

Asian students in this country. In fact, in the universities we have reached the point where for every Asian student who comes in we have to consider very carefully whether or not a Canadian student would not be denied something—in other words, as members of the committee know, our universities are congested and this makes training a little difficult. We have not yet reached the point where I would say we cannot absorb more students, but we have reached a point where we are very seriously considering the effect of more students on our universities.

In passing, it is also difficult to get too many students into one industry because there is a limit to which you can clutter up somebody's factory with trainees, no matter who they are. They are bound to be somewhat troublesome, they "get in the workmen's hair" and so on; you cannot place them on too big a scale. So there are problems as far as trainees are concerned which we have to watch very carefully.

With regard to capital goods, it is again a question of what our factories can turn out and what the countries in Southeast Asia can absorb. They could absorb more than they are now getting.

Q. Substantially more?—A. Substantially more, yes.

Q. Does that apply in the case of all the beneficiaries under the Colombo Plan?—A. Yes, I would think it applies to all of them. In some of the more backward countries the needs are even greater but they are not, so far, organized to take advantage of assistance on so large a scale, but that organization is coming along.

Q. I suppose that is one of the great benefits of the Colombo Plan—that it has helped these countries to recognize the necessity for the preliminary training and organization on top of which the Plan makes its most effective contribution?—A. I would agree with that.

The CHAIRMAN: I wonder if I might intervene in order to complete one of Mr. Fleming's questions? Mr. Fleming spoke about policy—the amount by which the estimate has been increased according to government policy. I wonder if Mr. Cavell might say that the policy was probably based on the recommendation, maybe of the administrators and also, maybe, on the recommendation made last year by this committee, based also, probably, on the demands made from the Colombo Plan beneficiaries to obtain an increase in the scale of the projects or to commence more projects than we have been able to do in the past. Is there something in that—that the amounts demanded by the different countries and reported on favourably by the administrators, together with the favourable effect those projects made on this committee, might have influenced the decision?

The WITNESS: Yes, Mr. Chairman, I think that it is so. But it is also partly due to the fact that more countries have come into the Plan. We started out by aiding India and Pakistan then Ceylon came in and we had to reduce the contributions to India and Pakistan in order to take in Ceylon. Since then Indonesia and other countries have come in with requests particularly, as I said just now, in those more underdeveloped countries, for technical assistance and so the extra money we get will greatly assist us in helping those new countries which have now joined the Plan.

*By Mr. Fleming:*

Q. Within the past year Japan and Thailand have been admitted to bring the number of member countries to 10. Do you anticipate a very great demand from those two countries? There would hardly be much demand from Japan.—A. I do not anticipate any demand from Japan. I think Japan will rather make a contribution under technical assistance. With regard to