

Given our rapidly growing economy, that means we will spend an additional \$324 million dollars on ODA next year.

Over the last five years, Canada spent \$8.7 billion dollars on ODA. Over the next five years, we will spend \$13.6 billion dollars. Canada will continue to have one of the fastest growing aid programs in the international scene, and that program will remain the fastest growing component of the government's discretionary expenditures.

Obviously, all Canadians are interested in economic growth. Canadians concerned about international development have a special reason to want this nation to grow. We are committed to formula funding for ODA. That means that as our GNP grows, there is an automatic growth in the amounts we dedicate to international development. A strong Canadian economy is important to the countries we help. When we grow less than we should, our aid contribution falls automatically. In 1984, we contributed \$120 million dollars less than we planned, because our economy, burdened by the deficit, grew less than it could have. A stronger Canada can contribute to a stronger world economy.

To give some idea of scale, our deficit last year was almost as large as the total flow of development assistance from all the industrialized countries -- the DAC donors -- to all developing countries. Or to look at it another way - since the government of Canada was spending \$100 million dollars a day more than it was taking in, our deficit in four or five days was comparable to the total yearly GNP of Lesotho. In a month, it was about equal to the combined GNPs of Liberia, Mauritania, and South Yemen. And in a year, using figures from the latest World Development Report, it amounted to the combined total GNPs of Chad, Ethiopia, Mali, Zaire, Malawi, Burkina Fasso, Burundi, Tanzania, Rwanda, Benin, Guinea, Togo and Sierra Leone.

But, even as we move to curb this quite massive imbalance, we also recognize that the demand for development assistance will continue to grow, faster by far than the supply. Every day of every year, the urgent need will be there - the need to learn, the need to protect the earth, the need to plant trees and dig wells and grow more food, in Africa and throughout the Third World. In allocating our aid, we will continue to face tough, difficult choices.

However, there will be no change in our ODA spending priorities as a result of the budget. In coming months, those priorities may change, as a result of Parliamentary and Ministerial studies of ODA. Those changes, if they occur, will be for foreign policy and international development reasons, not as a consequence of Canada's fight