

In regard to Canada's contributions, Mr. MacEachen recalled that in January 1981 Canada announced its intention to double its total aid flows to the Commonwealth Caribbean for a total amount of \$350 million by 1986 and later announced, in February 1982, its intention to allocate up to \$106 million to the countries of Central America over the 1982-87 period. Mr. MacEachen said that these Canadian programs were being implemented as quickly as possible and that disbursements in the fiscal years 1980-81 to 1982-83 amounted to approximately \$130 million for the Commonwealth Caribbean and \$50.9 million for the countries of Central America (\$15.1 million for Honduras, \$12.5 million for Nicaragua, \$10.3 million for El Salvador, \$6.8 million for Guatemala, \$4.8 million for Costa Rica and \$1.4 million for Panama). In addition, during the same period, disbursements for Haiti amounted to approximately \$30.5 million and for the Dominican Republic to approximately \$4.9 million. Thus Canada's contribution to the Caribbean Basin area amounted to approximately \$216.3 million in the 1980-83 period. Insofar as Canadian tariff treatment to products from the Caribbean Basin region is concerned Mr. MacEachen noted that Canada currently provides duty free or preferential access to the Canadian market of some 98% by value of all exports from the Caribbean Basin area to Canada.

Mr. MacEachen emphasized that it has been the consistent Canadian view that inadequate social and economic development was the main cause of the current dangerous political and military instability in Central America and that more than ever there was an urgent need for all countries to provide economic co-operation and assistance and that Canada would continue to play its full part.