
It also responds to the recommendations of a Canadian Parliamentary committee concerned with development issues. Their very positive suggestions, prepared especially to coincide with the conclusion of the CIEC, have been in several important cases surpassed by new Government measures. The consensus of the Parliamentary committee representing the interests and concern of all Canadians, and the measures now being taken by the Canadian Government, are clear indications of political will to improve our contribution to development. I shall describe more of these to you in a general review of the progress this conference has made.

Continuing on ODA issues, you are aware of the proposal that the CIEC provide a special action program to meet the immediate needs of developing countries. This would be money that would not have been made available in this form if this conference had not taken place. I want to announce today that, if this conference succeeds in a result including a special action program, the Canadian contribution would have both a past and a future dimension. It would be directed towards the particularly acute needs of the least-developed countries (LDCs). From the time this agreement is reached, the Canadian Government's aid to these countries thenceforth would be entirely on a grant basis. As a direct contribution to special action, Canada would be prepared to respond to the demand for debt relief that has been a central issue of this conference; the Canadian Government would convert to grants all past development loans to a number of least-developed countries in Africa and Asia. The amount to be forgiven would be some \$254 million. It would have an immediate and positive impact on countries concerned, and would free funds for their development that would otherwise have been due to Canada.

Canada welcomes the agreement that donors will strive for an 86 percent concessional element for ODA. We hope that there will be quick movement to and beyond this level. Our own concessional element of over 95 per cent demonstrates conviction that aid must be on the softest possible terms, especially where this is directed to the poorest countries.

Although it is difficult to prove an organic link between the CIEC and decisions taken in other institutions, one cannot dismiss the fact that concern for a positive CIEC result has been one of the factors motivating positive government decisions on the timing of the fifth IDA (International Development Association) replenishment, the International Fund for Agricultural Development, IBRD (International Bank for Reconstruction and Development) capital-base increases, and other actions that will increase the quantity of concessional flows to developing countries. In short, we can already discern positive results on a broad front. I discern a second milestone in the vital impetus given by this conference to an important process already begun. I refer to the integration of developing countries in all aspects of international economic life. This process did not begin here, but there is increasing evidence of its impact. There was a time when the major industrialized countries tended to seek solutions to problems among themselves and, within this context, to elaborate special measures for developing countries. Today, our common objective is the incorporation of mechanisms, designed from the outset to serve development needs, into the international economic system.
