

Latin American Program.—A bilateral Canadian aid program for Latin America was initiated in December 1964, when the Canadian Government concluded an agreement with the Inter-American Development Bank (IADB) by which Canada allocated \$10,000,000 in 'soft' development loan funds for use in high-priority economic, technical and educational projects in Latin America. This initial allocation was augmented in September 1965 with the provision of an additional \$10,000,000 in development loan funds for the area. In 1966-67 this amount was increased to bring the fund total up to \$30,000,000.

Under terms of the agreement, the IADB selects and processes proposed loan projects before submitting those considered suitable to the Canadian Government for its approval. By Mar. 31, 1967, nine Canadian development loans totalling \$16,856,000 had been made available. They included the Port Authority of Acapulco, one of the main Pacific seacoast ports of the Central American Republic of El Salvador, which was granted an interest-free development loan of \$3,240,000 for the expansion and improvement of port facilities, and Canadian development loan funds of up to \$1,260,000 were made available to the Republic of Ecuador to finance a resources survey of 13,000 sq. miles of agricultural and forest land in that country's Guayas River Valley.

Co-operation with the United Nations and its Specialized Agencies, and with other International Aid Programs.—In addition to the annual contributions made to the United Nations Development Program, which encompasses all United Nations programs of technical assistance, Canada arranges training programs in this country for individuals studying under the auspices of the different specialized agencies. This service is also extended to the technical assistance program of the International Co-operation Administration of the United States as well as to other international aid organizations. Up to Mar. 31, 1967, 2,151 individuals had come to Canada through the various agencies from more than 100 countries in all parts of the world. Assistance is also given by recruiting Canadians for service with the specialized agencies on specific technical assistance assignments in under-developed countries.

External Aid Office.—As at Nov. 9, 1960, the operation and administration of Canada's external assistance programs became the responsibility of the External Aid Office, established by Order in Council, placing it in charge of a Director General.

As mentioned under the separate programs above, additional funds were made available for grant assistance in 1966-67. Canada also introduced a development loan program for which \$50,000,000 was authorized in 1965 by Parliament on a non-lapsing basis. The present fiscal period being reported upon is the third consecutive year in which this amount of money has been appropriated for development loan purposes. The terms of the loans are comparable with those of the International Development Association—up to 50 years maturity, non-interest-bearing, and a ten-year grace period. In 1965, the service charge previously in effect (0.75 p.c.) was dropped.

In 1965, Parliament approved the establishment of a separate food aid program under which the External Aid Office is able to purchase food products to meet part of the Canadian contributions to the FAO World Food Program and to meet the needs of countries requesting this form of Canadian assistance.

In 1967, Canada's contribution to the world's food needs increased to \$100,500,000, from \$35,000,000 allocated the year before. It included a special allocation of \$21,500,000 over the amount originally budgeted, in response to an appeal to the Canadian Government in November 1966 by the Prime Minister of India, for urgently required Canadian wheat. Altogether, the significant increase in Canada's food aid program was considered necessary because of continuing distress in India, Pakistan, Algeria, Morocco and Senegal due to crop failures, as well as continuing Canadian commitments to UN specialized agencies.
