

The Colombo Plan

*The meeting of the Colombo Plan Consultative Committee held in Singapore
October 17-21, 1955.*

THE annual meeting of the Colombo Plan Consultative Committee was held this year in Singapore from October 17 to 21. The chairman of this year's meeting was Mr. David Marshall, leader of the Singapore delegation. Mr. Marshall is also the first elected Chief Minister of Singapore. The Secretary of State for External Affairs, Mr. L. B. Pearson was the leader of the Canadian delegation.

In addition to reviewing progress under the Colombo Plan and defining the task which lies ahead, the Committee this year decided to continue the Plan to June 30, 1961. The period covered by the original Plan would have ended on June 30, 1957.

Progress in the Area During the Past Year

As at previous meetings of the Consultative Committee, an opportunity was taken to review the progress in co-operative economic development throughout South and Southeast Asia during the past year. The basis of these discussions was furnished by each country's survey of its own development. These surveys together with the Committee's assessment of the problems of the area as a whole, were incorporated in a draft report prepared by officials at their preliminary meeting for the consideration of the ministers. After full discussion, agreement was reached on the text of the Fourth Annual Report which became available for publication in the capitals of member countries late in November.

The period which was reviewed at this year's meeting represented the fourth year of operation of the Colombo Plan. Most of the countries of the area have been able to maintain and a few surpassed their previous rate of economic progress. In general the Asian countries were able to show noticeable increase in national income and output particularly in industrial and mineral production and power generation. Favourable world economic conditions created an increased demand during the year for the products of the area and made it easier for developing countries to obtain the capital equipment they need. However, it was recognized that the prices of some commodities such as rice have fallen, and countries dependent on the export of these commodities have had special difficulties.

Because of the special conditions which exist in this area, it is not easy to gather precise statistical data. However, it is perhaps worth noting some of the improvements which have been shown by the economic indicators as taking place in various sectors of the economy of the area. In the industrial sector remarkable progress has been achieved. Expansion of electric power capacity, frequently an integral part of multi-purpose schemes, has been a major development goal. All of the countries show an increase over the past year in their electric power capacity, with very significant increases in both India and Pakistan. The increase in electrical capacity for the area last year