

Aid to development

As an expression of the Government's firm commitment to international development in the 1970 foreign policy review, the Canadian aid programme for developing countries continued its rapid growth rate to reach a level of \$491 million in allocations for the fiscal year 1972-73. The aid programme thus represented an increasingly important element in the conduct of Canada's foreign relations, particularly with the Third World. While the Canadian International Development Agency, a separate organization under the Secretary of State for External Affairs, is primarily responsible for the administration of Canada's aid programme, the Department worked closely with it as with other interested departments, both in the development of policy and in ensuring coordination with other Canadian foreign policy interests. With the steady growth of the Canadian aid programme, an increasing proportion of the Department's personnel resources are engaged, in cooperation with CIDA officers, in administering these programmes at Canadian missions abroad.

While its principal objective has remained the economic and social development of the developing countries, our aid programme has been an invaluable instrument in reinforcing several other traditional objectives of Canadian policy. Canada's commitment to internationalism and to fostering development as a major responsibility of the world community was enhanced by the channelling, in 1972, of some \$133 million of Canadian aid (27 percent of the total) through multilateral institutions such as UN institutions, the World Bank Group and regional development banks. In Canada's bilateral programmes, care was taken to ensure that the balance among regions reflected the importance Canada attached to its relations with the developing countries of Asia, Commonwealth and *francophone* Africa, the Caribbean and Latin America. Moreover, in the interests of developmental effectiveness, an effort was made during the year to concentrate bilateral programmes in a smaller number of countries where the impact would be greatest and where Canadian capabilities could be used to their fullest extent. The goal

of Third World development pursued through that aid programme was not without benefit to the growth of the Canadian economy, as the result of direct procurement in Canada as well as the opening of new trade possibilities abroad.

Special attention was given in 1972 to the relief and rehabilitation needs of the new nation of Bangladesh which received \$53 million in grant aid, some \$25.8 million of it in the form of food. Canada's growing involvement in inter-American affairs was emphasized by our formal admission to membership in the Inter-American Development Bank, accompanied by a pledge to contribute \$100 million over three years to the Bank's ordinary and special resources to be used for development projects in Latin America and the Caribbean. During the year, Canada's bilateral assistance programme was extended to Cuba and Haiti.

Transportation and telecommunications

As a country which depends heavily on international trade and whose citizens travel widely for business and pleasure, conditions of international transport are of considerable importance for Canada. The Canadian Government therefore takes an active part in international organizations dealing with transport questions, such as the Intergovernmental Maritime Consultative Organization, the International Civil Aviation Organization and the United Nations Conference on Trade and Development. The Department also plays a major role in the negotiation of bilateral air service agreements, such as the recent agreements with Italy, China, and Germany, and the current discussions with the U.S., in close cooperation with the Department of Transport, the Canadian Transport Commission and other departments and agencies.

International telecommunications also have a key place in Canadian concerns. Canada has been actively engaged in the development of improved international telecommunications facilities, first by means of submarine cables and more recently by telecommunications satellite. The Department of External Affairs has been represented on the Canadian delegations to virtually all