

Another possibility would be for the assembly to adopt a resolution which would shape the USA initiative into a generally acceptable proposal. In this connection the most important aspect of the USA suggestion is the proposed special projects programme which would significantly broaden the base of present UN economic aid programmes. The Canadian government believes that this course offers a basis for providing more economic assistance through the UN than is now being given to the less developed countries. Mr. Chairman, I have been authorized to inform this committee that if there should be general agreement on such a course, and if suitable organizational arrangements are eventually made, the Canadian government would give sympathetic consideration to seeking parliamentary approval of an appropriate contribution.

Having said this, I should now like to try to demonstrate to the committee that the two resolutions that we have before us have a good deal in common, and that, if goodwill prevails, it should be possible to arrive at a generally acceptable compromise. Perhaps I might best do this by discussing certain questions that have been raised by various delegations both in the committee and outside it. What is meant by technical assistance and by capital assistance? Some take the view that technical assistance embraces the provision of experts and the arrangement of fellowships and scholarships, and that capital assistance is assistance for the construction of major capital projects. There is, however, a wide area between these two definitions. If a technical assistance expert is provided with a microscope and some research equipment to enable him to carry out his project effectively, is that still technical assistance? At what point does the provision of equipment become capital assistance? If in connection with some major project it is found necessary to send experts to help install equipment, supervise its maintenance, and train technicians in its use, should this type of assistance be separated from the cost of the capital goods involved?

Some delegations have suggested that the programme proposed by the USA would merely provide plans and would therefore be perhaps worse than useless. I think our colleague from Guatemala dealt with this point very satisfactorily when he said that the assistance provided could and should in each case be fitted into an economic development programme. It is obvious, I think, that this should be so. If assistance were to be limited to the preparation of plans for schemes on which no action would be taken until a large scale uncapital aid fund was established the Canadian Delegation would vote against the proposal. We find it difficult to believe, however, that governments would request assistance for projects leading up to large scale projects which they had no hope of financing, or for projects totally unrelated to their present overall economic development programme. In this connection I would like to recall that, towards the end of his statement presenting the USA proposals, Dr Judd commented that one of the primary aims of the USA initiative was to promote a situation in which in the years to come "new capital investments in the less-developed countries of all types, private and public, national and international, would be encouraged". My delegation hopes that the proposed new fund might be able to accomplish a good deal in this respect. The type of the pre-investment projects envisaged should result in greater opportunities for the development of sound and practical capital projects for implementation by the countries themselves with the resources available to them from national or international sources. The proposed new special projects programme could, therefore, have an effect like that of the expanded programme of technical assistance, far greater than one would normally expect of a fund of modest proportions. To my delegation it appears that some of these problems of definition are misleading. As