

*The Address—Mr. Pearson*

in that earlier discussion. The question is one of a sterling loan to strengthen the financial position of the Burmese government. We are now considering here the position of dollar Canada in relation to that sterling loan. Our special position in this regard was recognized at the conference.

One of the important developments of the conference was the recommendation to set up a commonwealth consultative committee for south and southeast Asia. I was vividly impressed during my brief transit across this area after the conference by the need for capital development in all the countries stretching from Pakistan to Indonesia. There is a great need to increase agricultural yields through the introduction of irrigation systems and the greater use of fertilizer; also for the establishment of at least some new industries. I was impressed also by the very great need for technical help in those countries.

But if the need is obvious, so are the difficulties. In fact, most of the difficulties arise from the very magnitude of the need. There are so many development projects which clamoured for attention that it is very difficult to decide what should be done. Further difficulty is created by the comparative inexperience of the administrative systems of most of these countries. It is only natural that for some time after obtaining experience, these countries, which are so old in history and tradition but so new to full sovereignty in the modern world, should have to struggle with many administrative problems, which inevitably complicate the task at the present time of long-range planning to raise the standard of living.

Already in this field some useful work has been done by the United Nations in listing and analysing the economic needs of this part of the world. The United Nations four point program, as we call it, also has a bearing on this problem. The economic commission for Asia and the Far East, the international labour office and the food and agricultural organization are all working in this field. Therefore I think that we must be careful in setting up any new agency to avoid overlapping or duplication. We do not want a new committee merely because it looks like an attractive piece of international furniture for an already cluttered-up home.

Yet it is hoped that this new committee which was recommended to the governments at Colombo will be practical and useful and in its results go further than any previous agency in that area. It is hoped that before long the committee will be able to relate the needs of these countries to the possibilities of financial and technical help. But it should be understood that in considering the problem

[Mr. Pearson.]

of what the commonwealth countries can do through this committee to help the area—and I attempted to make this clear at Colombo—the contributions of members of the commonwealth will have to be determined in the light of their financial commitments, not only in this area but elsewhere.

We in Canada have undertaken, along with the United Kingdom, heavy responsibilities in the north Atlantic region which are not shared by other members of the commonwealth. I suggest that those responsibilities must be a first charge on that portion of our national production and income which we may be able to apply as a form of mutual aid toward the support of other countries whose systems of government are similar to ours and which, like us, are threatened by totalitarian aggression. But, within the limits imposed by those prior responsibilities, we in the government are now investigating ways and means of co-operating in the work that might be done if and when this consultative committee is set up. When a further meeting is held in Canberra, probably shortly, to discuss this matter, the Canadian government of course will be represented.

The establishment of this committee represents only a small beginning, although small beginnings can lead to great results. I do not conceal my own belief, however, that any such committee must have a broader basis than the commonwealth; that unless the co-operation of the United States can be enlisted in its work, its accomplishments may prove to be meagre.

However, the commonwealth nations have on this occasion taken the initiative and I think that is all to the good. I think also that the initiative was a sound one, and that the step we have taken may prove to be a valuable one. It certainly is in the right direction.

Now a few words about the situation in Indo-China. We had a thorough discussion of that at Colombo, and we had vigorous differences of opinion as to what the situation was and what might be done to meet it. However, we all agreed that Indo-China occupied a key position in southeast Asia, politically because of the clashes that have occurred there between the communists and the nationalists, and economically because this country is the rice bowl of that part of the world. The communists are now making their greatest effort in Asia in the state of Viet Nam, which is one of the three in Indo-China, the others being Cambodia and Laos.

If for no other reason, our very close and friendly ties with France would ensure our