

Mr. Chairman,

The formation of this Sub-committee is a welcome step for two good reasons. In the first place Canada, like the other wealthy nations, finds itself at a crucial point in its relations with the developing countries. After 25 years of what used to be called "foreign aid" we are facing a whole new set of circumstances, calling for new solutions to new problems. The various options open to us all have far-reaching consequences not only for our foreign policy but for our national life as well.

The second reason why I welcome the formation of this Sub-committee is the broad mandate given it in Parliament's reference of June 17. Not only is it empowered to report "upon the full range" of international development policies, but it is asked to do so "with particular reference to the economic relations between developed and developing countries". Parliament has thus shown itself aware of the fact that international development co-operation encompasses an area beyond aid transfers and involves our entire relationship with development nations. I shall come back to this point in more detail later. In this initial meeting of the Sub-committee, I want to assure you of the full co-operation of the Department of External Affairs, and of CIDA in your work.

I wish to speak today about our development assistance programme, about broader questions involved in our economic relations with developing countries and about the role of the Sub-committee. The broad mandate given to this Sub-committee is entirely appropriate as it reflects the growing sophistication and widening influence of Canada's international development co-operation from its modest beginnings 25 years ago. You will recall that the Canadian aid programme began more or less as a family affair. After India, Pakistan and Ceylon shed their colonial status in the late 1940s an awareness soon emerged that political autonomy would be difficult to sustain without rapid and intensive economic and social development. In order to support that development Canada joined Britain, Australia, New Zealand and the three newly independent Asian countries in establishing the Colombo Plan. For eight years the Colombo Plan was Canada's only country-to-country aid programme and when other members of the Commonwealth also gained their independence, Canada extended its support to them by mounting the Commonwealth Caribbean Assistance Plan in 1958 and the Commonwealth Africa Assistance Plan in 1960.