

needs of individual countries and work together in the most effective way to meet those needs. The Development Assistance Committee of the OECD is probably now the most important of the co-ordinating international forums, and its members, which include most Western European countries, the United States, Japan and Canada, account for about 98 per cent of the total flow of aid from the free world. Canada's aid programmes, like those of all other members, are subject to close scrutiny and review in the DAC, and Canada has both contributed and benefited from the pooling of experience.

The External Aid Office also co-operates closely with many voluntary agencies in Canada that provide assistance to developing countries. Some of these agencies are sending abroad large numbers of Canadians who wish to make a personal contribution to the welfare of less fortunate peoples. Other organizations have arranged for the collection and transmission of books and equipment. Still others bring students to Canada for training.

1964-1965 Programme

On November 14, 1963, the Government announced that, starting in 1964-1965, Canada would expand its external aid programmes. The major increase will be effected by the institution of a new Special Development Loan programme on terms comparable to those of the International Development Association. Provision for this programme at a level of \$50 million in 1964-1965 has been made in the supplementary estimates. Canada's bilateral grant-aid programmes and its grant contributions to the multilateral aid programmes of the United Nations and related agencies are provided for in the main estimates. They total \$85.182 million, compared to \$57.624 million in 1963-1964 or an increase of nearly 50 per cent. In addition, under existing Canadian legislation, the Canadian contribution to the International Development Association in 1964-1965 is expected to be about \$8 million. For purposes of international comparison, long-term loans at commercial rates of interest are also generally included as aid, and for this reason Canadian financing under Section 21A of the Export Credits Insurance Act is included in international figures. New commitments of such export credits this year are expected to total about \$90 million.

A Canadian effort of the nature and size described above will not only result in significantly expanded Canadian aid operations in 1964-1965 but also in a programme the overall terms of which will be more favourable than those of most other donor countries. The proportion of grants is high, while the terms of the special development loans will be as soft as those provided by any national or international agency. The Canadian aid programme has been designed to meet the needs of the developing countries, both by placing a minimum of burden on their debt-servicing obligations and by providing the types of assistance most urgently required.

THE COLOMBO PLAN

The Colombo Plan for Economic Development in South and Southeast Asia, of which Canada was a founding member, marked its twelfth anniversary in 1963. The annual meeting in Bangkok, Thailand, in November 1963, of the Colombo Plan Consultative Committee noted in its report that there had been general economic progress in the area the previous year, though the performance of individual countries had been uneven. Changes in national per capita incomes ranged from increases of up to 5 per cent to actual decline in a few cases. It was acknowledged that international co-operation, through the provision of capital and technical assistance amounting to \$1,820 million during the year, continued to play an important role in the development process and that the task ahead for all members of the Plan in raising standards of living remained great.