

ernment-to-government basis, about \$3.5 million through the Caribbean Development Bank (CDB), \$5 million through the non-governmental program and about \$1 million by the industrial co-operation program.

The Commonwealth Caribbean has benefited from Canadian funds provided to the International Bank for Reconstruction and Development (IBRD), International Monetary Fund (IMF), International Development Bank (IDB), Commonwealth Fund for Technical Co-operation (CFTC), the United Nations Development Program (UNDP) and its agencies which fund programs in the area. In short, there is...tradition of important investment. We decided to protect and enhance this mutual investment for the future....

Finally, we recognized that intangibles lie at the heart of our relationship: common language, a sharing of institutional structures, affection for and loyalty to the Commonwealth, similar traditions of democracy. A commitment to civil liberties, and widespread and diverse people-to-people contacts have led to the development of a "special relationship" which is unlike that which Canada has with any other part of the developing world. It is in fact, unlike our relationships with all but a few countries anywhere....

#### Priority region

Our review confirmed as official policy that the Commonwealth Caribbean is and will continue to be a region of major interest to Canada. In fact we went beyond an action plan for a regional policy approach which directed that the Commonwealth Caribbean should be accorded priority. There are two novel aspects to this action plan: it marks the first time Canada formulated such a comprehensive policy towards the Commonwealth Caribbean; and, as I have noted already, we accorded priority to the Commonwealth Caribbean in the over-all external policy of Canada....

The framework we defined for specific programs is as follows:

- The Canadian government has recently taken the decision to increase its global development assistance from the current level of 0.43 per cent to 0.5 per cent GNP by 1985-86. Within this increased level, a special priority will be given to the Commonwealth Caribbean;
- we will achieve rapid annual increases



*A CIDA-assisted educational project at a school in St. Lucia.*

which will lead to steady expansion in the real value of our aid to the region over the next five years. It is my personal hope that the totality of these flows will double in a very short time frame, perhaps in as little as three to four years.... I can confirm today that that part of the Canadian Official Development Assistance Program over which we have most influence, the bilateral program, will jump from current levels of over \$30 million to at least \$55 million by the mid-point of the decade;

- all countries in the Commonwealth Caribbean, regardless of level of economic development will be eligible for Canadian development assistance;
- we are prepared to make emergency balance-of-payments assistance available to countries whose balance-of-payments needs have been internationally recognized and for which an International Monetary Fund remedial program is agreed. This will be additional to and not offset by reductions in regular allocations;
- as regards the program objectives of this increased assistance, we will work with the Caribbean countries towards greater emphasis on the maintenance of economic, social and political stability, and the promotion of sustained economic development and growth;
- in accordance with the Canada/CARICOM agreement, we will pay particular attention to the development needs of the less developed country states of the Eastern Caribbean. Canada is prepared to organize, with the World Bank, a special consultative meeting this spring on the

needs of the Leeward and Windward Islands;

- we will continue to accord the highest possible priority to increased regional co-operation;
- to ensure more rapid disbursement of development assistance funds and to improve the effectiveness of program development, we will give serious consideration to decentralizing CIDA operations to the field;
- we will provide increased levels of technical assistance concentrated on economic and financial management in the public sectors, and on the production areas of the private sectors;
- \$1 million a year on highly concessional rates can be made available to CARICOM in industrial co-operation credits to permit the hiring of Canadian advisors to assist in industrial development planning and implementation;
- at CARICOM's request, Canada is ready to provide a Canadian official to the joint CARICOM/Canada desk on industrial co-operation for up to three years;
- Canada is similarly willing to help fund alternative solutions to current energy problems by commissioning studies and by supporting Canadian companies who have appropriate technologies to enable them to test, demonstrate and transfer these techniques to the Caribbean;
- Canada also offers to help CARICOM in computerization, particularly in the application of mini- and micro-computers through industrial co-operation studies and technology transfers; and

*(Continued on P. 8)*