

difficulties in raising adequate funds from the sale of its bond and note issues and has been forced to raise its borrowing rate and as a consequence its lending rate also.

There is no doubt that the resources available to the Bank's affiliate, the International Development Association, will be of very basic importance to the contribution which the Bank and its staff are able to make in those countries which already have an extremely high level of repayment and service obligation on existing debt and which have the lowest levels of per capita income and welfare.

We are deeply concerned about the difficulties of replenishing the resources of the International Development Association and believe that both the level and conditions of replenishment must be settled soon. We continue to believe that the International Development Association should be replenished at a substantially higher level than the present one.

It may be necessary that the conditions will have to include some balance of payment safeguards in this present circumstance. But we hope that these could be kept at a minimum. Canada has never advocated such safeguards, nor do we now. Our concern is to replenish the International Development Association at a high level and if safeguards do not affect the obligations of a country to give more aid, it is likely we would not wish to provide opposition beyond assuring that safeguards should be related to balance of payment difficulties only.

Mr. President, there are many other aspects of the Bank's