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The last twelve months have been relatively quiet ones so far as Australia's internal activities have been concerned. Markets for our primary products have, in general, been satisfactory and the country's development has proceeded smoothly. However, in the international sphere the last twelve months has seen considerable changes, and it is on this that I wish to concentrate at the present time.

The position now is much better than it was twelve months ago when the Western powers had just been given Krushchev's ultimatum about Berlin, nobody quite knew what would happen when the ultimatum expired. Throughout the year things seemed to cool off a little and the ultimatum seemed to fade away. Then Mr. McMillan, the British Prime Minister, went to Moscow and began a period of personal diplomacy. He returned from Moscow determined to press at every opportunity for Summit talks. Mr. Krushchev visited the United States where he appeared more at home with the Bosses of Industry than he was with the Bosses of the Democratic Labour Union. These last gave Krushchev the toughest questioning of his United States tour.

By this time President Eisenhower had come around to supporting Summit talks where before he was markedly cool to the idea.

General de Gaulle and Chancellor Adenauer from Germany also support Summit talks, but neither of them are in much hurry. It would seem that General de Gaulle wants to explode his first atomic bomb in the Sahara before the talks are held, while Chancellor Adenauer is fearful that the Big Powers might agree to changes concerning the future of Berlin which may lead to a reduction of West Germany's influence in that City.

It seems certain that a Summit Conference will be held this year. However, we should not expect too much from it for although the atmosphere in International relations is much better than it has been for some time no outstanding problems have been solved.
The question of Berlin remains, the problem of disarmament is as acute as it ever was. You may have seen in a Christmas time speech Krushchev said that Russia may disarm their army even if the West do not agree, he said that Russia would rely on atomic weapons and rocket power. This is a piece of sheer propaganda because disarmament is not disarmament unless it includes conventional as well as nuclear atomic weapons, and the difficulty in the past has always been to achieve a system of inspection which is adequate.

Communist China is one country which has seriously disturbed the peace in recent months. She quelled the struggle for freedom in Tibet and has caused skirmishes on the Indian border which has led to tension between India and China. Furthermore, China's attitude to certain Indonesian domestic policies has led the Indonesians to regard Communist China with some suspicion. All this has caused reaction through Asian countries. Neutral countries in South East Asia are starting to look with alarm at Communist China and this must surely cause them to seek greater friendship with Western democracies.

Throughout the year many world famous people visited Australia. Princess Alexandra carried the flag for the Royal Family and won the hearts of all Australians. Later in the year the less romantic but nevertheless important Commonwealth Parliamentary Association held its meeting in Canberra. At this meeting representation of all the Commonwealth countries of every colour, of every race and every creed could be found. The members of the Association discussed their problems and their difficulties with friendship and understanding. At the same time Tengku Abdul Rahmin visited Australia and expressed warm appreciation for the help that this country had given Malaya in their struggle against communist terrorists, and secondly its best appreciation for the aid which Australia had given Malaya through the Colombo plan.

Our own Prime Minister visited Europe and the United States earlier in the year, and just before Christmas he visited Indonesia and Malaya. Australians do not always realise the high regard that overseas countries have for this country; they do not always realise how much that high regard is due to the efforts of our Prime Minister.