

raw materials for India and Pakistan, which are urgently in need of these materials and whose five-year development plans could not go forward unless assistance of this type was available to them.

In addition to assistance provided under its bilateral programs, Canada is a substantial contributor to a number of multilateral programs such as the United Nations Expanded Program of Technical Assistance, the United Nations Special Fund, the United Nations Children's Fund (UNICEF), and the International Development Association. Since these financial contributions are paid over to the international agency concerned, the External Aid Office is not involved in their expenditure. The External Aid Office does, however, cooperate with the United Nations and its Specialized Agencies in recruiting Canadian experts for service abroad under these programs and in arranging training programs in Canada for trainees sponsored by the United Nations or other agencies. The extent of this activity is indicated in Tables C and E.

THE COLOMBO PLAN

The Colombo Plan for Economic Development in South and South-East Asia, of which Canada was a founding member, marked its eleventh anniversary in 1962. Meeting at Melbourne, Australia in November, 1962 the Colombo Plan Consultative Committee noted in its Annual Report that progress in the area was continuing and that the economic development of its members was being assisted both in exchanges of ideas and experience and through the provision of many forms of capital and technical assistance. The Committee reviewed economic developments during the previous year when the rate of economic growth in the region had varied considerably from country to country. On a per capita basis, changes in gross national product had ranged from increases of up to 6% in some countries to falls of 2% in others. Agricultural production in the area as a whole had increased substantially and industrial production also continued to rise. Another encouraging feature was the increase in total resources devoted to development. During the year under review (1961-62), the fifteen countries of the region had spent the equivalent of \$5.4 billion on development, an increase of about \$1 billion over the year before. Of this total amount, foreign assistance from the donor countries of the Plan through bilateral loans and grants accounted for about \$1.8 billion, approximately 33% of the total.

Certain problems remained, however. Population was continuing to grow at an annual rate of about 2% in the area, making economic development more urgent and in some cases more difficult. Moreover, trends in the international economy had not been altogether favourable for countries of the Colombo Plan region. The continued weakness of primary commodity prices in the world market remained a severe problem in 1961-62 for the developing countries. Import restrictions in certain advanced countries on manufactured goods which the developing countries could produce had added to their difficulties, while foreign exchange stringency was perhaps the most pervasive problem for governments of the region.

Since 1951, and including the fiscal year 1962-63, Canadian contributions under the Plan have amounted to \$423.2 million. The estimates for 1963-64 contain an amount of \$41.5 million for Canada's Colombo Plan Program. The chief recipients of Canadian aid under the Colombo Plan have been the Commonwealth countries of India, Pakistan, Ceylon and Malaysia which have accounted for over 95% of Canadian expenditures. Other non-Commonwealth countries in the area, however, are also eligible for Canadian assistance and significant amounts of technical assistance have been given to countries such as