

but in the world economy in general, and especially in their work in aiding less developed nations, it has been said very often, and is still true today, that confidence in the international financial system depends on the willingness of developed countries to play a role through multilateral agencies such as the World Bank and the International Development Association.

However, we want to stress that the economic problems facing the international community cannot be solved by simply increasing financial aid. Canada and other industrialized nations must recognize that there is a limited amount of capital reserved for this purpose, and in total, generally.

Thirdly, a theme common to our participation in the debate, considering the importance placed by the government on participating in organizations such as the World Bank and the IDA, is that it places a greater emphasis on "putting our house in order". I say that because if economic conditions, both in the international community and here in Canada continue to deteriorate, it naturally follows that Canada's ability to play a leading role, or a role, at least, in these institutions will be severely affected.

Finally, we believe that this legislation is directly relevant to the need for government accountability in terms of aid efficiency. We have consistently called for an overall review of Canada's aid programs, and CIDA in particular, with an aim to providing cost-efficient aid and development programs. For if the government provides cost-efficient aid programs, and an overall aid strategy, Canadian participation in the invaluable work done by the institutions mentioned above will be ensured and strengthened.

● (1510)

[*Translation*]

Honourable senators, it is obvious that, owing to the interdependence of nations, our own development and the economic growth of Third World countries cannot be dissociated. This international aid policy has oftentimes benefited Canada with respect to higher industrial production, the creation of jobs and the opportunity for Canada to fully export its potentialities and abilities, especially its industrial technology. If we are to be successful, we must oppose national and foreign protectionist programs and liberalize our international trade.

It is a fact that Canadian citizens are now asking scores of questions about their country's international development policy. Given the high rate of unemployment, the inflation problem and all the other economic woes facing our country, it is naturally difficult for Canadians to swallow the fact that Canada does spend in excess of \$1 billion a year for international development.

In light of the current world economic situation, it is essential that Canada should belong to such major organizations as the World Bank and the International Development Association with a view to helping poorer countries.

When I was with CIDA we had prepared a white paper featuring an in-depth study of our international development policies. It dealt with the role of multilateral organizations, the

[Senator Asselin.]

work done by non-governmental agencies, the consideration and use of funds, as well as the review of CIDA programs. In short, we had drafted a white paper in which we thoroughly revamped the new guidelines which were to apply to our international development policy. I believe that white paper is still lying around somewhere, but perhaps there has not been an opportunity to refer it to parliamentary committees for study.

Our party is fully aware of the significant role played by the World Bank and the International Development Association on the international financial scene. I asked CIDA officials to provide me with certain figures concerning our contribution to those international financial institutions.

Those figures reveal that, in the past five years, Canada has made generous contributions to enable the World Bank to help developing countries. Canada's contributions amounted to \$141.2 million in 1977-78, \$164.8 million in 1978-79, \$164.8 million in 1979-80, \$177.1 million in 1980-81 and \$164.6 million in 1981-82.

I also asked those officials what projects CIDA had participated in with the World Bank.

CIDA's contribution to the World Bank during the last five years has been as follows: From July 1977 to 1978, projects worth \$30.4 million were carried out; from July 1978 to 1979, \$33.7 million; from July 1979 to 1980, \$33.6 million; from July 1980 to 1981, \$62.3 million, and from July 1981 to 1982, \$78.4 million.

Canada's contribution to the International Development Association amounted to \$11 million in 1977, \$5 million in 1978, \$7.5 million in 1979, \$6.2 million in 1980 and \$11.6 million in 1981.

We do not contribute to international development only through these two agencies, namely the World Bank and the International Development Association. We also contribute to the African Fund; we have invested \$170 million in this fund since 1972. Moreover, Canada is planning to invest considerable amounts in the African Bank.

I was also interested in knowing what benefits these investments bring Canadians.

When I was the minister responsible for CIDA, I had the opportunity to visit various developing countries. I used to wonder what benefits our investments in these countries brought us because some of them have managed to upgrade their national production, and I believe that Canada should strive more to become an economic partner of these countries instead of always being a donor. I was surprised by the economic returns of the contributions made by Canada, either in cash, in equipment, in grain or other types of products.

I do not think that Canadians make full use of their opportunities to win over these international markets. I had asked for a review of the situation at the time. I realized that Canadian businessmen did not get a fair share of the return of our investment in international financial institutions.

At the time, our returns were compared to those of other countries. In some cases, our return represents only 5 per cent