

maintains that recognition should be given by the international community of nations to the economic needs of coastal states with regard to the living resources of their adjacent seas. At the first World Conference on the Law of the Sea, Canada put forward what has come to be known as the "Canadian proposal" which provided that every state is entitled to a six mile territorial sea and a further six mile fishing zone reserved exclusively for the fishermen of the coastal state. There will soon be a second world gathering to reach agreement on these questions and I can assure you that the Canadian position will firmly remain to achieve agreement on a rule of law which provides every coastal state with an exclusive fisheries jurisdiction.

You, as a group, are perforce more concerned with trade than with aid, yet, from the Government's point of view, aid now assumes a most important role in our international economic relations. Many of the so-called under-developed countries, particularly in the Far East, have only recently won political independence and are apt to fear that economic assistance may serve as a cloak for political interference. Canada, being a middle power and free of any suspicion of a desire to dominate or control others, is an acceptable donor and we, for our part, have accepted the challenge offered by the extreme poverty and economic under-development of many areas of the world and have striven to help those areas to help themselves. Our post-war financial assistance abroad had, by March 31, 1958, totalled \$4.3 billion. Of this, actual expenditures for economic and technical assistance to under-developed countries totalled about \$290 million. The bulk of the remainder went into postwar reconstruction, loans, relief, and subscriptions to international financial institutions, such as the International Bank and Monetary Fund, which play a major part in the creation of the financial climate necessary to the healthy employment of the world's capital resources.

The huge resources which we and other Western nations have devoted as aid to the less-developed countries can be justified on humanitarian grounds alone. You, as businessmen, will agree that it can equally be justified in commercial terms in that it will provide the initial stimulus which will start the self-generating process by which these nations can in turn become our customers and trading partners. There is, too, the consideration that when Canada makes a contribution of this kind, it is more often than not in the form of Canadian goods and services which these countries need and for which they have asked. It is our belief that a programme which is thus based on a mutuality of interest between Canada and our friends in the under-developed countries is best calculated to advance our common objectives.