

253.

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*Extrait des conclusions du Cabinet**Extract from Cabinet Conclusions*

TOP SECRET

[Ottawa], May 9, 1949

INTERNATIONAL CHILDREN'S EMERGENCY FUND; CANADIAN CONTRIBUTION;  
PURCHASE OF POWDERED MILK

25. *The Prime Minister*, referring to the discussion at the meeting of April 26th, reported that the Secretary of State for External Affairs had been advised by the Executive Director of the United Nations International Children's Emergency Fund of a serious financial crisis presently facing the UNICEF.

The U.S. Secretary of State had informed the United Nations that, because of the lack of support of this Fund by other governments, the U.S. government would limit its continuing financial aid to the \$20 million available from sums already appropriated by Congress. This meant the loss to the Fund of an additional \$25 million authorized but not yet appropriated by Congress and, if additional financial aid were not forthcoming, the Fund would have to close down early in 1950.

The U.S. government had agreed to match every dollar subscribed by other governments with \$2.57. A Canadian contribution of \$4 million would therefore produce more than \$10 million from the United States.

(External Affairs memorandum, May 7, 1949 and attached documents).†

26. *Mr. St. Laurent* also referred to the Minister of Agriculture's proposal that price support be extended to dried skim milk powder in order that the Agricultural Prices Support Board might purchase 20 million pounds of this product at a total cost of approximately \$2,500,000. It had been suggested that this powdered milk might form a large part of any Canadian contribution to the Fund.

(Minister of Agriculture's recommendation to Council, May 2, 1949—P.C.2250).†

27. *The Cabinet*, after discussion, agreed:

(a) that no decision could be made on a second Canadian contribution to the International Children's Emergency Fund until such time as the new parliament assembled; and,

(b) that decision on the proposal of the Minister of Agriculture for the purchase by the Agricultural Prices Support Board of 20 million pounds of dried skim milk powder be deferred pending further consideration the following week.