

252.

PCO/Vol. 110

*Note du sous-secrétaire d'État aux Affaires extérieures
pour le secrétaire d'État par intérim aux Affaires extérieures*
*Memorandum from Under-Secretary of State for External Affairs
to Acting Secretary of State for External Affairs*

SECRET

Ottawa, April 25, 1949

SECOND CANADIAN CONTRIBUTION TO THE INTERNATIONAL CHILDREN'S
EMERGENCY FUND

This matter was originally brought up in Cabinet on February 4. It was decided not to authorise a contribution at that time but to leave the subject open for further discussion, if and when the Secretary of State for External Affairs wished to bring it forward again.

2. In recent weeks the prospect of a heavy surplus of powdered milk has led the dairy industry to make strong recommendations to members of the Government, particularly the Ministers of Agriculture and Trade and Commerce, to authorize a support programme.

3. Supplies of Canadian powdered milk have heretofore gone largely to the ICEF, which would be willing to use any further Canadian contribution for this purpose. The Fund cannot at present export U.S. dollars to Canada for the purpose of buying powdered milk, as there is a surplus in the United States and the price there is slightly lower.

4. The Minister of Agriculture is most anxious to have this question dealt with by Cabinet as soon as possible. Mr. Pearson, when he was in Ottawa on April 11, agreed that it should be brought before Cabinet again and approved the memorandum, a copy of which is attached.†⁹⁶ It was originally intended to defer action until the Minister's return, but in view of the urgent representations again received from the Department of Agriculture, the matter has now been put on Cabinet agenda for Tuesday, April 26. Owing to the short notice, it was necessary to have copies of the Cabinet memorandum approved by Mr. Pearson duplicated at once for distribution, and it has accordingly not been possible to submit the usual advance draft for your approval and signature.

5. In addition to the brief statement circulated to Cabinet, I attach for your own use a memorandum giving a fuller account of the background.† This was originally prepared for Mr. Pearson's use in February and has now been revised.

A.D.P. HEENEY

⁹⁶ Cette note, en date du 22 avril 1949, fut prise en considération par le Cabinet, le 26 avril 1949, lorsqu'il reporta sa décision «pending consideration of the report to be prepared on surplus commodities.»

That memorandum, dated April 22, 1949, was considered by the Cabinet on April 26, 1949, when it deferred a decision "pending consideration of the report to be prepared on surplus commodities."