

Turning to the immediate problem, I wish to affirm Canada's readiness to consider debt-relief for developing countries. We are conscious of the particularly acute debt problem of the poorest of the developing countries, and are prepared to look sympathetically at specific cases. Multilateral development-finance institutions, for their part, should consider committing new resources, within their program priorities, up to the equivalent of the debt-service payments due them from countries for which an agreed debt reorganization is negotiated.

We approach the question of an international conference to consider the debt problems of developing countries with an open mind. It would be important that any such conference be well prepared and that its objectives be clearly defined. We see the need to consider debt questions in the context of overall balance-of-payments problems and hence as being closely tied to the level of financial flows.

With respect to the levels of official development assistance, Canada's ODA as a percentage of GNP has grown to over 0.55 per cent in our fiscal year 1975-76. We reaffirm our determination to achieve the target of 0.7 per cent. In the coming years, Canada's official development assistance will continue to grow and we shall work toward the 0.7 percent target as rapidly as available fiscal resources allow. The bulk of our assistance will continue to be provided to the poorest developing countries.

Trade liberalization

It is fundamental to the development of the countries of the Third World that their exports have access to the markets of the industrialized countries. Of course their mutual trade and access to one another's markets are also of major importance. We are working through the multilateral trade negotiations in Geneva for trade-liberalization measures that will have a beneficial impact on the economies of developing countries. In connection with industrial development and further processing of raw materials in producing countries, Canada has made specific proposals in the MTN that, we believe, will be beneficial to the developing countries producing certain important raw materials.

The establishment of generalized preference schemes has been an important means of encouraging the exports of developing countries. We welcome the improvement others have made in their schemes. Canada proposes to broaden its system through the work of the tropical products group of the MTN and also intends to extend its geographical coverage to include all the least-developed of developing countries and all the former Portuguese territories, whether or not they have