

countries who are waiting with the expectation that some day they are going to be able to buy the goods and services that we should be able to produce.

It is in the interests, as Robert McNamara, Mr. Ramphal, and United Nations experts keep telling us, of the countries of the developed world to create aid policies which produce self reliance so that people in third world countries can eventually rise above the kind of life which is deprived even of human dignity and become the consumers of the future. That is a long-range policy for human development which is good for people, for society, and for Canadian manufacturing industries.

● (1702)

When I say harmonizing the policies I mean the government should harmonize its policies. I say to government members today, and to some of my own colleagues whom I expect to form a government before very long—

Some hon. Members: Hear, hear!

Mr. Roche:—that when this party forms the government we are going to formulate development policies of the kind which the hon. member for Vancouver Quadra has described, namely, long range development policies which can be depended upon and are not ad hoc as the present government's policies are. That is the route advocated by Mr. McNamara.

I am confident that the future of Canadian development policies would be much sounder if we asserted, through this debate and through the committee work which will follow, and keep driving home to the government, the need for long range, integrated, harmonizing policies which take advantage of our need to create new markets, and realize the very real conditions throughout the world, particularly the developing world of people who need to be brought to a state of self-reliance.

Before I come to my final point I would like to make this observation, Mr. Speaker. The way in which CIDA is now being used by the government as a sort of mini EDC is doing a disservice to the cause of development, because most of the money that CIDA spends—its budget is now \$1.2 billion, and some 60 per cent to 65 per cent is spent through high technology bilateral aid—is aimed at helping Canadian industries. I am all for helping Canadian industries and for doing everything we possibly can to increase our exports and improve our manufacturing potential in this country. What I am against is CIDA giving away high technology items such as planes, generators, and bridges. I am against CIDA giving that away in the name of aid because it is creating a dependence on CIDA by Canadian manufacturers as an instrument which is going to do their sales work.

CIDA should be confined to helping to create self-reliance among the masses of people in villages, rather than so much of its budget being devoted to exporting high technological equipment, an activity which may look good in the short range because it adds to our export total, but one which in effect does not promote development in countries with which we are dealing. One example of that is Indonesia, a country about

which our friends in EDC know a lot because they are heavily involved there.

CIDA has a \$37 million program in Indonesia today in the form of official development assistance, plus a credit line of some \$200 million from EDC operating in Indonesia. What do they get for this kind of money? They get planes, training of pilots, generators, and a number of things such as high technology equipment which I have seen with my own eyes. This adds a fraction to our manufacturing here.

CIDA officials, of course, go around the country telling Canadians they should support CIDA because it is good for Canadian business. This puts people like me in a very difficult position because I do not want to argue that we should not be helping Canadian business. Obviously Canadian business needs to be helped, but it is the function of EDC to do that, not a function in the name of aid, because in Indonesia, while highly technological equipment is being sent there in the name of aid, studies which have been carried out in that country show that 75 per cent of the people live in villages where there are no floors in the houses, there is no water, there are no latrines, and no educational facilities.

We are not talking about some throw-away, backwater community. We are talking about the fifth largest country in the world, with a population of 140 million, 75 per cent to 80 per cent of them living in villages at this very low subsistence level. Bangladesh is in a similar situation. It has a population of 80 million people, 90 per cent of whom live in rural areas with no basic services. That is why Mr. McNamara said that if the developed countries are serious about their relations with developing countries, they would steer their aid policies toward the creation of self-reliance by having their aid emphasize what I call the big five, that is, food, water, shelter, hygiene, and job opportunities.

I have indicated some reasons for differentiating between what EDC does and what CIDA ought to do in order that the markets for Canadian potential sales may be developed. What we have to remember at the base of this very complex discussion of north-south relations is that low productivity is at the heart of the dilemma both in Canada and in the developing countries. It is in the interests of both the rich and the poor to boost productivity all over the world, and this can be done by stabilizing commodity prices, lowering tariff barriers, increasing the flow of capital to the developing world, and improving the transfer of technology.

This bill gives us an opportunity to make the point that we advocate an intensified and continuous technical co-operation with developing countries. That should lead us into more private investment in the developing countries stimulated by EDC as a way of helping out not only those countries but also helping the Canadian manufacturing industry.

I advocate an increase in private investment capital from Canada to the developing countries through an instrument such as the Advisory Council on International Development to provide systematic consultation between business, labour, and government. This would stimulate private enterprise to trans-