

b) It creates and promotes employment in rural areas. During 1972 WFP-assisted projects provided about 270 million work days of employment;

c) It provides complementary assistance, either directly or indirectly, to many development projects sponsored by other U.N. agencies or bilateral donors.

There has been a continuing debate about the value of food aid to underdeveloped countries over the years. On the one hand, many countries though afflicted with endemic hunger, are unable to absorb large volumes of food aid directly (bilaterally) from Canada. In some cases, influxes of bilateral food may even act as a disincentive to local food production. To an extent, both these problems can be overcome by channelling a larger proportion of food aid through multilateral channels such as the WFP.

Food aid through multilateral channels has been shown to be successful in ensuring that the food reaches vulnerable groups and people who are too poor to buy food, while preventing disincentive effects on local production. The "vulnerable groups" are those people who suffer most in developing countries where there are food deficits as a result of natural disasters such as droughts or floods, inflation, or the high cost of fuel and fertilizers. These are the people who are at the bottom of the income scale. They are the children, the pregnant and the nursing mothers who even at the best of times are seriously undernourished. The World Food Programme, UNICEF, and other multilateral channels, however, are able to zero in on such vulnerable groups with special feeding programs.

It is with these considerations in mind that we have vastly increased the allocation to the WFP and are initiating a special feeding program with UNICEF.