
Development assistance

Canada's official development assistance program expanded substantially in 1974 and disbursements reached a record level of \$733 million.

Multilateral institutions received over one-quarter of the total volume of aid which was channelled through such organizations as the World Bank, regional development banks, the UNDP and the World Food Program.

The bilateral aid program continued to focus on the less-developed countries of Asia, Africa, the Caribbean and Latin America.

Canada was among the countries to respond quickly and generously to the plight of the Sahelian countries facing famine after years of continuous drought. In accordance with plans begun in 1973 to assist this region and Ethiopia, a further \$19 million was allocated in 1974. This aid included both food and transport facilities and plans were under way to increase substantially the Canadian budgets for emergency and program aid to that area.

In seeking ways to alleviate the economic problems of a number of developing countries which resulted from the massive rise in the price of oil and other essential commodities, Canada allocated \$100 million in the form of food and agricultural assistance to the most seriously affected countries.

The administration of the Canadian development program is primarily the responsibility of the Canadian International Development Agency. This is a separate organization under the Secretary of State for External Affairs. The Department, however, worked closely with CIDA and other government departments, elaborating policy and ensuring co-ordination with other Canadian foreign policy interests. At Canadian posts in the developing countries it also made available additional manpower resources to share in the responsibility for administering the program.

A major event of 1974 was the World Food Conference held in Rome November 5 to 16. In response to pressing world food needs, the Secretary of State for External Affairs announced at the conference increases in Canadian food aid, including a further \$50 million to meet needs in the current fiscal year, and a pledge to give an average of 1,000,000 tons of food grains for each of the next three years.

Economic relations with developing countries

Non-aid activities relevant to Canada's Development Assistance Program also received considerable attention. The Department laid the groundwork for Canada's system of generalized tariff preferences in favour of developing countries which came into effect July 1, 1974. This system provides improved access to the Canadian market for a wide range of manufactured goods and selected agricultural products.

It was agreed that in 1974 Canada would make an initial contribution of \$300,000 to the International Trade Centre in Geneva. This body, sponsored jointly by the General Agreement on Tariffs and Trade (GATT) and the United Nations Committee on Trade and Development (UNCTAD), provides technical assistance to developing countries to assist them in promoting their exports.

Canada's interest in the prices and terms of access for commodities from developing countries was demonstrated by its participation in 1973 and 1974 in a series of UNCTAD-FAO (Food and Agriculture Organization) commodity consultations. In addition, following negotiations in 1973 as an importer, Canada participated in the International Sugar Agreement. This came into effect at the beginning of 1974.

Canada was also an active member of a working group set up under UNCTAD to draft a Charter of Economic Rights and