

Advisory Board of the York University School of Business Administration, and a director of the Ottawa Roughriders Football Club.

**Mr. Walker:** What year did you say Mr. Strong was born?

**The Chairman:** I did not say. He was born on April 29, 1929, which makes him one of the youngest persons in this room.

With your permission I will ask Mr. Strong to give us a brief outline of his philosophy and what he intends to do about external aid, and of course he will then submit to questioning.

**Mr. Maurice F. Strong (Director, External Aid Office):** Mr. Chairman, I very much appreciate your kind kind introduction. I am very glad that you emphasized, not so much my youth but my rather short term of office, because I am appearing here for the first time. It is with a great deal of pleasure that I agreed to this opportunity of subjecting myself this morning to the questions that members may have in relation to our External Aid estimates.

I have not prepared this morning a formal statement because I felt it would be better if I gave you a very brief outline of our program, making reference to this year's budget, and then allowed the rest of the story to come out in response to your questions. I think it would be much more useful for me to talk about the things that interest you rather than the things that may seem to me the most urgent at this point.

The level of our aid program, of course, is the most important item that will be on your minds this morning. There is in the minds of a number of people—there certainly was in my mind when I first came into this office—some confusion concerning this whole problem of levels of aid, because there are various international forms in which levels of aid are reported in different ways. These reports do create some misunderstanding of what the actual levels of our program are.

This year the estimates before you call for total allocations of \$254.3 million for bilateral and multilateral aid. This compares with a total allocation for the 1966-67 fiscal year, for the same purposes of \$245.5 million. It will be evident that on this basis the increase is only in the order of \$10 million. However it should be borne in mind, in considering this, that last year—and this happens frequently—there were non-recurring items, or items which were

not included in the principal estimates, totaling \$34 million. The largest single item of this was represented by the special vote of food aid to India and Pakistan of \$22½ million.

When you consider that these, what you may call non-recurring items, are not part of the regular program but come up due to special circumstances that arise during the year and are dealt with on the basis of a special request from Parliament for appropriation, then you get a more indicative view of the actual increases in our normal program. Extracting these non-recurring items, the last year's program would have been \$210.5 million and this year's figure on that basis would represent an increase of some \$44 million over last year's normal program.

Also in the international forum of the DAC (Developments Assistance Committee) which publishes its figures and other United Nations figures that are frequently quoted, credit is given to export credits. In the 1966-67 fiscal year these amounted to a total of \$61.8 million. These, as you know, are administered by ECIC, not by the External Aid Office, but they are included in reports of total aid flows because, to make them comparable with those of other countries, these figures must be included. It is not possible to project these figures with any degree of accuracy. For the current year it is probably fair to assume, however, that levels of loan disbursements or loans made by ECIC would likely be somewhere in the same area that they were last year. Perhaps they are greater; this depends really on their negotiation of individual loans with developing countries. But on the assumption that they would be in the order of \$62 million, as they were last year, the program for this year would amount in total to about \$316 million. It could amount to substantially more than that if ECIC loans do in fact exceed the \$60 million figure.

**Mr. Lamerti:** The totals that you were talking about in external aid, of about \$230 million, do not appear from your estimates in any way, certainly not in the blue book and I am wondering where you are getting these figures. Your two items 30 and 35 for the External Aid Office in the blue book come to a total of \$132 million this year. There must be some other items.

**Mr. Strong:** This is correct. They appear in various different places. I can give you the total from my sheet here, and then I will ask Mr. McLellan to relate it to the figures in your blue book. I will give you the various