

three I already mentioned, those countries have not as yet been able to evolve realistic plans. Some of the extra money we have this year is being devoted to helping them to do that, and we shall not give them any capital assistance until they have plans into which we can fit that assistance as we have in the three more developed countries.

Q. Thank you. When I was in Africa last year, I met the Colombo delegates from Pakistan. As soon as I met them they were most enthusiastic about what Canada is doing there. There is no doubt that what we are doing is very much appreciated in government circles.

*By Mr. Studer:*

Q. Mr. Cavell, I was interested in what you perhaps have already explained to the committee in regard to the wheat Canada has given to assist the underprivileged people who need it in other countries. I understand that in tendering this gift it is a gift to the government which in turn sells it to the provinces. What do they do with it in turn?—A. Distribute it, sir. Of course, in the first place the wheat gift was not really in accordance with Colombo Plan principles, or so we felt. The objective of the Colombo Plan is to put an economic floor under the living standard and the economies of these countries. Giving them food does not do that, of course. That is more a type of relief measure and we did not particularly want to give this food, but at that time when we did it, in 1951-1952, there was famine, and if a commonwealth partner comes and says, "We are in a famine condition," what can you do? You have to help them out and we did just that. Much of the wheat was given away, but to the extent that it was sold, then we generated counterpart funds and got away from the relief aspect of the operation by insisting that the funds be put into a useful economic project and so we really brought the wheat gift back in conformity with the overall objectives of the Colombo Plan. Is that clear?

Q. Yes, that is clear. I was wondering if it was a gift why it would appear on the surface that someone was taking advantage of the gift and that perhaps it would not reach the individuals who were underprivileged and who needed it—the consumer, in other words. If he had to pay for it it would be of little help to him.—A. I do not think that is how it was worked out. The provinces and various agencies in those countries had relief funds of one kind and another with which they could buy the food for the people who required it. They used those funds to buy the wheat and thereby the counterpart funds mounted up.

Q. And eventually the funds would resolve themselves into making them more self-sustaining and not dependent on future needs?—A. Quite correct, sir.

*By Mr. Herridge:*

Q. Mr. Chairman, I was very interested in the procedure that is adopted in the countries concerned to give effect to these projects. What would happen if the government were to say, "We have a place where we would like to build a plant, or an irrigation project or an agricultural development?" Do they consult you to examine, pass upon and survey it?—A. As you probably know, I go out myself once every year and usually take someone with me from another department. Invariably they show us proposed projects and if I think it is something that Canada can aid and in which we are likely to be interested, I return and talk it over with our policy committee. Then we send technicians out to examine it from the technical viewpoint and if they are favourably impressed we go ahead and put it to cabinet for approval.

*By Mr. Fleming:*

Q. There are two things I should like to ask about and the first concerns the relative amounts that have been expended on technical training on the one