define these problems in their own way and then to build up the research capabilities, the innovative skills and the institutions required to solve them. The approach of the IDRC is to help the developing countries select and adapt technology to their own ends, which are not necessarily those of Western countries.

Let me give you an example of what is meant by adapting technology to their own ends which are not necessarily Western ends. I refer to a grant given a few weeks ago by the IDRC to support a study into the role, not of supermarkets, but of hawkers and vendors in the marketing and distribution of agricultural products in six cities of Malaysia, Indonesia and the Philippines. You may wonder: is this a worthwhile project? Look at it this way. Perhaps one-third of all goods and services in many Asian cities are handled through hawkers and vendors, yet their role in the pattern of food distribution from farms and cities is poorly understood, the implications of health, traffic and tax restrictions upon them hardly at all.

You can readily understand why it is important for development assistance to be carefully integrated into the development strategy of a country so that this assistance will complement the social and economic objectives of that country.

As I pointed out development assistance plays an important but still minor role in the struggle against world poverty. The function of trade and investment is more important. 80% of the foreign exchange earnings of developing countries come from international trade. Therefore, although development assistance will help on the road away from poverty, trade is the vital bridge.

The individual export receipts of most developing countries have been increasing. However, there is every reason for concern that the developing countries' proportional share of world trade has been declining in relative terms - 31% in 1948 - 22% in 1960 - down to 17.2% in 1971. To give you a dramatic example of the nature of this discrepancy in trade volumes, Canada's share in world trade in 1971 was over 5%. This was more than the share of all the Latin American countries together and substantially more than Africa'a collective share.

Developed countries purchase more than 75% of the exports of the developing countries and roughly 8% of Canada's total imports come from the Third World. In our case we import more from developing countries than we export to them. However, this is not the general situation as is evident in the fact that the global trade account deficit of developing countries was 1.5 billion dollars in 1960 - rose to $2.1 billion in 1969 and jumped to $5.6. billion in 1971.

Given the crucial importance of international trade to development, these are disheartening figures. However, they are provoking international concern and international action. Some practical steps have been taken to assist developing countries overcome these trends.

At the Third United Nations Conference on Trade and Development last year, Canada and other industrial countries agreed that special techniques and ground rules should be established for the forthcoming international negotiations under the General Agreement on Tariff and Trade to ensure that

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