

Business and Industry

The review of Canadian development assistance policy indicated that Canadian business and industry may have a growing role of particular importance in the development programme. A number of recipient countries now wish to increase and diversify their sources of capital, and many are at a stage in their development which require small-scale and medium-scale industrial enterprises. Canadian experience with this scale of operation and in such sectors as food processing, wood products and raw-material processing is often particularly relevant to their requirements. The Government will therefore initiate further measures to encourage Canadian business and industry to establish or expand operations in the developing countries by helping to overcome the special factors that lie in their way, while at the same time bearing in mind the problems that can arise from an indiscriminate application of such resources. The Canadian International Development Agency will also be prepared to finance projects for which Canadian suppliers have been successful international bidders, when the criteria concerning the eligibility of countries and projects are met. These measures should result in the extension of Canadian commercial and economic interests in Africa, Asia and Latin America, which in turn have important implications for the effectiveness of our international relations.

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The Government believes that the policies which have been outlined will enable the Canadian international development assistance programme to make an important and effective contribution to the progress of the developing nations. An increasing contribution of Canadian resources will be directed through both bilateral and multilateral programmes and committed according to the best development criteria available. A continuation of the concessionary financial terms of Canadian assistance and increased flexibility to provide some local costs, shipping services and additional support to the programmes of the private sector of the Canadian economy will enable the Canadian programme to undertake a variety of projects and to call upon a wider scope of Canadian resources.

Only through the application of the total range of Canadian resources, will and enterprise can Canada's development assistance programme make its full contribution to the achievement of a more just and equitable world community.