

in order to integrate them to a greater degree into the world trading system.

The debt situation facing many developing countries remained a major area of concern. US Treasury Secretary James Baker, at the October IMF-IBRD Annual Meeting in Seoul, made proposals for a co-ordinated, collective approach by creditors, debtors, commercial banks and multilateral development banks to support adjustment through growth-oriented policies. Canada has promoted an enhanced role for the World Bank and greater co-operation with the IMF as a means to promote adjustment and has strongly endorsed the Baker Plan, particularly for the poorer countries.

In this regard, Canada supported the establishment of a new IMF Structural Adjustment Facility to help low-income countries, as well as an early substantial replenishment of the World Bank's funding of IDA VIII (International Development Association). Canada also supported substantial replenishments for the African and Asian Development Banks.

Canada recognized the special problems of the low-income developing countries, especially those in sub-Saharan Africa. The mandate of the Honourable David MacDonald, Emergency Co-ordinator for the African Famine, was extended until March 1986 to respond to continued public interest and concern. At the Economic and Social Council (ECOSOC) and the Fortieth UN General Assembly (UNGA 40) Canada supported the convening of a UN special session on the emergency situation in Africa. The government contributed more than \$850 million through all channels to Africa in 1985-86.

In the UN context, Canada continued to work with other countries to improve the effectiveness of UNCTAD, the General Assembly's Second Committee and ECOSOC. Canada participated actively in the successful negotiation of the review and appraisal of the International Development Strategy of the UN Third Development Decade in September as well as the mid-term review of the Substantial New Program of Action for the Least-Developed Countries in October.

With regard to Canadian development assistance, the February 26 budget reaffirmed the government's commitment to increase the level of its aid to developing countries. While continuing austerity necessitated a redefinition of Official Development Assistance-Gross National Product (ODA-GNP) ratio targets (0.5 per cent until 1990-91; 0.6 per cent by 1995 and 0.7 per cent by 2000), development assistance remained one of the largest growth areas of government expenditures, totalling about \$2.0 billion for the 1985-86 fiscal year. Most important, however, was the announcement of the introduction of an all-grant aid program making Canada one of the most concessional of donor countries. In addition, the Right Honourable Joe Clark, Secretary of State for External Affairs, indicated that the government was considering ways in which to reduce the burden created by past Canadian ODA debt, particularly for developing countries that were making courageous and serious efforts at reform and adjustment.

The past year saw the launching of several major reviews of ODA policy. Two parliamentary committees — a Joint House-Senate Committee examining foreign policy and ODA policy in the context of the government's Green Paper, and the House of Commons Standing Committee on External Affairs and International Trade looking at ODA — held hearings throughout the year.

The Commonwealth

The most profound issue which confronted the Commonwealth during the past year was the crisis over *apartheid* in South Africa. This has long been a deep and continuing concern for the Commonwealth, but mounting civil unrest in the republic and international protest brought it sharply to the fore during 1985-86 when it dominated the agenda of the Commonwealth Heads of Government meeting at Nassau in October. After intense negotiations, the leaders issued the Nassau Accord, which set out a list of agreed economic measures to be taken against South Africa, and established a Commonwealth Group of Eminent Persons to promote political dialogue that could lead to an equitable power-sharing arrangement in that country. Seven Heads of Commonwealth Governments were to meet to review the Group's report and to consider what further concerted action might be required. These leaders were the President of Zambia and the Prime Ministers of Australia, the Bahamas, Canada, India, the United Kingdom and Zimbabwe.

Canada continued to maintain its high profile in Commonwealth affairs. International Youth Year was celebrated in 1985: it was thus appropriate that the centrepiece of Commonwealth activity be the Conference for Young People which was held in Ottawa in June. Canada also played host to the Twelfth Commonwealth Forestry Conference in Victoria, British Columbia, and to the Third Commonwealth Jewish Council meeting in Ottawa, both in September 1985. The Province of Saskatchewan organized the annual Commonwealth Parliamentary Association Conference in October.

Canada's contribution to the organization's principal aid program, the Commonwealth Fund for Technical Co-operation (CFTC), was increased by \$1.3 million and is now the largest of any member's, amounting to more than 35 per cent of the CFTC's total budget. Another major initiative announced by the Prime Minister at Nassau set aside \$25 million for Commonwealth countries in support of the UN Child Immunization Project.

In other fields, the Commonwealth maintained its active interest in strengthening multilateral institutions with the UN system through informal co-ordination by ministers at meetings held prior to UN Conferences. These included meetings of the health ministers in Geneva before the World Health Assembly, labour and employment ministers in conjunction with the ILO, education ministers from some Canadian provinces in advance of the UNESCO General Conference, and Finance ministers on the eve of the annual Bank and Fund Meetings. An important new tradition was begun by Commonwealth ministers responsible for women's affairs who met in Nairobi before the UN Conference to review and appraise the Decade for Women.

Among the 300 non-governmental organizations which make up the "unofficial Commonwealth," it is worth noting that the Commonwealth Trade Union Council, headed by the President of the Canadian Labour Congress, continued its significant work in the struggle against *apartheid* by organizing training courses for unionists from South Africa.

La Francophonie

The high point of the year was without question the first Francophone Summit. As in past years, Canada played an active part at all levels of *La Francophonie internationale*.