



STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 51/6

CANADA AND THE COLOMBO PLAN

A Statement made in the House of Commons by
the Secretary of State for External Affairs,
Mr. L.B. Pearson, on February 21, 1951.

A little over a year ago the Foreign Ministers of the Commonwealth countries met in Colombo to consider many of the urgent political and economic problems then facing Asia. Out of their discussions a Consultative Committee on South and South-East Asia was created which was charged with examining economic problems of the area and preparing appropriate recommendations. This Committee, which drew its original membership from seven countries -- United Kingdom, Australia, New Zealand, India, Pakistan, Ceylon and Canada -- met in Sydney last May and in London last September. Its most recent meeting, in Colombo, ended yesterday (Tuesday).

The United States, with the unanimous agreement of the seven original members, recently joined the Consultative Committee. In announcing his government's acceptance of this invitation, the Secretary of State in Washington, on January 24 of this year, said that it afforded his country the opportunity "for further co-operation with the countries of South and South-East Asia in their efforts toward economic and social development". Representatives of the following non-Commonwealth countries also attended the recent meeting in Colombo: Burma, Cambodia, Vietnam, Indonesia, the Philippines, and Thailand.

During 1950, when the United States was continuing to carry such a heavy burden of foreign aid, it was, I think, appropriate that the Commonwealth countries should examine together some of the pressing economic problems of South and South-East Asia. These were not new problems, but they were ones to which the Free World had not previously given adequate attention. The Commonwealth countries did good work, therefore, in bringing together in one report an analysis of the needs of the countries which comprise four-fifths of the area of South and South-East Asia.

Since the Plan was drawn up there have already been significant economic changes which are bound to affect its progress, at least in its initial stages. The burden of rearmament, which the Western countries have been forced to take on, is having major economic consequences. The prices of many of the raw materials produced in South and South-East Asia have gone up sharply. This advantage has been offset to some extent by the rising cost of the