

Throughout the year, the Permanent Council, together with its subordinate committees and its international staff, continued to devote its attention to international, political, economic and military developments of direct concern to the Alliance, reviewed the defence plans of its members, dealt with expenditures of funds on commonly financed military installations (infrastructure) and studied the measures required to ensure peacetime readiness and civil defence.

Canadian Contributions to NATO.—Canada continued in 1959-60 to provide contributions of Armed Forces to unified NATO commands, material assistance to other NATO countries and financial contributions to NATO common budgets. The Canadian contribution to the integrated forces in Europe comprised an Infantry Brigade Group stationed in Germany and an Air Division of twelve modern jet fighter squadrons at bases in France and Germany. During 1959 the Canadian Government decided to re-equip the eight day-fighter squadrons of the Air Division with a modern strike and reconnaissance aircraft, the CF-104. With the establishment of the North American Air Defence Command (NORAD) in 1958, Canada participated fully with the United States in the defence of the North American Continent, which harbours the main retaliatory forces of the Alliance and is an integral part of the NATO area. In addition, a substantial part of Canada's naval forces has been assigned to the Supreme Allied Commander Atlantic (SACLANT) for the protection of convoys and for the defence of the Canada-United States region, should an emergency arise.

Canada continued to provide assistance to NATO European countries in the form of military equipment, aircrew training, logistic support for material previously transferred, and contributions to NATO military and common infrastructure budgets. Approximately \$1,700,000,000 has been allocated for these purposes since 1950. After a peak of \$289,000,000 in the year ended Mar. 31, 1954, the annual dollar value of the Canadian Mutual Aid Programme declined to an estimated \$54,000,000 for the fiscal year 1960-61. This decline was accounted for by the gradual depletion of Canadian surplus stocks of weapons and equipment, and by the successful completion in July 1958 of the full-scale NATO Air Training Plan carried out at RCAF establishments in Canada; under this training plan, started in 1950, more than 5,500 pilots and navigators from ten member countries have been graduated. A limited number of aircrew from Norway and Denmark are continuing their training in Canada under special agreements.

While changing conditions and requirements have gradually altered the magnitude and content of Canada's Mutual Aid Programme, it continues to play an important role in the build-up of NATO military strength.

Subsection 4.—Canadian External Aid Programs

The Colombo Plan.—The Colombo Plan for Co-operative Economic Development in South and Southeast Asia was conceived at the Commonwealth Meeting of Foreign Ministers held at Colombo, Ceylon, Jan. 9-14, 1950. Although the Colombo Plan was initiated by Commonwealth governments, it is not exclusively a Commonwealth program. It is designed to assist in the economic development and raising of living standards of all countries and territories in the general area of south and southeast Asia. Its membership now includes Australia, Burma, Cambodia, Canada, Ceylon, India, Indonesia, Japan, Laos, Malaya, Nepal, New Zealand, North Borneo, Pakistan, the Philippines, Sarawak, Singapore, Thailand, the United Kingdom and Viet Nam, as well as the United States which is also engaged in a substantial program of economic aid in the same region.

The Colombo Plan is supervised by a Consultative Committee composed of Ministers of the member countries, who meet once a year to review projects, exchange views on policy matters and prepare an annual report. It is, as its name implies, a "consultative" body; no collective policy decisions binding member countries are taken at its meetings. A Council for Technical Co-operation, on which Canada is represented, meets regularly