

The full significance of these price increases is only apparent when actual quantities likely to be shipped are taken into account. A few years ago, for example, we shipped roughly 600,000 tons of wheat to India at a cost of \$40 million. A similar shipment today would cost \$128 million. Looking at our food-aid program as a whole, the cost of providing the identical quantity (roughly 750,000 tons) of food that was made available to developing countries two years ago under our program has risen by 123 per cent -- from \$81 million in 1972-73 to \$181 million in 1974-75, without taking account of shipping costs, which have also risen by over 100 per cent during the same period.

Canada is already on record as being against any cutback in aid-flows. At the energy conference in Washington in February, my colleagues and I went still further, taking a leading part in getting the conference to endorse a statement in the official communiqué that a strenuous effort must be made "to maintain and enlarge the flow of development aid bilaterally and through multi-lateral institutions, on the basis of international solidarity embracing all countries, with appropriate resources".

Here in Canada, the Government is exploring several approaches:

- (1) The use of our membership in the various multilateral institutions, including the regional development banks, to encourage and support a reassessment of lending programs, enabling a redirection of resources to those developing countries that are most severely affected by the increases in oil prices.
- (2) We have requested legislative authority for Canada's contribution to the fourth replenishment of the funds of the International Development Association (IDA). This is the arm of the World Bank on which the very poorest countries depend for development assistance. It provides loans on the most concessional terms, usually at zero interest.
- (3) Bilaterally, CIDA programs will be adapted to the new situation wherever appropriate. Some countries have already stated their most pressing needs, and the World Bank has also identified some areas where assistance is urgently needed.

Clearly, CIDA will need not only more money but also a great deal of adroitness in adapting Canada's development assistance to offset some of the adverse effects of recent dislocations, while continuing to maintain the momentum of development in those countries of the Third World with which we have well-established relationships.