

Excellencies,

Distinguished members of the Diplomatic Corps,

Ladies and Gentlemen,

I wanted to speak to you directly about this Government's commitment to International Development, and the impact of the Budget. As you know, Government involves balancing priorities. Canada traditionally has attached the highest priority to an active international presence, with a particular vocation for encouraging multilateral agencies and international development. As Monique Vézina, and I, and the Prime Minister have all made clear since our election, that is a Canadian tradition we intend to maintain and enlarge.

We also face a serious and basic economic problem at home. The size of our deficit imposes such a heavy burden on our citizens that one tax dollar out of three goes just to pay interest on that debt. We believe that cutting the deficit will attract investment and growth to Canada. The record of the last eighteen months proves that the strategy of deficit reduction works. It contributed to strong economic growth and the creation of 580,000 new jobs. We intend to continue an economic policy that obviously works.

All parts of our government must join the fight against the deficit. External Affairs cannot be exempt, nor can Official Development Assistance. Our challenge is to balance the priorities of cutting the deficit, and increasing our contribution to international development. We are doing both together.

Some would have argued that more should have been cut from ODA. Others might argue that none should be. We have struck a balance that meets both the immediate needs of Canada, and the enduring nature of our international commitment.

In 1984, at the United Nations, I expressed the intention of the government to maintain Canada's commitment to reach 0.7% of the Gross National Product in Official Development Assistance by 1990. The commitment to 0.7% remains. The target dates have been changed. We intend to reach 0.6% by 1995 and 0.7% five years later.

Canadian governments have often talked of reaching percentage goals. This government is acting to reach 0.5% next year, and to treat that as a base in each of the next five fiscal years. We project, and are committed to, a steady Canadian contribution of 0.5% GNP for each of the next 5 fiscal years.