

agreed on the need for leadership by the major trading countries in pursuing early trade liberalization within the framework of the GATT.

Committee Members discussed a number of international agricultural questions. They exchanged views on issues arising from a new international wheat agreement. The Committee noted with continuing concern that increasingly restrictive agricultural policies in important trading areas of the world were inhibiting a rational allocation of resources through international trade.

Members reviewed their respective aid policies in the light of the needs of the developing countries of the world. Canadian Members noted that Canada's foreign aid, particularly its official development assistance, was continuing to expand and that following their recent foreign policy review some improvements, including a measure of untying and an increasingly large proportion of multilateral assistance, would make it more effective. United States Members described the results of the review of United States foreign policy, particularly with respect to future American contributions through multilateral institutions for economic assistance. Views were exchanged on the advantages which might be achieved by untying foreign aid procurement on a multilateral basis. In the field of trade, both countries expressed their intention to put into effect, subject to legislative approval, a regime of tariff preferences for developing countries with a view to providing expanding trade opportunities for these countries.

The Committee reviewed current developments in the field of East-West trade. United States Members referred to the general desirability of expanding trade in non-strategic goods and to recent measures taken by the United States to ease export controls and other existing restrictions on such trade. In welcoming these measures, Canadian Members referred to the extraterritorial application of these controls and expressed the hope that further steps might be taken in the near future to avoid any problems in this area. It was agreed that this matter should be pursued.