

reserves are being run down at an alarming rate and starvation conditions already exist in some parts of Africa. The shortfall in production in the Asian subcontinent is this year expected to reach serious proportions. Shortages of fertilizer and the high cost of other agricultural inputs can only serve to aggravate the situation, particularly in the developing countries, which have struggled to attain some measure of self-sufficiency.

Canada will look to the World Food Conference to marshal opinion and forces for a concerted and coherent attack on the problem.

Canada is an important food producer and exporter, and we have in the past been a major provider of emergency supplies in times of world need. Although we are in effect a marginal supplier of world food requirements, we shall continue to do our part in improving production and providing emergency aid. But the real nub of the problem lies in capitalizing on the food-production potential of the developing countries, where the worst food-supply situations will arise. The Food Conference must place its main emphasis on the building of agricultural productivity in the developing countries.

The role and the financing of future food aid will also have to be re-examined in the light of rising commodity prices and short supply. We shall have to aim at greater co-ordination of food stocks on the international plane, which would encourage growth of these stocks outside the food-exporting countries.

Diversification of  
Canada's relations

Last year I spoke at some length of the three broad directions that were open to us in the balance of our relations between the United States and other countries. I said that the Government had opted for a long-term strategy to develop and strengthen the Canadian economy and other aspects of our national life and, in the process, to reduce the present Canadian vulnerability.

This process of diversifying our foreign relations has continued in the last year, both across the Atlantic and the Pacific.

Western Europe

The Government welcomes the fact that the "constructive dialogue" promised Canada by the nine members of the European Community at the Paris summit meeting of October 1972 has now entered what might be called its creative phase. The most important development in recent months has been the invitation of the Nine to Canada to make its views known on how its relations with them might be collectively defined. This invitation did not just happen. It is a result of our increased efforts over the past several years to add to the substance of Canada-West Europe relations and to create a