move toward a settlement of the differences which divide us from the Soviet bloc. We particularly hope that the Union will reconsider its decision to withdraw from further talks on disarmament within the Commission established by the UN and that, in this and other ways, it may at last give us genuine proof of its desire for peace.

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In brief, although we have to keep our powder dry, our hand is out in friendship to all.

May 1958 fulfill our prayers for an abiding peace. That is my New Year's wish for Canada and for the world.

S/C