

assumed this portfolio three years ago, few developments have been of greater interest than our own increasing involvement in economic cooperation.

One of the most important international developments has been the establishment of the United Nations Conference on Trade and Development, usually known as UNCTAD. Within UNCTAD the advanced countries are being asked to participate in a systematic evolution of world trading patterns to the needs of the developing countries. They seek better access to our markets for the products they manufacture. They also urgently want some internationally agreed solution to the problem of wide fluctuations in the price of primary commodities on which many of them depend for their export earnings.

Changes in trading patterns are one aspect of economic cooperation; development assistance is another. I might, in order to indicate the dimensions of the activities we are considering as well as the direction of current policy, review some of the accomplishments of the expanded aid programme announced in 1963. You may recall that the Government indicated its intention then to make substantial quantitative and qualitative improvements over a three year period which is not yet concluded.

Since 1963 the Canadian aid effort has more than doubled in volume. In addition, the overall terms of Canadian assistance have been softened with the introduction of a new development loan programme in the amount of \$50 million annually, on terms as liberal as those offered by any donor country or international lending agency. From all points of view, the Canadian programme has reached record levels in 1965. Preliminary estimates indicate that some \$250 million in Canadian aid will have been made available during the current fiscal year.

There has also been a marked expansion in the geographic coverage of the aid programme. During the past three years, the number of countries