

Poland, within the requirements of Canadian customs laws. Canadian officials made it clear that importers in Poland were free to purchase Canadian goods not subject to export restrictions. The hope was expressed by both delegations that the turnover of goods between Canada and Poland would increase.

During Mr. Pearson's visit to Moscow there were discussions about trade relations between Canada and the U.S.S.R. It was agreed that the possibility of a trade agreement based upon the most-favoured-nation principle should be explored further in Ottawa by representatives of the two governments. Among the other countries with which Canada held discussions concerning trade relations during the year were France, the Union of South Africa, Cuba, Venezuela, Spain, Colombia, and Uruguay.

A conference convened by the United Nations met in Geneva from October 26 to November 16 to discuss possible international arrangements relating to wheat following the expiration of the present International Wheat Agreement in July 1956. The conference discussed various amendments which might be made in the general form of this agreement. The conference will be reconvened on February 20, 1956.

An Air Services Agreement with Japan was signed in Ottawa on January 12 and brought into force by exchange of notes in Tokyo on July 20. An exchange of notes also took place in Mexico on October 28, modifying the schedule to the Canada-Mexico Air Agreement of July 27, 1953.<sup>1</sup> Discussions on civil aviation took place during the year with the representatives of several countries but no further agreements were concluded.

## 5. Aid to Under-developed Countries

During the past year Canada made available \$26,400,000 for capital aid and technical assistance to the countries of South and Southeast Asia under the Colombo Plan; an increase of \$1,000,000 over the amount contributed in the previous year. This brought the total of funds provided by Canada since the Plan began to \$128,400,000, apart from a special \$5,000,000 grant of wheat to Pakistan to help in meeting a food shortage in 1952. (In December the Government announced its intention to ask Parliament to increase the contribution for the next fiscal year to \$34,400,000.)

The bulk of the funds available during the past year was used to provide assistance to new capital projects in India, Pakistan, and Ceylon. In India several new projects were undertaken. These included an aerial magnetometer survey of Rajasthan; provision of generating equipment for the rural electrification programme; and the supply of Beaver aircraft as part of the pest control scheme.

In Pakistan further funds were made available for the construction and equipment of the Warsak dam and power-generating station on the northwest frontier; a thermal power plant is being provided for use at Khulna in East Pakistan; and arrangements are under way for Canada to assist in the construction of an important electricity transmission line between Dacca and Chittagong.

In Ceylon's regular aid programme this year further assistance was provided for the fisheries project; more diesel locomotives were made

<sup>1</sup>See also Chapter VI, section 2.