

*External Affairs*

In paragraph 16 on the next page we find the following:

A high level of external economic assistance will be necessary to permit Pakistan to proceed effectively with its development program. The rupee proceeds from the sale of wheat have increased Pakistan's capacity to absorb foreign aid by making available additional domestic funds which will be devoted to economic development.

I stress the need for a high level of external economic assistance.

I now turn to the conclusion of the report and I find this:

Thirdly, the present flow of external financial aid must be continued and, if possible, increased.

If anyone is going to tell me that we cannot do something better than give \$25 million a year to the Colombo plan I simply do not believe it. We are committed, at least through the words of the minister, to try to do something to raise the living standards of the less fortunate people of the world, in so far as our capacity permits it. This year we are going to give about \$30 million in this sort of aid. Our budget for defence will be \$2,000 million. The ratio is 3 to 200 or in terms of percentages,  $1\frac{1}{2}$  per cent. In view of what the minister has said, the proportion is utterly and completely illogical. I know we are subscribing a higher percentage than that of the total funds of the Colombo plan, but not much more than 3 per cent. Our share of the total UN budget is 3 per cent.

This coincidence of 3 per cent, running through these figures, is very interesting. Of the total budget for technical assistance our share is 3 per cent. Of the total budgets for United Nations specialized agencies our share is 3 per cent. As I have said already, our share of the Korean reconstruction agency will be 3 per cent. In view of what the minister has said I can only assume that this is a 3 per cent government with 100 per cent pretensions, and it is not good enough.

It may be asked, what can the government do? I think one of the best things they can do is to try and expunge some of the things which they have done in the past, and if the government are prepared to do that we in turn are prepared to forget it. One of the most important aspects of the cold war struggle today is the need for public investment in the underdeveloped countries of the world but I do not want to see it handled on a national basis. The only way in which it can be handled adequately and properly is through an international agency, and we have that agency already in the United Nations. If it is handled on a national basis then one comes up immediately against cries of interference. Handle it on a national basis and the recipient countries will not be

prepared to take advice as readily as they would through an international agency such as the United Nations could provide.

We have got to have some sort of world authority to finance these public works, and the proposal was made at the last assembly that we agree to a special United Nations fund for economic development. It was suggested that that fund should be started off with a capital of \$250 million. But what was the position of the government of Canada? Before we could do anything to assist this fund we must wait until we make some savings from disarmament. Again, we are prepared to follow others, but never to give a lead.

The President of the United States spoke very significantly last year when he said that any savings on defence expenditure should be used to help the underdeveloped countries. What the United States do is their business. What this government does is our business. As far as we are concerned this government is not doing enough, especially when its own delegate says in the UN debate that such a development fund can be established only when the time is ripe; and of course the time would be ripe only when we made some savings in disarmament. Was there ever a period when the time was more ripe than today, when we have the world in political and economic turmoil, when we have the crisis of the empty stomach extending over half the globe? Surely this is the time for action. It is high time that the government took the words of its own Secretary of State for External Affairs much more seriously than it has in the past.

I have complained frequently in the past of governmental schizophrenia in our foreign policy, and my complaint is amply justified. I am certain that one of the most productive things we in this country could do to advance the well-being of less privileged peoples would be to devote at least \$100 million to starting off this special United Nations fund for economic development. The result of such a gift, I am convinced, would be almost electric throughout many parts of the world; for it would give hope to millions who now have no hope. It would mean that the government was beginning to take its responsibilities and its avowed and its stated policies more seriously than it has in the past. But until the government does exercise some such leadership, I regret to say that its stated words on the matter of policy mean nothing.

**Mr. E. G. Hansell (Macleod):** Mr. Speaker, I feel impelled to take part in this debate because in such serious times as exist today