

Pakistan, was the new spirit I found there. They are now on their own. They have attained complete freedom and they realize that their destiny is in their own hands. They are determined that their future shall be considerably better than their past has been. They are working - and working with great industry and intelligence - towards a better economic future within the framework of their own philosophy. They are determined to remain free and not to fall again under the domination of any world power, and in this we must sympathize with them and help them, if we want to keep them in the free world we are trying to build.

It is an opportunity which can easily be lost unless we go about our approach to them in a way which they find acceptable. The first thing they ask of us, is that we shall treat them on a basis of equality. Their cry is: "We are people, even as you are people". Their second plea is that we shall recognize and respect their philosophies, religions and ways of life, and not try to make them copies of ourselves - which, firstly, they do not want to be and, secondly, could never be even if they did.

The Colombo Plan So Far - Capital Co-operation

Not let us see what the Colombo Plan has actually accomplished since it started in the middle of 1951.

Australia gave 8.7 million Australian pounds, divided between India, Pakistan and Ceylon. As far as possible, this aid was in the form of Australian commodities. Sixty thousand tons of wheat and 27,000 tons of flour went to India. Five thousand three hundred tons of flour went to Ceylon. To Pakistan, Australia sent agricultural equipment, mining equipment and items required for a general public works project.

New Zealand made grants of £250,000 each of India, Pakistan and Ceylon. They stipulated that these were to be spent on projects which would be of lasting value to the recipient countries. An all-Indian medical institute is arising as only one part of these New Zealand grants.

Under the agreement for the release of sterling balances, the United Kingdom supplied such things as railway locomotives, agricultural tractors, commercial vehicles, machinery and other iron and steel products.

And now I come to what we in Canada did with our \$25 million for the fiscal year 1951-52. We allocated this money: \$15 million to India and \$10 million to Pakistan. Let us look at the Indian programme first:-

The basic problem of the Indian economy is food - it would be more accurate to say, is the lack of food. In a good year, India grows roughly 45 million tons of food, and this is always at least 5 million tons short of her normal requirements. Also, we must remember that she has very few good years. Last year, for instance, she was faced with a very severe famine in Madras and also in Bengal. It is obvious that in a famine year, the 5 million tons of normal shortage can easily amount to as much as 6, 7 or 10 million tons of food grains, depending on the severity of the famine. To make up this shortage, India must dig into her slender resources of foreign currency