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CANADA'S CONTRIBUTION TO WORLD RECOVERY

This Reference Paper is intended to give an over-all picture of the contribution made by Canada towards world recovery. It comprises four sections:

- I. Canada's degree of participation in the European Recovery Programme;
- II. Canada's post-war measures of help designed to make possible, for the countries affected by the war, the financing of their economic reconstruction;
- III. Canada's aid through international organizations;
- IV. Private relief and other forms of help not previously mentioned.

I. EUROPEAN RECOVERY PROGRAMME:

The Right Honourable Louis S. St. Laurent, as Secretary of State for External Affairs, paid tribute in the House of Commons on April 29, 1948, to the passage by the United States Congress of the Foreign Assistance Act of 1948. This authorizes an appropriation of \$5,400,000,000 for the first twelve months of a European Recovery Programme designed to last some four years.

"On behalf of the Government of Canada", he said, "I would like to pay tribute to this generous and imaginative act of high statesmanship by the Government of the United States. By the enactment of the Foreign Assistance Act, the most powerful democratic state of our day has given new confidence and vigour to all the free peoples of the world."

About Canada's participation in this form of aid, he said:

"In the United States programme for European recovery, provision is made for purchases outside the United States. A sizeable proportion of the funds which the Congress has authorized for the Programme has been set aside for this purpose. It is not expected, however, that either the volume or direction of Canadian trade will be significantly altered by this development from that of recent years. The 'off-shore' purchases provision of the Foreign Assistance Act can, however, enable us to continue to send to Western Europe commodities which otherwise, because of our own dollar difficulties, we would have had to direct to countries which could provide us with dollars or goods in return.

"In view of the expected extent of United States dollar purchases in Canada under E.R.P., it has been suggested that we might now be expected to contribute further substantial direct financial assistance to Western Europe. However, our United States dollar reserves are still lower than they should be.