

III CANADA'S INTEREST IN DEVELOPMENT COOPERATION

A. The Rationale

109. It is clear from the Government's Policy Paper, and from subsequent statements and announcements, that international development aid will be one of the main elements in Canada's future involvement in the Pacific region. The Committee firmly supports this policy.

110. Development assistance is a responsibility of richer countries toward their poorer neighbours and is a contribution to international social justice and the improvement of the global quality of life. It seems especially appropriate that Canada should very actively discharge this responsibility in the Pacific community, to balance the attractive commercial opportunities and economic benefits which it finds in the region. It seems clear that this contribution is expected of Canada and will be a prerequisite for full Canadian participation in the regional community. Ultimately, only widespread economic and social development can eliminate the conditions which produce chronic instability in the Pacific and make it a prime focus of international tension and conflict. It is in the field of development aid that Canada can best utilize its existing national institutions and capabilities to make a constructive contribution to the long-term peace and stability of the region. Supporting the moral imperatives involved is the impressive economic potential of the developing countries of the region, some of which are already at or near the take-off point of economic viability. A number of these countries already provide important markets for Canadian exports, and if present trends are maintained, continued rapid growth can be expected. Canada's own interests are thus directly served by the general progress of the regional economies, and in particular by their familiarization, through aid programmes, with Canadian and Canadian goods and services.

111. In the face of these very strong arguments for an expanded Canadian programme of development cooperation in the Pacific, it is also recognized that there are a number of significant constraints. The main limitation is the availability of Canadian aid resources in relation to the size of regional needs. It was reported to the Committee by CIDA that Canada's bilateral aid commitments and disbursements to Pacific Rim countries represent just under 6 per cent of the value of Canada's world-wide bilateral programme. This very small proportion, in spite of rapid increases in recent years, reflects the extent of continuing Canadian aid commitments elsewhere in the world. It is clear that all of the existing areas of emphasis—India and Pakistan, the Commonwealth Caribbean, and Francophone and Commonwealth Africa—will continue to require intensive Canadian assistance. Even with continuing increases in Canada's overall aid programme, it will be extremely difficult to quickly raise allocations to the Pacific to a much higher proportional level. Another constraint is imposed by