



STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 66/33

FOOD PROBLEMS OF THE LESS-DEVELOPED COUNTRIES

Statement by the Secretary of State for External Affairs,
the Honourable Paul Martin, on July 21, 1966, at the
Meeting in Washington, D.C., of the Development Assistance
Committee.

The problems of agricultural production in the developing countries and of the prospective food-gap are extremely difficult and intractable. Their solution will require much more imaginative and vigorous efforts on the part of both developed and developing countries, and I therefore welcome this opportunity to discuss them in the Development Assistance Committee. As a major producer and commercial exporter of foodstuffs, Canada has a vital interest in the relation between future world demand and the supply of food, and also in the implications of the food situation for the economic progress and well-being of the developing countries. The trade aspects are, of course, being discussed elsewhere; in addition, the FAO and the World Food Programme are doing important work on food aid. Nevertheless, the DAC has a distinctive role to play in examining the place of agriculture in economic development and in encouraging adequate responses on the part of both donor and recipient countries. Consequently, Canada can support the draft resolution before us, which sets out the food problems of the developing countries and their implications for assistance policies in donor countries. We are confident that it will serve a useful purpose in focusing attention on a sector which has received insufficient emphasis in the past.

I should like to deal in my remarks with two basic aspects of the problem before us as described in the recommendation -- first, to help the developing countries in the longer run to meet their growing food needs through their own resources, and second, to provide interim food supplies until they are able to do so. The importance of increasing agricultural productivity in the developing countries cannot be overemphasized. It is obvious that the only satisfactory solution lies in helping these countries to acquire the necessary knowledge, technology, resources and will to feed themselves. The Secretariat has performed a useful service in summarizing the task before us. The paper has rightly pointed out the need for effective tools, fertilizers, pesticides and seeds, as well as for related facilities such as the construction of rural roads, the provision of electricity, equipment for irrigation and drainage, and the establishment of suitable marketing arrangements. The members of this Committee can do a great deal to provide the necessary knowledge and what is now referred to in the jargon as "inputs". However, we must

recognize that the most difficult problem may be the human one - how to persuade farmers rooted in tradition to accept new agricultural technologies and motivations.

The main burden of these changes must fall on the developing countries themselves. As donor countries, we must seek to help in every way we can. Technical assistance is a vital ingredient. In Canada, we are actively examining additional ways of increasing and improving our contributions of human resources, and we shall give the highest priority to the request from developing countries for such assistance related to agriculture or fisheries as we are competent to provide. In addition, we have, over the years, provided significant assistance in other forms, such as fertilizers. In the coming years, we are prepared to supply increased amounts of fertilizers to developing countries. To this effect, programmes are being developed that will, we hope, facilitate forward planning by both Canadian industry and the developing countries concerned.

Perhaps I might note two areas in which the useful Secretariat paper might be a little more explicit. There is first the need of a proper balance in the application of agricultural inputs. As the experience of the Indian subcontinent has made clear, there are dangers in seeking to increase irrigation without paying equal attention to the important problem of drainage. Similarly, there is little point in promoting agricultural productivity through the use of fertilizers unless adequate credit and marketing arrangements are available. In short, there is no magical formula for increasing food production; we must ensure that our approach is balanced and realistic. My second comment is about fisheries. The resources of the sea are virtually untapped and I believe that more attention should be devoted to their exploitation. Our own aid programmes have given a high priority to assisting the fishing industry, and we have found that this can yield encouraging returns. Among the benefits has been the improvement of nutritional standards as a result of the enlarged supply of this high-protein food.

The other main aspect of the problem, as I mentioned earlier, is the provision of food supplies on an interim basis. Probably only a few DAC members are in a position to make a large-scale contribution in kind. Other donor countries can, however, play their part through increased contributions of cash or shipping services, either through the World Food Programme or under special arrangements such as were recently made to meet the emergency food needs of India. An excellent example of this type of aid was the British Government's cash contribution earlier this year to help meet the cost of shipping foodstuffs to India. Although Canada makes a cash contribution to the World Food Programme, our main multilateral and bilateral food aid is in the form of foodstuffs, principally wheat, which we supplied in considerable quantities over the years.

This year, Canada mounted an unprecedented food-aid programme, including the provision of one million tons of foodstuffs, largely wheat, to India to help meet the emergency situation there. Every bushel of wheat we have provided may be considered as a lost commercial sale; we have made this effort despite the fact that commercial exports of wheat are a vital element in our balance of payments and in the livelihood of Canadians.

Although food aid is, in one sense, humanitarian relief for the hungry, we also regard it as an integral part of our regular development assistance. By responding to the urgent need for food aid, we are freeing, for purposes more directly related to the economic development process, foreign-exchange resources which would otherwise be used for the purchase of foodstuffs.

It is our present intention to continue this food aid on the basis of grants rather than loans, in order to ensure that the debt-servicing positions of the developing countries are not further strained. In our view, it is necessary to draw a clear distinction between terms of aid and conditions of aid. While keeping our terms liberal, we are anxious to join with others in efforts to ensure that food aid will be used under conditions which will have the maximum impact in improving levels of agricultural productivity in the developing countries.

As Canada expands the size of its bilateral and multilateral aid programmes, more resources will become available for assistance to agriculture and we look to the DAC for increasing help in administering this assistance. The DAC might well serve as a forum for the exchange of ideas and techniques for improvements in the carrying-out of aid programmes in the agricultural sector. Exchanges of views with countries whose experience is greater than our own would be most helpful and would assist us in responding to the aid requests of the developing countries and in suggesting to them how Canadian agricultural assistance might be more effective.

In addition, a co-ordinated approach might be particularly helpful in leading to greater emphasis on self-help in agriculture and the importance of adequate performance by the developing countries. The DAC has done some general work in this field and more may be possible. The IBRD consortia and consultative groups can also play a helpful role. We intend to rely increasingly on these groups to evaluate, on a country-by-country basis, the adequacy of the performance of the local governments, and the most appropriate form and terms for external assistance. The DAC might find it useful to look closely at the role of IBRD groups to see if there are ways to make them even more effective.

Here we are quite properly concerned with official aid programmes, the channel through which the bulk of assistance will have to flow. However, we should not overlook non-governmental groups, which can play a helpful role in complementing these official activities. For example, private industry can make a real contribution, and the FAO is already attempting to co-ordinate and encourage these activities. A most significant recent development has been the action of His Holiness the Pope in setting up the special committee, headed by Cardinal Roy of Canada, to mobilize the Church for an active role in the world's war on hunger. Similar work is being done by other churches and by various secular organizations; the agricultural research work of the Rockefeller Foundation, for example, has been outstanding. In conclusion, I should like to endorse the carefully-drafted words of Paragraph 9 of the recommendation about consultation and co-ordination with other international organizations. Like other governments, we channel a substantial portion of our aid funds to the Specialized Agencies of the UN and to the IDA, and we are anxious to ensure that their efforts to meet food and agricultural problems complement bilateral

activities. We appreciate the need to avoid any impression that the DAC is interfering with their work, but the DAC has a legitimate role to play in assembling information on the related activities of the various bilateral and multilateral programmes. In our view, the words of the recommendation strike the right note and are an excellent example of the unique role which the DAC can play in assisting member governments to make an effective appraisal of important development problems.

S/C