

under the Colombo Plan, a major instrument in Canada's own aid programme, capital-assistance grants of \$16,200,000 (Canadian) were made available to finance transportation needs in Ceylon.

All the developing countries are eligible for Canadian assistance, and Canada has taken part in bilateral programmes, both large and small, in 65 such countries.

Canada also has an Export Credits Insurance Corporation, which assists in financing sales of capital goods and services on terms that are "softer" than those usually offered in commerce.

Canadian aid is largely responsive in nature and does not delineate to the developing country precisely what it must purchase. While Canada often indicates the areas in which it has a particularly strong capability, the government of the developing country concerned is left to decide for itself what Canadian goods and services can best assist in the fulfillment of its development plan.

#### Canada's Overseas Investments

Although aid programmes are a major means of meeting the most pressing needs of the developing nations, more and more emphasis is being placed on direct Canadian capital investment abroad. In the years 1963-65, Canadians invested directly an annual average of nearly \$120 million (Canadian) abroad. By 1964 total direct and portfolio investment abroad amounted to nearly \$5,300 million -- more than double the figure of a decade earlier.

Although most of this investment had been directed to other industrial nations, by the end of 1964, Canadian investments in the developing nations totalled better than \$500 million. This figure was increasing at the rate of more than \$30 million a year in the late sixties.

#### For the Future

Canada is endeavouring by all means available to diversify and expand its trade with other nations. With other trading countries, it is examining likely avenues for further improvement of access to international markets, including ways of bringing developing nations into fuller participation in the international trading system.

Canadian leaders believe that only through international specialization and closer commercial ties can the nations of the world reap the full benefits made possible by an advancing technology and growing productive capabilities.