



# REFERENCE PAPERS

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

19623  
No. 86

## CANADIAN EXTERNAL AID

With the inauguration of the Colombo Plan in 1950, Canada embarked on a large-scale programme of economic assistance to under-developed countries; and since 1959 its contribution to the Colombo Plan and to other programmes of economic aid has been increased substantially. By the end of 1961, total Canadian expenditures on economic-aid programmes and contributions to certain special aid programmes, including estimates for 1961-62, amounted to \$519.36 million, of which \$212.37 million had been provided since 1959. Canada has contributed a further sum of \$65.18 million to international development agencies in the form of loans and advances.

### The Colombo Plan

The greater part of Canada's economic aid is at present provided through bilateral assistance programmes, the largest of which is the Colombo Plan for Co-operative Economic Development in South and Southeast Asia. Canada's appropriation for the Plan in 1960-61 and 1961-62 was \$50 million annually, bringing the total contribution since 1950 to \$381.61 million. Aid to the countries of the Colombo Plan area (Brunei, Burma, Cambodia, Ceylon, India, Indonesia, Japan, Laos, Malaya, Nepal, North Borneo, Pakistan, the Philippines, Sarawak, Singapore, South Vietnam and Thailand) has been primarily in the form of capital aid, commodity aid, grants of foodstuffs and technical assistance.

Canadian-aided capital projects designed to provide some of the basic requirements for industrial growth are as follows:

(1) In India, both the Canada/India Nuclear Reactor and the Kundah hydro-electric power development project were inaugurated in 1961. Two other hydro-electric projects were assisted in earlier years, and stage three of the Kundah project will be undertaken in 1961. Various types of equipment have been provided for agricultural purposes and for hospitals, as well as in the field of transportation, education and co-operatives. These include "Beaver" aircraft for crop-spraying, Cobalt Beam Therapy units for nine hospitals, diesel locomotives, boilers and railway ties and audio-visual aids. Aerial surveys, of West Rajasthan and the Gangetic basin, have also been undertaken. Commodities and foodstuffs, such as metals, fertilizers, asbestos and wheat, have formed a large part of Canada's aid to India.

(2) In Pakistan, the Warsak and Shadiwal hydro-electric power projects (West Pakistan) were inaugurated in 1961. Other projects include the Goalpara Power Station and the Ganges Kobadak Thermal Plant in East Pakistan, and a new thermal plant at Sukkur to commence in 1961. Electricity transmission lines and towers have been provided in East Pakistan. The construction of a cement plant was carried out in West Pakistan. In addition to an