

<sup>R</sup> Department of External Affairs

**CLASSIFIED**

File No. 35-20-ECLA

**ACRX**

Subject: ~~E~~CONOMIC AFFAIRS-  
REGIONAL ECONOMIC GROUPINGS-  
ECONOMIC COMMISSION FOR  
LATIN AMERICA.

Vol. 3  
From 1/5/66  
To 23/1/69

References to Related Files

File No.

Subject

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DIVISIONAL SYMBOL

000651



Series	File/Dossier 35-20-ECLA	Volume 3	Dates May 1/66 to Jan 23/69	Location/Lieu
Title/Titre Economic Affairs -- Regional Ec. Groupings - Economic Commission for Latin America			Screeners <i>[Signature]</i>	Date Sept 28/83
Category/Catégorie		Declassified Déclassé <input type="checkbox"/>	Partly declassified Déclassé en partie <input type="checkbox"/>	Closed Non déclassé <input type="checkbox"/>
Explanation/Explication Lots of lengthy documents and reports on meetings, but not much of primary interest for P. J. Desrosiers				Release date Date du déclassément

Date  
AUG 18 1980

CHECKLIST - PREPARATION OF SUBSTANTIVE FILES FOR MICROFILMING  
LISTE DE CONTROLE - EXAMEN DE DOSSIERS - MATIERES POUR FINS DE MICROPHOTOGRAPHIE

File No./Dossier no  
35-20-EC LA  
Vol. No.  
3

Subject/Sujet  
Economic Affairs - Regional Economic Groupings - Economic Commission for Latin America

Date From/De  
66-05-81  
Date To/A  
69-01-23

CLERK/COMMIS			ANALYST/ANALYSTE													
Transmittal slips, action request forms and envelopes destroyed	Items misfiled sent to ACIW	Straight copies destroyed	Ephemeral items sent to ACIR	Items reclassified	Copies of drafts etc. destroyed	BOOKLETS, PAMPHLETS, RECORDINGS, LEGAL DOCUMENTS, CLIPPINGS, BRIEFINGS, NATO, U.N. AND SPECIALIZED AGENCIES DOCUMENTS, ETC. PHOTOGRAPHS								Size and clarity		
						LIVRETS, PAMPHLETS, ENREGISTREMENTS MAGNÉTIQUES, DOCUMENTS JURIDIQUES, COUPURES DE JOURNAUX, CAHIERS D'INFORMATIONS GÉNÉRALES, DOCUMENTS DE L'OTAN, DES N.U. ET D'AGENCES SPÉCIALISÉES, ETC. PHOTOGRAPHIES										
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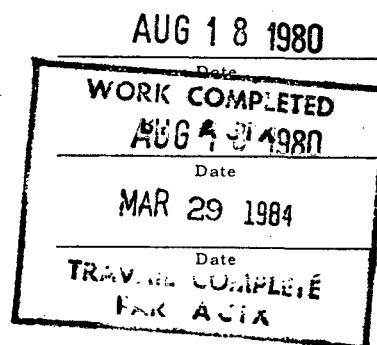
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Revision completed:  
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ACIX

Microfiche completed:  
Microfilmage complété:

EXT 152



Signature  
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000653

FORM "A"  
FORMULAIRE "A"

RECORDS IMPROVEMENT UNIT ACTION FORM  
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S.V.P. donner suite aux items ci-joints tel qu'indiqué ci-dessous:

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1. File/ Classer
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*Retenir au Randtriever dans pochette appropriée.*
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1. Amend index and refer to ACIW for filing.  
*Modifier index et transmettre à ACIW pour mise au dossier.*

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AUG 15 1980



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# MESSAGE

FM/DE EXTERNAL OTT

DATE	FILE/DOSSIER		SECURITY SECURITE
MAY3/66	35-20-66211		CONF
	36	36	

TO/A SANTIAGO

NO  
E-1469  
PRECEDENCE  
IMMED

INFO FINANCE(DARLING) TANDCOTT(BULL) EXTAID INDUSTRY(BOCKING)

LABOUR(PAMMET) ECIC(CHAMBERS) BOFC(MACKAY) WASHDC

REE OURTEL E-1320 APR21

SUB/SUJ ECLA ELEVENTH SESSION OF THE CTTEE OF THE WHOLE

IN ITS DISCUSSION AT THIS ECLA SESSION, CDN DEL SHOULD BE GUIDED  
GENERALLY BY OUR BRIEFING TEL E-840 MARLO TO BAIREZ PREPARED FOR  
IA-ECOSOC FOURTH ANNUAL MTG WHICH WE ARE REPEATING TO YOU SEPARATELY, *AND WHICH*  
*SOME OF MAIN*  
~~THIS TEL~~ SET OUT/QUESTIONS RELEVANT TO LATIN AMERICAN DEVELOPMENT  
OF PARTICULAR INTEREST TO US AT THIS TIME. REPORT OF OUR DEL TO  
IA-ECOSOC WHICH MR. SHAPIRO WILL BRING WITH HIM WILL ALSO PROVIDE  
USEFUL BACKGROUND. FOLLOWING ARE ADDITIONAL POINTS AND COMMENTS ON  
MATTERS OF INTEREST TO US IN LIGHT OF DOCUS WHICH YOU FORWARDED US.

2. ROLE AND EFFECTIVENESS OF ECLA: EFFECT ON THE GEN DEVELOPMENT OF  
ECLA OF THE DEPARTURE OF RAUL PREBISCH AND MANY OF BRIGHT YOUNG  
SPECIALISTS HE HAD ATTRACTED TO THE ORGANIZATION. IT APPEARS THAT THE  
CTTEE OF NINE IS LOSING INFLUENCE AS ECLA'S SPECIAL ROLE UNDER  
PREBISCH IN STIMULATING LATIN AMERICAN DEVELOPMENT SHIFTS TO CIAP.

3. UNCTAD: THE RELATIONSHIP OF ECLA, AND IN PARTICULAR OF ITS TRADE  
CTTEE AND ADVISORY GROUP ON TRADE POLICY WITH UNCTAD. WILL ECLA ACT,  
AS FOR FIRST UNCTAD, AS FOCAL POINT FOR FORMULATION AND COORDINATION

...2

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SIG.....  
E. HEBERT/jc

ECONOMIC

SIG.....J. F. HYNDMAN.....  
JC. LANGLEY.....

~~XXXXXX~~

OF LATIN AMERICAN VIEWS AND PROPOSALS FOR THE SECOND UNCTAD. ARE THERE ANY INDICATIONS OF MAJOR SUBJECTS WHICH LATIN AMERICANS WILL BE PRESSING TO HAVE INCLUDED IN AGENDA OF SECOND UNCTAD?

4. INDUSTRIAL DEVELOPMENT: ECLA HAS TAKEN ACTIVE INTEREST IN FOSTERING INDUSTRIAL DEVELOPMENT IN LATIN AMERICA; E.G. MAR SYMPOSIUM ON INDUSTRIAL DEVELOPMENT. TO WHAT EXTENT HAS COMMON LATIN AMERICAN POSITION BEEN REACHED REGARDING INTERNATIONAL SYMPOSIUM ON INDUSTRIAL DEVELOPMENT WHICH IS TO BE HELD UNDER UNITED NATIONS SPONSORSHIP IN 1967?

5. REGIONAL INTEGRATION: IN LIGHT OF REPORT OF NINTH SESSION OF CENTRAL AMERICAN ECONOMIC COOPERATION CTTEE, WHAT ROLE, IF ANY IS ECLA CONTINUING TO PLAY IN DEVELOPMENT OF CENTRAL AMERICAN COMMON MARKET?

6. MR. SHAPIRO HAS BEEN ASKED TO DEAL SEPARATELY AND SPECIFICALLY WITH LINKS BETWEEN ECLA AND LATIN AMERICAN FREE TRADE ASSOCIATION. COMMENT BY DEL AS WHOLE ON GEN QUESTION OF AMOUNT AND VALUE OF ECLA'S INFLUENCE ON OTHER INTER-AMERICAN ORGANIZATION, FOR EXAMPLE, THE OAS AND IADB, WOULD BE OF INTEREST.

7. GEN IMPRESSIONS OF PROSPECTS OF LATIN AMERICAN INTEGRATION, THROUGH EXISTING ARRANGEMENTS. E.G. LAFTA, CACM, AND ON BROADER BASIS.

8. ECONOMIC AND SOCIAL PLANNING: LATIN AMERICAN INSTITUTE FOR ECONOMIC AND SOCIAL PLANNING SEEMS TO BE DOING GOOD WORK. COMMENT ON ITS EFFECTIVENESS WOULD BE INTERESTING. CDN DEL SHOULD SUPPORT RESOLUTION OF GOVERNING COUNCIL OF INSTITUTE RECOMMENDING THE INSTITUTE'S CONTINUATION.



# MESSAGE

FM/DE	EXTERNAL, CPT	DATE	FILE/DOSSIER	SECURITY
		MAY 5 1966	35-20-ECLA	SECURITE
TO/A	BUENOS AIRES	REPEAT TO SANTIAGO, CHILE	NO	PRECEDENCE
			CA - 471	PRIORITY
INFO	UNESCODEL, PARIS			

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## REF

**SUB/SUJ** CONFERENCE OF MINISTERS EDUCATION AND MINISTERS ECONOMIC PLANNING IN LATIN AMERICA AND CARIBBEAN, BUENOS AIRES, JUNE 20-30, 1966

FOLLOWING FOR AMBASSADOR: CDN GOVT HAS BEEN INVITED TO PARTICIPATE IN THIS CONF BEING ORGANIZED UNDER JOINT AUSPICES UNESCO AND ECLA. PURPOSE OF CONF, AS SET FORTH IN RESOLUTION ADOPTED AT THIRTEENTH SESSION OF UNESCO GEN CONF, IS QUOTE TO FACILITATE THE FORMULATION OF GUIDING CRITERIA AND PRINCIPLES TO HELP MEMBER STATES IN LATIN AMERICA IN PLANNING DEVELOPMENT OF EDUCATION AT NATIONAL LEVEL UNQUOTE.

2. IN VIEW OF TIME FACTOR, WHICH WOULD MAKE CONSULTATION WITH APPROPRIATE PROVINCIAL AUTHORITIES DIFFICULT, AND LIMITED EXTENT OF CDN INTEREST, DECISION HAS BEEN TAKEN FOR CDA TO BE REPRESENTED AT CONF BY AN QUOTE OBSERVER DELEGATION UNQUOTE OF TWO. I WOULD BE GRATEFUL IF YOU WOULD AGREE TO HEAD SUCH A DELEGATION ASSISTED BY R.E. GRAVEL, COMMERCIAL COUNSELLOR, SANTIAGO, WHO FOLLOWS ECLA ACTIVITIES. OF COURSE, DELEGATION WILL NOT HAVE RIGHT TO VOTE AND QUOTE OBSERVER UNQUOTE STATUS WILL ENABLE YOU TO AVOID BECOMING INVOLVED IN DISCUSSIONS ON PROJECTS WHICH MIGHT HAVE POLICY IMPLICATIONS FOR FUTURE.

... /2

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**LOCAL/LOCALE** (DONE) c.c. LEGAL DIV (R. MCKINNON) c.c. HEAD, LATIN AM. SECTION, TRADE COMMSR SERV

ORIGINATOR/REDACTEUR	DIVISION	TELEPHONE	APPROVED/AUTORISE
I.C. CLARK			
SIG. T.C. CLARK/sg	CULTURAL AFFAIRS	2-4349	SIG. M. CADIEUX M. CADIEUX

- 2 -

3. FOLLOWING FOR AMBASSADOR, SANTIAGO: TRADE COMMISSIONER SERVICE SEES NO OBJECTION TO GRAVEL PARTICIPATING IN THIS CONF WHICH WOULD BE MOST APPROPRIATE GIVEN HIS RESPONSIBILITY FOR ECLA MATTERS. GRATEFUL TO KNOW WHETHER HE WOULD BE AVAILABLE TO ASSIST. CADIEUX.



EXTERNAL AFFAIRS

AFFAIRES EXTÉRIEURES

MEMORANDUM

TO The Under-Secretary

FROM Cultural Affairs Division

REFERENCE  
RéférenceSUBJECT Conference of Ministers of Education and Ministers responsible  
Sujet for Economic Planning in the countries of Latin America and the  
Caribbean, Buenos Aires, June 10-16, 1966.SECURITY CONFIDENTIAL  
Sécurité

DATE May 5, 1966

NUMBER  
Numéro

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	36

ENCLOSURES  
AnnexesDISTRIBUTION

Personnel Ops

Finance Div.

Latin American  
Division,  
Mr. A.J. PickEconomic Div.,  
Mr. J.R. BarkerLegal Division,  
Mr. R. McKinnon

... We attach an invitation, addressed to the Minister and dated April 18, 1966, inviting Canadian Government participation in this Conference which is being organized under the joint auspices of Unesco and the Economic Commission for Latin America (ECLA) "to facilitate the formulation of guiding criteria and principles to help member states in Latin America in planning the development of education at the national level" - as defined by a resolution adopted by the Unesco General Conference at its Thirteenth Session. The Conference will also be invited to formulate recommendations on the orientation of Unesco's subsequent educational programmes in Latin America and the Caribbean.

2. We believe that it would serve no useful purpose at this late date to involve the Minister in the lengthy and complicated process of consulting the appropriate Canadian education authorities in an attempt to send a representative delegation to act in the category of "chief participants", to say nothing of ensuring that once the Delegation was chosen, it could be properly briefed.

3. On the other hand, to recommend to the Minister that we send a delegation to act in this category, which did not include representatives appropriately selected through some process of consultation involving the provinces or their agents, could lead to embarrassment in the event that the make-up of the Canadian Delegation was ever questioned either in the House or in the Press, or by the educational authorities themselves.

4. We might mention that recent experience with conferences in the education field has demonstrated, as you will recall, a certain understandable reluctance on the part of the Minister to incur the expenses attendant upon the sending of official delegations, even when Canadian interest in the subjects to be discussed was considerably greater than it is in the present case.

5. In the circumstances, we believe that the prudent course to follow would be for Canada to be represented at this Conference by an "observer delegation", made up of our Ambassador to Argentina, Mr. Jean Bruchési, and Mr. R.E. Gravel, Commercial Counsellor in Santiago and Canadian representative on ECLA. Their presence would demonstrate a Canadian interest in the Conference, yet their "observer" status would avoid the need for them to become involved in discussions

CONFIDENTIAL

- 2 -

on projects which might have policy implications for the future. At the same time, the Government would be protected from the criticism that it was in any way usurping provincial prerogatives. Of course, the Canadian representatives would not have the right to vote.

6. We thought it would be more helpful to make this proposal in a memorandum to you so that you could either show it to the Minister or speak to him from it, as you wished. As we know of no reason why Mr. Bruchési and Mr. Gravel could not take part in the Conference, we have attached a telegram for your signature, if you agree, informing them of our plans. On receipt of their replies, we can then prepare a suitable reply to the Unesco and ECLA invitation for your signature.

...

I.C. CLARK

Cultural Affairs Division



## MESSAGE

# FILE COPY

DATE MAY 19/66		FILE / DOSSIER 35-20- ECLA		SECURITY SECURITE
		36	36	CONF
FM/DE EXTERNAL OTT			NO	PRECEDENCE
TO/A SANTIAGO			E- 1533	<del>EXORIM</del> IMMED
INFO TAN COTT (BULL) FINANCE (				

REF      CURTAL   E-1469   MAY3

SUB/SUJ ECLA  
 AT YOUR DISCRETION ~~RELATION~~ CTTEE OF THE WHOLE

AT YOUR DISCRETION ~~XXXXXXXXXXXXXXXXXXXX~~ YOU MIGHT FIND IT DESIRABLE AND APPROPRIATE TO

**MAKE A BRIEF STATEMENT AT THIS STG PARTICULARLY IF OTHER NON-REGIONAL MEMBERS**

**FAKE STATEMENTS. WE ASSUME ANY SUCH STATEMENT SHOULD BE BRIEF AND SHOULD NOT**

RPT NOT ATTEMPT TO COMMENT ON SUBSTANCE OF QUESTIONS ON THE AGENDA WHICH IN  
 FORUM PRESUMABLY FOR AMONG  
 THIS ~~GROUP~~ SH ULDBE LEFT TO~~BE~~DISCUSSED~~ON~~ BY THE LATIN AMERICAN COUNTRIES AMONG

THEMSELVES. YOU MIGHT HOWEVER WISH TO REFER TO EXPANSION OF OUR PROGRAMME

INITIATED IN 1964, IN COOPERATION WITH INTER AMERICAN DEVELOPMENT BANK UNDER

WHICH LOANS ON TERMS COMPARABLE WITH THOSE OF IDA (FIFTY YEARS MATURITY WITH  
EXCEPT A  $\frac{1}{2}$  OF ONE PERCENT SERVICE CHARGE)  
A GRACE PERIOD OF TEN YEARS AND NO INTEREST ARE MADE AVAILABLE FOR

EXCLUSIVE USE IN LATIN AMERICA THROUGH THE IDB. CDA HAS MADE AVAILABLE TO

THE BANK \$35 MILLION TO DATE FOR LOANS IN LATIN AMERICA, \$20 MILLION OF WHICH

ARE FOR IDA TYPE QUOTE SOFT UNQUOTE LOANS ON AND \$15 MILLION IN ECID

**CREDITS (LONG TERM LOANS AT SIX PERCENT AVAILABLE FOR FINANCING CAPITAL**

## EXPORTS TO DEVELOPING COUNTRIES UNDER ARTICLE 21A OF THE EXPORT CREDIT

INSURANCE ACT). IN ADDITION TO THIS SPECIFIC PROGRAMME OF ASSISTANCE THROUGH

THE IDB, ECIC 21A CREDIT AND EXPORT CREDIT INSURANCE FACILITIES HAVE BEEN

...2



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SIG..... J.E. RINGMAN/SN		ECONOMIC		2-3952 J.E. RINGMAN	

AVAILABLE FOR SOME YEARS TO FINANCE SALES TO LATIN AMERICAN COUNTRIES.  
AT THE PRESENT TIME ECIC 21A FINANCING FOR LATIN AMERICA TOTALS \$119.7  
MILLION AND TOTAL ~~UNRECOVERED~~ AMOUNT INSURED BY THE ECIC IN RESPECT OF  
LATIN AMERICAN COUNTRIES IS 336.5 MILLION. LAST YEAR INSURANCE POLICIES  
ISSUED BY THE EXPORT CREDIT INSURANCE CORPORATION COVERING EXPORTS  
TO LATIN AMERICAN COUNTRIES TOTALLED \$33.4 MILLION.

2. THE CDN GOVT SUPPORTED THE UNCTAD RESOLUTION ENUNCIATING AN AID TARGET  
FOR ASSISTANCE FROM DEVELOPED COUNTRIES OF ONE PERCENT OF GNP AT FACTOR  
COST TAKING INTO ACCOUNT THE SPECIAL POSITION OF COUNTRIES WHICH ARE  
NET IMPORTERS OF CAPITAL AND THE CDN GOVT INTENDS PROGRESSIVELY TO DEVELOP  
ITS EXTERNAL AID PROGRAMMES.



Mr. Hyndman to see O.R.

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

*Handwritten initials*

TO Under-Secretary of State for External Affairs,  
A Ottawa

SECURITY Confidential  
Sécurité

FROM The Canadian Embassy, Montevideo  
De

DATE May 17, 1966

REFERENCE  
Référence

NUMBER 100  
Numéro

SUBJECT E.C.L.A. RELATIONSHIP TO L.A.F.T.A.  
Sujet

TO: <i>Hebert</i>
MAY 25 1966
REGISTRY

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	40 35-20-ECLA 40
35-20-LAFTA	

ENCLOSURES  
Annexes

DISTRIBUTION

Dept. of  
Trade and  
Commerce,  
Ottawa

This is in reference to the message of instruction sent to the Santiago Embassy with regard to the 11th Session of the Committee of the Whole of ECLA. One of the questions raised by Ottawa concerned the working relations of ECLA with LAFTA.

2. On this particular point it is noteworthy that the members of ECLA requested the secretariat at the 1965 session to concentrate on the following activities: "a speedier advance towards Latin American economic integration in both LAFTA and the Central American economic integration programme; research on the industrialization process and its relation to integration; the preparation of the Economic Survey of Latin America, 1965; the evaluation of economic prospects and the formulation of projections for the Latin American countries; the provision of technical assistance of various kinds, and the preparation of studies submitted to a number of meetings and conferences organized by other branches of the United Nations family with the co-operation of ECLA." (Underlining is ours).

3. At the present meeting, the ECLA secretariat reported that, while in institutional terms there has been progress within LAFTA, the situation is less encouraging with respect to progress of tariff concessions, complementation agreements and the institution of automatic liberalization mechanisms. It reported also that Mexico and the Central American countries will be planning to increase their regional trade, and that this is the first step towards the establishment of a new relationship between LAFTA and the Central American Common Market.

4. While the ECLA agenda for the present meeting did not provide for a discussion of LAFTA, the annual report of ECLA to the U.N. Economic and Social Council shows that the ECLA secretariat considers itself to be playing a useful role in LAFTA:- such as calling together government experts to discuss acceleration of tariff reductions; coordination of the analytical, research and planning activities carried out by different organizations working on integration, submitting suggestions and ideas to the executive committee of LAFTA, and indeed, ECLA has completed a study on certain consular procedures as part of its contribution for LAFTA. As from the beginning of 1966 the ECLA secretariat has seconded staff to Montevideo with a view to providing the necessary liaison with the LAFTA secretariat.

*Handwritten notes:*  
J-66  
also refer to  
Latin America  
in  
we file  
all  
Done  
26/5/66  
gl.

*Handwritten letter 'E'*

5. It does appear, therefore, that ECLA has a useful role to play in providing assistance and advice to LAFTA and making studies on the many aspects of integration. When the LAFTA was in the process of establishing its own secretariat it rejected the attempts of ECLA to dominate the organization; but today the LAFTA secretariat appears to welcome the assistance of the older organization.

6. We do not think, however, that ECLA has any substantial influence on LAFTA policies.

*B. Shapiro*

B. SHAPIRO  
COMMERCIAL COUNSELLOR

The Embassy

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

*File*  
*WLB*

TO  
À

The Under-Secretary of State for  
External Affairs, Ottawa

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FROM  
De

The Embassy, Santiago, Chile

TO: *H. G. G.*  
JUN 8 1966

DATE

May 30, 1966

REFERENCE  
Référence

Your telexes E1469 of May 4  
and E1553 of May 9

NUMBER  
Numéro

158

SUBJECT  
Sujet

ECLA - ELEVENTH MEETING OF THE COMMITTEE  
OF THE WHOLE, SANTIAGO, MAY 10-12, 1966

E	TO: <i>H. G. G.</i> JUN 8 1966
REGISTRY	

FILE OTTAWA	DOSSIER <i>35-20-ECLA</i>
MISSION <i>40 35-LATAM-20-ECLA-42 70</i>	

ENCLOSURES  
Annexes

5

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Embassy,  
Montevideo

The Eleventh Meeting of the Committee of the Whole of the Economic Commission for Latin America was held in the Santiago headquarters of the Commission, May 10 - 12, in accordance with Paragraph 12 of ECLA's terms of reference, which states that "the Commission shall submit to the Council once a year a full report on its activities and plans, including those of any subsidiary bodies". The main items on the agenda were the review and adoption of the annual reports of the Commission and that of its subsidiary, the Latin American Institute for Economic and Social Planning, and the period covered extended from May 18, 1965 to May 12, 1966.

*g-67*

#### Canadian Participation

2. The Canadian Delegation was headed by Mr. G.B. Summers, Ambassador to Chile, with Mr. R.E. Gravel, Commercial Counsellor as Alternate Representative and Messrs. B.S. Shapiro, Commercial Counsellor in Montevideo and Z.W. Buriannyk, Third Secretary (Commercial) in Santiago, as advisers. While the overall report is the responsibility of the Santiago office, Mr. Shapiro has been asked to deal separately and specifically with the links between ECLA and the Latin American Free Trade Association. At the closing session, the head of the Canadian Delegation made a short intervention along the lines suggested in your telex of May 9, relative to the extent and expansion of our loan programme to Latin America. He also complimented the Commission on its excellent work and his remarks were very much appreciated by the secretariat as well as by the Latin American delegations. Our intervention served the purpose of stressing the Canadian presence and interest and was no more nor less than what was befitting and expected from the Canadian Delegation. No other interventions were made, and the agenda items were left for discussion among Latin American countries themselves.

..2

### Membership and Attendance

3. The three-day meetings were attended by delegations of the following States members of the Commission: Argentina, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, France, Guatemala, Honduras, Mexico, Netherlands, Nicaragua, Panama, Paraguay, Peru, Trinidad and Tobago, Britain, United States of America, Uruguay and Venezuela. Cuba was conspicuous by its absence. British Guiana was also represented as an Associate member of the Commission (actually by a Miss Alexander, a Guianan Foreign Service trainee in the British Embassy in Santiago).
4. Representatives of the following States members of the United Nations, not members of ECLA, attended the session in a consultative capacity: Belgium, Czechoslovakia, Hungary, Japan, Poland, Yugoslavia, and the Union of Socialist Soviet Republics. This is in accordance with Paragraph 6 of the Commission's terms of reference.
5. In addition, the usual specialized agencies, inter-governmental and non-governmental organizations were in attendance.

### Agenda

6. The provisional agenda as previously submitted to participants was adopted without amendments. For record purposes and easy reference, we list hereunder the items of the agenda:
  - a) Opening addresses
  - b) Election of officers
  - c) Adoption of the agenda
  - d) Report of the secretariat on the activities of the Commission
  - e) Central American Economic Integration Programme
  - f) Latin American Institute for Economic and Social Planning
  - g) Technical assistance activities in Latin America
  - h) Other business
  - i) Consideration and adoption of the annual report of the Commission to the Economic and Social Council

### Documentation

7. The documentation was sent to you with our Numbered Letter 114 of April 15, 1966.

...3

United Nations Conference on Trade and Development

8. In his opening address, the Chilean Minister for Foreign Affairs, Mr. Gabriel Valdés, spoke on the fundamental necessity of international co-operation and the importance of a collective stand on the part of developing countries. The economic difficulties which beset Latin American nations such as the chronic imbalance of payments resulting from an accumulation of foreign debts and fluctuations of the external income, are aggravated by the attitude of industrialized countries who are reluctant to abandon their protectionist practices. Such problems cannot be solved unilaterally, hence the importance of the coming U.N. Conference on Trade and Development, where Latin Americans should play an important role. However, a common platform for action must by necessity be worked out and here ECLA can provide valuable co-operation.

A resolution (262 Ac.58) adopted at the present session (abstentions: Canada, Britain, U.S.A. and Netherlands) calls on the ECLA secretariat to complete as soon as possible the studies requested in Trade Committee Resolution 18(IV) and ECLA's 253 (XI) to provide elements of judgment and suggestions for the preparation of a common stand for the Latin American countries in the field of trade policy. The resolution also requests the secretariat to "accord the Latin American countries the co-operation and advice needed, on an individual or collective basis, for the purpose of defining possible lines of joint action in the field of trade policy, especially in relation to the questions to be dealt with at the Fourth Session of the UNCTAD Trade and Development Board and in the various subsidiary organs of UNCTAD that are to meet during 1966, and in relation to any questions of special interest for those countries that it is decided to consider at the Second Session of UNCTAD."

10. It would seem therefore that ECLA may possibly act as the focal point for formulating and co-ordinating Latin American proposals for the second UNCTAD. There were no intimations this time, however, of major subjects which Latin Americans might be pressing for inclusion in the second UNCTAD agenda. The specific studies requested of the secretariat at ECLA's Eleventh Session in Mexico last May may serve as an indication of the Latin American approach and in this connection we would refer to Numbered Letter 233 (Paragraph 17f) of May 28, 1965, originating from our Embassy in Mexico and dealing with Resolution 253 (XI) on which the Canadian, British, U.S. and Netherlands delegations abstained from voting as they had at the last Trade Committee meeting in Santiago.



The studies entrusted to the secretariat related inter alia, to the preparation of schedules of primary commodities and manufactures and semi-manufactures which are of special interest to Latin America as exports; determination of the trade position of these items, in the light of the commitments accepted by the developed countries at Geneva; the fluctuations in the international prices of the principal primary commodities; the effect of the elimination of trade preferences and compensatory measures; the scope and features of commodity agreements; the possibilities for exporting Latin American manufactures and semi-manufactures; and the implementation of the measures adopted by the industrialized countries and international financial institutions at Geneva. For easy reference, we are attaching a copy of Resolution 262 (AC.58) together with copies of ECLA's Resolution 253 (XI) and Trade Committee Resolution 18(IV) - Annexes 1 - 3.

#### International Symposium on Industrial Development

12. As you know, the ECLA secretariat has been asked to hold informal consultations with the various member governments to study the possibility of adopting a common Latin American position at the 1967 World Symposium (see our Numbered Letter 107 of April 12, 1966, Paragraph 48). So far, we have not been able to learn to what extent a common position may have been reached but we would suspect that there has not been sufficient time since the March Regional Symposium for the ECLA secretariat to accomplish this charge. In any case, it will be recalled that the secretariat does not have to present its findings before the ECLA session which is to be held in Caracas next Spring.

#### Role and Effectiveness of ECLA

13. The great change which has taken place in the functions of ECLA over the last few years merits detailed examination. Up to a few years ago under the able leadership of Prebisch, the organization was playing a leading role in the development of economic and trade policies in Latin America. Perhaps it is not too misleading to say that the organization went beyond the expected functions of a U.N. regional body at that time, again due to the character of Prebisch. He preached the need for governments to undertake certain activities so as to enable their economies to grow in an orderly fashion--he pointed to the need for tax reforms, agricultural improvements, and changes in the educational system, all of which required government intervention. In effect he urged governments to develop long range plans and this required planning institutions and agencies to

be established with men trained to handle these functions. He also urged Latin American countries to join together to solve trade problems and he saw the need for a common market to provide a better base for growing industries. By the time he left the organization to take his new job with the UNCTAD, a great change had come over the Latin American scene. South America had formed LAFTA (including Mexico), the five Central American countries had made a very successful move towards a common market, the IDB had been established and had been given large resources to enable it to operate effectively, the Alliance for Progress had been operating for a few years and had been pouring resources and ideas into Latin America, and finally the second UNCTAD conference was being planned so as to enable a dialogue to be carried out between the underdeveloped countries and the developed countries in a more orderly fashion.

14. It was thus inevitable that ECLA would enhance its position in this transformed area. At the meeting of ECLA under Dr. Mayobre's leadership which took place in Mexico City in 1965, a situation arose which, it was feared, might change the role of ECLA. The meeting took place shortly after the U.S. moved troops into the Dominican Republic in an effort to bring peace to that country. The ECLA meeting thereby offered Latin Americans the first opportunity to express their strong views about this intervention, and despite the fact that ECLA was only an economic commission, many Latin American countries followed the lead of the President of Mexico in using this forum to denounce the U.S. action; moreover observers from Communist countries were permitted to make political statements aimed at driving a wedge between the U.S. and the Latin American members of ECLA. However, ECLA's role and significance remained unblemished retaining the endorsement and full support of all member countries.
15. ECLA today might appear to some observers to avoid controversial subjects and to act more as a general forum and clearing house for the ideas of others. As a regional commission of the U.N., ECLA receives numerous requests to give views on diverse subjects such as tourism, the present state of knowledge of the mineral and food resources of the sea beyond the continental shelf, water desalinization, the most appropriate measures for promoting the effective integration of literacy in development, progress in land reform, expansion of programmes of activities in the population fields along the lines indicated by the recommendations of the Population Commission, the preparation of biennial progress reports on the application of the resolution on housing, building and planning, etc. It would seem to us that ECLA is fully carrying out its responsibilities to the U.N. General Assembly and the ECOSOC. In its annual report to ECOSOC, ECLA indicates

that it has convened a number of meetings of Latin American government experts to prepare submissions on various questions, and the report indicates that the ECLA secretariat collaborated or attended many meetings called by other organizations both within the U.N. family as well as strictly Latin American organizations. The influence of ECLA in these many meetings is very definitely perceptive.

#### Economic and Social Planning

16. The growth of the Latin American Institute for Economic and Social Planning as a semi-autonomous unit financed mainly by the U.N. Special Fund and the IDB, might seem to remove from ECLA an important field of work. Actually, the Institute which is a subsidiary body of the ECLA, works very closely with the Commission and the growing importance of the one reflects the adulthood and ripeness of the other. The Institute, which will be housed in ECLA's new building, receives the Commission's full collaboration in every aspect and phase of its significant function. The Institute acts as an all-reaching Latin American university attracting and training students who will become experts and leaders of the region. Despite and perhaps because of the above comments, ECLA will continue to play a very important role in promoting Latin American development, working in close conjunction with the Institute. There is no reason to believe that because other Latin American organizations are bound to increase in importance, ECLA's own usefulness and importance will conversely decline.
17. The Committee of the Whole reviewed the activities of the Latin American Institute for Economic and Social Planning in the light of the reports on the Institute's work during the past sixteen months. On the present occasion, it was incumbent on the Committee to examine proposals on the measures required to give continuity to the activities of the Institute. The Committee adopted a resolution in which "considering that the functions of the Institute fill a permanent need in the field of development planning in Latin America" and taking into account the objectives of the Development Decade and the recommendations of the Economic and Social Council on planning activities, it recommended to the Governments that they take the necessary steps to continue and intensify the activities of the Institute, and requested the Administrator of the United Nations Development Programme and the President of the Inter-American Development Bank to continue to provide the Institute with the necessary financial support to ensure the continuity and expansion of its activities. In accordance with your instructions, the Canadian Delegation supported this Resolution which was adopted unanimously (copy of Resolution 260 (AC.58) attached, Annex 4).

### Public Participation and Community Development

18. The Representative from Panama referred to the importance of the programmes based on public participation and community development for the acceleration of development, and drew attention to the fact that several Latin American countries had implemented programmes of that kind, building up and organizing a great many services of community interest. He stressed the importance of the technical guidance provided by the ECLA secretariat in some of these programmes, as well as the work done by other international agencies.
19. In this connection, the Committee adopted Resolution 261 (AC.58) (Annex 5) requesting the secretariat, in co-operation with other international agencies, to re-double its efforts in this field, and in particular to encourage an exchange of experiences and help to promote programmes in the countries so requesting.
20. The Canadian Delegation also supported this Resolution.

### ECLA's Annual Report

21. This report was adopted unanimously and without discussion.

### Central American Common Market and Latin American Integration

22. As regards regional integration, there is considerable evidence that ECLA has been playing a fairly strong role in the discussions of the Central American Economic Co-operation Committee. Indeed the secretariat prepared a study on the regional "institutionalization" of planning at the request of the first meeting of Ministers of Economic Affairs and Finance held in Guatemala in 1965. Another example is the meeting of a working group on assembly plants which ECLA organized in Mexico City and which reviewed the steps taken by Mexico to increase the proportion of parts of motor vehicles, domestic appliances etc. manufactured within the country. If the remarks of the Central American representatives at this ECLA meeting are any guide, the Central American countries do indeed intend to make wide use of ECLA's services. There seems to be a very close working relationship between the secretariat and the smaller member countries.
23. The phrase "Latin American Integration" keeps recurring at all ECLA meetings and in documents, but there is no indication that the Central American Common Market is prepared to negotiate with the LAFTA with a view to moving towards a Latin American common market. For the first time a Central American speaker did comment at this

meeting on the fact that the relatively small population and size of the Central American group was now beginning to limit the possibilities of industrialization and that the group should be looking at a larger market. But it may very well be that he was beginning to pave the way for a special trade relationship with Mexico. The ECLA secretariat did attend in Mexico City a meeting of representatives of Mexico and of the Central American integration organizations in December 1965, but in an advisory capacity. The secretariat has started studies on the adoption of a common trade policy vis-a-vis third countries or economic units, and the establishment of a joint negotiation unit.

24. As regards ECLA's influence on the other inter-American organizations, we believe that it varies with the questions being discussed and with the calibre of experts supplied by ECLA. Undoubtedly, Dr. Mayobre is welcomed at meetings of the OAS or LAFTA or CACM, and also the Alliance for Progress reviews. However since ECLA does not have the financial resources of the other organizations, its influence could possibly be varied from one issue to the next. As a force for economic integration, LAFTA is of course the responsible body but numerous ECLA studies are directed to this end and its meetings provide a forum for spokesmen of nations on this subject who do commit themselves and who are gradually creating an impulse towards a favourable political atmosphere.
25. The Chilean Minister for Foreign Affairs stated in his opening address that the main concern of his Government was the integration of Latin America. The principles for future action accepted by the Presidents of Latin America and the Resolutions adopted in November 1965 by the Ministers for Foreign Affairs of the LAFTA countries had been nullified, he said, at the subsequent meetings of the Permanent Executive Committee at Montevideo, where the narrow concept of the absolute sovereignty of nations prevailed. He hoped that the situation would shortly take a favourable turn so that decisions could be taken at the highest political level to ensure that the whole movement towards integration would acquire the necessary impetus and that international co-operation could take bolder and more effective forms.

26. Nine Wise Men

The "Committee of Nine" was established in 1961 to pronounce on the merits of development plans and to recommend priorities for the allocation of aid under the Alliance for Progress. Its members did not represent governments but were economists appointed on merit who at first enjoyed complete autonomy in the performance of their duties. In 1963, the Interamerican Committee of the Alliance for Progress was created absorbing the functions of the Committee of Nine, who were then relegated to a theoretical role of general orientation.

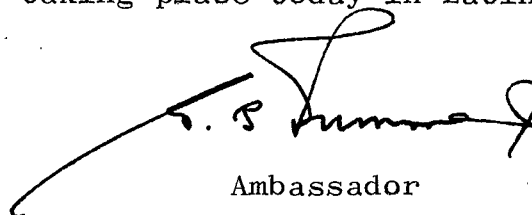


The new group was to strengthen the economic machinery of the Alliance as government representatives, thus assuming a political role.

27. But on April 1 of this year, the Inter-American Economic and Social Council voted to deprive the panel of its autonomous existence and to reduce its members from nine to five. The surviving wise men resigned their posts, so it would appear, as you suggest, that the panel's role has been taken over by CIAP in stimulating Latin American Development. In any case, no mention was made of the nine wise men during the meeting of the Committee of the Whole, and no further references have appeared in the local press since the panel's resignation.

General Impressions

28. The Canadian Delegation considers that Canada's participation in the meetings and activities of the Economic Commission for Latin America is well worthwhile. Although our role is sometimes little more than that of an observer, our presence is nevertheless appreciated and the experience and knowledge acquired by our delegates is of considerable value in assessing the important changes that are taking place today in Latin America.

A handwritten signature in dark ink, appearing to read 'S. S. Sumner', is written over a horizontal line. The signature is fluid and cursive.

Ambassador

A N N E X 1

RESOLUTION 262(AC.58)

ECLA'S ACTIVITIES IN THE FIELD OF TRADE AND DEVELOPMENT

(Adopted at the Eleventh Meeting of the Committee of the Whole held in Santiago, Chile - May 11, 1966)

The Committee of the Whole of the Economic Commission for Latin America,

Bearing in mind the programme of activities of the United Nations Conference on Trade and Development for the current year, and in particular the holding of the fourth session of the Trade and Development Board, together with other international meetings and activities of special importance to the trade policy of the Latin American countries, and the fact that the second session of the United Nations Conference on Trade and Development will be held in the relatively near future;

Considering that resolution 1000(XXXVII) of the United Nations Economic and Social Council expresses the hope that the regional economic commissions will continue their activities with a view to the implementation of the recommendations of the United Nations Conference on Trade and Development;

Bearing in mind the decision of the Latin American signatories to the Charter of Alta Gracia to co-ordinate their actions and positions in the field of trade policy, and establish a collective Latin American stand respecting the subjects to be discussed at the meetings referred to, above all the second session of UNCTAD, with the basic aim of ensuring that the principles and recommendations adopted at the Conference's first session should be translated into practical measures as soon as possible; and

Recalling that under ECLA Trade Committee resolution 18(IV) and ECLA resolution 253(XI) the ECLA secretariat was asked to prepare various studies with a view to providing elements of judgment and suggestions for preparing a common stand for the Latin American countries in the field of trade policy;

Decides:

1. To ask the ECLA secretariat to complete as soon as possible the studies requested in Trade Committee resolution 18(IV) and ECLA resolution 253(XI);

A N N E X 1 (Cont'd.)

2. To request the secretariat to accord the Latin American countries the co-operation and advice needed, on an individual or collective basis, for the purpose of defining possible lines of joint action in the field of trade policy, especially in relation to the questions to be dealt with at the fourth session of the UNCTAD Trade and Development Board and in the various subsidiary organs of UNCTAD that are to meet during 1966, and in relation to any questions of special interest for those countries that it is decided to consider at the second session of UNCTAD.

A N N E X 2

Summary of ECLA's Resolution 253 (XI)

(Adopted at the Eleventh Session of ECLA, Mexico, May 1965  
→ Summary taken from Numbered Letter 233, May 28, 1965  
originating from the Canadian Embassy in Mexico City)

The ECLA secretariat was requested to undertake the following studies:

1. Preparation of schedules of primary commodities and manufactures and semi-manufactures which are of special interest to Latin America as exports;
2. Determining the trade position of the items included in the above-mentioned schedules, in the light of the status quo commitment accepted by the developed countries at Geneva;
3. Determining the setbacks resulting from reintroducing or raising customs duties or non-tariff restrictions on particular products and evaluation of their effects on the Latin American countries;
4. Trends in the international prices of the principal primary commodities exported by the Latin American countries and significance of the fluctuations in their purchasing power in terms of the prices of the goods they have to import;
5. Effect of the elimination of trade preferences and of the compensatory measures that can be adopted for the benefit of the developing countries which relinquish such discriminatory preferences;
6. Scope and general and particular features of agreements on commodities which are of importance to the Latin American countries and whose international markets suffer from short-term or long-term disequilibria;
7. Possible forms and characteristics of a general and non-discriminatory preferential system to encourage exports of manufactures and semi-manufactures from the developing to the developed countries;
8. Schedule of manufactures and semi-manufactures which the Latin American countries could export if import duties and equivalent restrictions were eliminated or substantially reduced in the markets of the industrialized countries;
9. Reporting on the measures adopted by the industrialized countries and international financial institutions in response to recommendation A.IV.1 of UNCTAD.

A N N E X 3

Trade Committee Resolution 18(IV)

INTERNATIONAL TRADE, DEVELOPMENT AND INTEGRATION

(Adopted at the Fourth Session of the Trade Committee  
of ECLA, held in Santiago, Chile, November 9 - 13, 1964)

I

LINES OF ACTION WITH RESPECT TO TRADE AND DEVELOPMENT

The ECLA Trade Committee, in view of the urgent need to ensure that the recommendations adopted at the United Nations Conference on Trade and Development are implemented in the fullest, most specific and expeditious way possible, and that they are improved and supplemented;

Conscious of the need for every effort to be made to foster the unity of the Latin American countries among themselves and with the other developing countries, towards which the first step had been taken at Geneva, in order to achieve such vital objectives for the economic future of the Latin American countries as easier access for their primary commodities to world markets and better prices for such commodities; an improvement in the terms of trade; the intensification and geographical diversification of their exports of manufactures and semi-manufactures; external financial co-operation, on a scale and on terms sufficient to aid in maintaining a satisfactory rate of economic and social development; the solution of their international transport problems and of other invisible items in their balances of payments, all of which are essential if the gap between their current export earning prospects and their need to import for development is to be bridged.

Likewise, in view of the pressing need to promote vigorous internal action in the Latin American countries with a view to organizing and intensifying their production so as to enable them to take the greatest possible advantage of the new conditions by which international trade should be governed.

Decides:

A. General evaluation of the Conference

1. To declare its dissatisfaction with the results achieved by the Conference on Trade and Development, while recognizing that they represent some advance in terms of the principles that can serve as a basis for a more equitable organization of world trade;

...2



2. To note with keen interest the secretariat document entitled The United Nations Conference on Trade and Development: analysis of the results and prospects for Latin America (E/CN.12/C.1/21);

3. To express its deepest concern at the unilateral decisions taken by some developed countries since the United Nations Conference on Trade and Development, as they are contrary to the spirit and philosophy recognized by all the States signatories of the Final Act of the Conference and adversely affect the corresponding resolutions, particularly point 2 of the second paragraph of Recommendation A.II.1 on standstill. These decisions include: (a) the delay in adopting the additional measures needed for effective operation of international commodity arrangements, negotiations in respect of which have already been concluded; (b) the application of new tariff measures which limit exports of products from developing countries; (c) the imposition of quantitative restrictions on trade in commodities of interest to the developing countries.

4. To transmit Part I.A. of the present resolution to the Group of Seventy-seven developing countries in New York in order that they may consider it and bring it to the attention of the United Nations General Assembly.

#### B. Internal measures

5. To recommend to Governments that, while continuing their efforts to achieve a different structure of world trade in line with the developing countries' proposals at the United Nations Conference on Trade and Development, and with a view to turning to really effective account the international action being taken in this sense, they intensify their internal efforts on the basis of measures such as the following:

(a) Stimulating savings and domestic investment, mobilizing the latter in terms of national and regional development plans.

(b) Promoting the structural and institutional reforms necessary for full and efficient use to be made of each country's production potential and of external financing resources;

(c) Encouraging action to rationalize production and distribution with a view to increasing productivity and income, and avoiding undesirable disequilibria between supply and demand, at the national, regional and world levels;

(d) creating the requisite conditions to facilitate the establishment and expansion of export industries on a competitive footing;

(e) Formulating and putting into practice specific export policies, including promotional measures, and others of a monetary, exchange, fiscal, administrative and legislative nature.

6. To make it clear that the Committee, in stressing the urgent need for national action on the lines described, does not in any way intend to imply that the measures sought in the external sector are necessarily contingent upon internal decisions, since these in many cases are only feasible through international co-operation.

7. To instruct the secretariat of ECLA, in co-operation with other competent international agencies, to give the Latin American Governments whatever co-operation they require, and to carry out the studies which might be useful in complying with this aim.

### C. Commodity Trade

8. To recommend to the Government of the developing States Members of ECLA:

(a) That, not later than thirty days after the establishment of the Commission on Commodity Arrangements and Policies,\* they present lists of export commodities of interest to their economies. These lists should be consolidated by the Commission, in co-operation with the Food and Agriculture Organization of the United Nations (FAO) and the Regional Economic Commissions. The resulting general list should be submitted forthwith to the Trade and Development Board for the purpose of applying the provisions of Section II of Recommendation A.II.1. The liberalization measures shall not be confined to the commodities included in the aforementioned general list.

(b) That they direct the Trade and Development Board to determine the exceptional circumstances under which the developed countries can, in the case of certain commodities, depart from the commitments relating to the liberalization of commodity trade, and to establish the appropriate consultation machinery with the aim of preventing adverse repercussions on the developing countries.

(c) That the Commission on Commodity Arrangements and Policies ascertain, as accurately as possible, the position with regard to commodity trade at the date of adoption of the Final Act by the Geneva Conference, in order to ensure application of the clause concerning the standstill.

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\* All references to the Commission on Commodity Arrangements and Policies will be understood to mean the Commission proposed in the Final Act of the UNCTAD or any other equivalent agency that may be set up.

(d) That, in regard to tariff and other charges levied on commodities and taking into account the various commitments undertaken with respect to the different types of commodities referred to in item 3, section II, of recommendation A.II.1, the Commission on Commodity Arrangements and Policies define the percentage, and rates of, reduction compatible with the meaning of the terms (such as "substantially", "at the earliest possible date" etc.) used in the said recommendation and likewise consider to the best way of effecting the reduction.

(e) That the Commission on Commodity Arrangements and Policies define the quantitative restrictions which ought to be abolished, propose a schedule for their elimination and establish procedures facilitating an increase in the commodity exports from developing countries, particularly in relation to the growth of the developed countries' markets.

(f) That the Commission on Commodity Arrangements and Policies ascertain the extent to which the developing countries are harmed by the anti-economic production of the developed countries, and suggest ways of amending the latter's protectionist policies.

(g) That the Commission on Commodity Arrangements and Policies determine which of the existing preferences are essential to the beneficiary developing countries, and study and suggest compensatory measures which will permit their complete abolition within the time-limits envisaged.

(h) That the Commission on Commodity Arrangements and Policies examine the trade and payments arrangements that would make for the establishment of multilateral trade between the developing countries and the centrally-planned economy countries, in line with the mutual interest they expressed at the Conference and with a view to putting into effect the increase in import targets, as announced in the Aide Memoire of 10 June 1964 submitted by the Governments of the Union of Soviet Socialist Republics, Czechoslovakia, Poland and Hungary (E/CONF.46/L.28, Annex C, p. 32).

(i) That the Commission on Commodity Arrangements and Policies determine which of the subsidies granted by the developed countries adversely affect the commodity exports of the developing countries or help to bring about a drop in the world prices of such commodities, and establish consultation machinery with the developing countries which are currently or might in future be affected by the subsidies concerned.

(j) That the Trade and Development Board, in co-operation with FAO, see that the principles of the Food and Agriculture Organization in relation to the disposal of agricultural commodity surpluses are strictly enforced, and likewise

establish criteria for ensuring the orderly sale of the stocks of mineral ores (including strategic products) accumulated in the developed countries.

(k) That the Commission on Commodity Arrangements and Policies study and suggest a financial formula whereby the developing countries can sell their commodities on an equal footing with the developed countries which maintain special sales programmes in operation, and at the same time explore ways and means of setting up financing machinery which will permit the absorption of seasonal surpluses in the developing countries.

(l) That the Commission on Commodity Arrangements and Policies decide on the criteria deemed most likely to ensure steady growth and predictability in the export earnings of the developing countries, such as:

(i) The concept of equitable and stable prices for commodities, having due regard for their purchasing power;

(ii) An increase in the consumption and imports, by the developed countries, of primary products processed as far as possible;

(iii) The concept of "satisfactory access"; and

(iv) The co-ordination of production and marketing policies.

(m) That the Commission on Commodity Arrangements and Policies analyse the various types and forms of commodity arrangements (international agreements, inter-governmental consultations, producers' organizations, etc.) and list the commodities which may be covered by such agreements.

(n) That Governments, where necessary, promote action to review existing agreements from the standpoint of adequacy, in accordance with the criteria laid down in part I of recommendation A.II.1.

(o) That the Commission on Commodity Arrangements and Policies examine the techniques adopted in conformity with part I, Chapter C (8) of Recommendation A.II.1 and propose specific methods for their application.

(p) That the Commission on Commodity Arrangements and Policies study the possibility of arriving at agreements by groups of commodities including, in particular, natural products and the synthetic products which compete against them.

(q) That the Commission on Commodity Arrangements and Policies study schemes - including expansion of the developed countries' food aid programmes - to enable developing countries to obtain outlets for their commodity surpluses on the same footing as the developed countries which have special programmes of this type.

(r) That Member States act to strengthen the World Food Programme of the United Nations and FAO and promote the study of procedures and systems likely to enlist the participation in the Programme of international financing agencies, such as the International Development Association, with a view to facilitating the purchase of commodities in developing countries with exportable surpluses.

(s) That Member States, FAO and other international agencies concerned undertake studies to improve, from a technical standpoint, the production and marketing of natural products affected by competition from synthetics, and to discover new uses for the former.

(t) That the Commission on Commodity Arrangements and Policies support the action taken by international agencies in the developing countries which are the chief exporters of non-replenishable natural products aimed at increasing the real earnings of these countries.

(u) That the Commission on Commodity Arrangements and Policies determine the best method of giving practical effect to the recommendations contained to Recommendation A.II.9 of the United Nations Conference on Trade and Development.

D. Exports of manufactures and semi-manufactures

9. To recommend to the Governments of States members of ECLA that they should urge the General Assembly, at its nineteenth session, to take the necessary steps to set up a specialized agency on industrial development, in accordance with the provisions and within the time limits set forth in General Assembly resolution 1940 (XVIII) and, pending the establishment of the agency concerned, to support the view that the existing Industrial Development Centre should carry out forthwith, in so far as it is able to do so, the activities provided for in Recommendation A.III.1 of the United Nations Conference on Trade and Development.

10. To recommend to the Latin American Governments members of the Commission that they reaffirm the vital interest of Latin America in securing the establishment by the developed countries, in favour of the developing countries, of a non-reciprocal, general and non-discriminatory system of preferences exempt from the application of the most-favoured-nation clause, which would permit exports of a satisfactory volume of manufactures and semi-manufactures to the developed countries;



11. To request the Executive Secretary of ECLA to draw the attention of the Secretary-General of the United Nations, on behalf of the Trade Committee to the interest shown in that respect, and to request him to set up forthwith the committee of government representatives envisaged in recommendation A.III.5 of the United Nations Conference on Trade and Development.

12. Likewise, to request the Executive Secretary of ECLA officially to transmit the recommendations in Part I.D of the present resolution to the Executive Secretaries of the regional commissions for Africa and for Asia and the Far East as well as to the Chairman of the Seventy-seven in order to achieve concerted action in this respect.

13. To ask the ECLA secretariat to carry out further studies on the possible forms and features of a preference system in favour of the developing countries, and on the means of solving the problems involved in establishing such a system, so that the region can be fully prepared to participate in international meeting at which the subject is discussed. The ECLA secretariat should transmit the studies as soon as they have been completed, to the Governments of the States members of the Commission, and to the international agencies concerned.

14. To recommend to the Governments of the developing countries of ECLA that, until such time as a preference system has been decided on, and specific measures have been taken to apply it, they should endeavour, inter alia in GATT negotiations where appropriate, to ensure that the developed countries undertake, without delay:

(a) To abolish tariffs or reduce them to levels compatible with exports of manufactures of particular interest to the developing countries;

(b) To abolish customs duties for all semi-manufactures from developing countries; and

(c) To abolish all other non-tariff restrictions that affect imports of manufactures or semi-manufactures.

15. To recommend to the developed countries that they should extend the above measures to the developing countries which are not members of GATT.

16. To recommend to the Governments of the developing States members of ECLA that they should submit periodically to the committee on manufactures of the Trade and Development Board a list of manufactured products whose export is of special importance to their economies, in order that this Committee - pursuant to point 10 of recommendation A.III.4T -

may present this list to the agencies concerned in order that the products may be considered in negotiations aimed at facilitating and expanding access to the markets of developed countries; the list must be brought up to date and consolidated annually. Moreover, to request the ECLA secretariat to inform the secretariats of the regional economic commissions for Africa and for Asia and the Far East of this decision by the Trade Committee, in order to ensure concerted action in this respect.

17. To ask the ECLA secretariat to prepare at once, in co-operation with the various national, regional or extra-regional bodies that could contribute to the task, a comprehensive list of manufactures or semi-manufactures that could be exported by Latin America if the customs charges, tariffs differentiating between raw materials and manufactured products, and other restrictions of equivalent effect, were eliminated or sufficiently reduced.

18. To recommend to Governments that they should instruct the committee on manufactures to define the "exceptional and compelling" circumstances under which the developed countries could impose or increase restrictions or tariffs on imports of manufactures and semi-manufactures from developing countries, and also to establish consultation machinery in which the developing countries affected by such measures can take part.

19. To request ECLA and the committee on manufactures to make a study of the additional concessions which should be granted to the relatively less developed countries, to enable them to turn to account the measures recommended in the previous points.

20. To ask the Executive Secretary of ECLA to request the Trade and Development Board to obtain periodically from the developed countries information on the measures they adopt in conformity with the previous paragraphs and with recommendations A.III.6 and A.III.7 for immediate transmittal to all the member countries.

21. To recommend to the Latin American Governments that they should continue their efforts to obtain a commitment from the countries with centrally-planned economies aimed at ensuring that their economic plans provide for imports of manufactures and semi-manufactures from the developing countries in increasing and adequate quantities.

22. Likewise, to recommend to the aforementioned Governments that, in concluding trade and payments agreements with the centrally-planned economy countries, they should insist on a more multilateral approach, in line with the commitment expressed in recommendation A.III.7 adopted by the Geneva conference.

## E. Financing of Trade and Development

23. To recommend to the Governments of developing States members of ECLA:

### Guidelines for international financial co-operation

(a) That they continue their efforts to formulate and execute national development plans and economic policies capable of achieving an intensive and balanced economic growth, taking into account the importance of such plans and policies for the steps being taken to facilitate continuing, adequate and sufficient financial co-operation on the part of the developed countries. Such national development plans and policies constitute the framework of action and the basis for the measures aimed at obtaining external financial co-operation, without prejudice to the flexibility of said plans;

(b) That those which are signatories to the Charter of Punta del Este co-operate with the work being done by the Inter-American Committee on the Alliance for Progress (ICAP) in the yearly examination of national development policies and programmes, with a view to ascertaining the internal effort and external assistance required to ensure their financing;

(c) That, through the ECLA secretariat, they request the Trade and Development Board to urge the developed countries and the international financing institutions to comply promptly with the provisions contained in paragraph 1 of recommendation A.IV.1 adopted by the United Nations Conference on Trade and Development, as specified in paragraph 3 of the same recommendation;

(d) That they request the Trade and Development Board to adopt measures conducive to establishing the procedures for compliance with paragraph 5 of recommendation A.IV.1 by the developing and developed countries.

### Growth and aid

(e) That they request the Trade and Development Board to undertake studies, in co-operation with the competent international agencies, on the extent of the aid actually provided by the developed countries, with a view to drawing conclusions as to the best way of complying with the objective referred to in recommendation A.IV.2, section III;

(f) That those which are signatories to the Charter of Punta del Este request the Trade and Development Board to take into consideration for this purpose, the studies carried out by the agencies to which they belong, with a view to compliance with paragraph 2 of recommendation A.IV.2, without prejudice to the operation of the institution

provided for in the same paragraph to examine the situations of the other developing countries of the region.

#### Problems of debt service

(g) That they forthwith bring to the attention of the international financing agencies the pressing need to provide for machinery with a view to securing agreement, if necessary, on the rescheduling or consolidation of the developing countries' external debt, in conformity with recommendation A.IV.5;

#### Compensatory financing

(h) That they instruct the Executive Directors representing them on the International Monetary Fund (IMF) to request that institution to apply forthwith the short-term compensatory credit system, set forth in recommendation A.IV.17;

(i) That they request their representatives in the International Bank for Reconstruction and Development (IBRD) to give maximum priority to the study referred to in part A of recommendation A.IV.18, and include in the study clear-cut provisions linking the financing by IMF of short-term disequilibria to complementary financing of long-term disequilibria;

(j) That through the ECLA secretariat, they request the Trade and Development Board to give special priority to the study of a compensatory credit system to offset balance-of-payments disequilibria, in relation to the deterioration in the terms of trade and other factors, as set forth in the terms of reference contained in section B. of recommendation A.IV.18.

#### Regional development

(k) That they firmly support the efforts and action of their regional institutions, particularly the Inter-American Development Bank (IDB), to secure that a larger proportion of the resources made available by the developed countries are channelled through the said institutions, with a view to strengthening the financial bases for multilateral action in the regional sphere.

#### Studies

(l) That they take steps to ensure;

(i) That IBRD complete, as soon as possible, the study on suppliers credit, credit insurance and rediscount arrangements alluded to in recommendation A.IV.14;

~ 11 ~

(ii) That IBRD expedite presentation of the study on the scheme for increasing capital flows to developing countries (recommendation A.IV.11);

(iii) That the Trade and Development Board investigate, as soon as possible, the trade conditions for exports of the developing countries' main primary products, for the purposes set forth in recommendation A.IV.16.

#### International agencies

##### 24. To recommend

(a) That the international agencies concerned submit as soon as possible the studies on regional development referred to in recommendation A.I.V.10;

(b) That the ECLA secretariat urge the Secretary-General of the United Nations Conference on Trade and Development to expedite the convening of the group of experts alluded to in recommendation A.IV.19 and the completion of its studies; and likewise exhort the developing countries to submit, as soon as possible, a systematic statement of their views concerning the incidence of the international monetary situation in trade and development problems and propose the solutions they deem most expedient in time to be considered by the aforementioned group of experts;

#### F. Maritime transport

25. To recommend that the ECLA secretariat should ask the Trade and Development Board to establish, as soon as possible, a subsidiary organ specifically responsible for the problems of maritime transport referred to in recommendation A.IV.22, "Common measures of understanding on shipping questions".

26. To recommend to the Governments of the Latin American countries that, as a first step towards improving their shipping systems, they should:

(a) Adopt forthwith the measures needed to establish the system of consultation between the shippers and the shipping conferences recommended in paragraph 1 of the "Common measure of understanding on shipping questions"; and

(b) Establish at a government level, with the participation of shippers and associations of national shippers, units to study problems of maritime transport, which would meet regularly to report on the progress of their work, exchange information and co-ordinate their activities, and would be able to call on the advice and assistance of the secretariat of the Economic Commission for Latin America.

...12

(c) Redouble, and co-ordinate, their efforts to develop their national maritime fleets, in order to increase their share of the transport of their foreign trade, improve their balances of payment and have at their disposal an effective instrument for bringing about a more favourable freight policy on the part of the shipping conference. Similarly, the Trade Committee recommends to the Governments that they should, by means of the international aid and financing envisaged in recommendation A.IV.22, and also in the Charter of Punta del Este, take vigorous action to speed up the improvement of their port facilities.

27. To recommend that the secretariat of the Economic Commission for Latin America should assist the Governments of the region to collect the relevant information and analyse the problems referred to in paragraph 26 above, and intensify its own studies in the field of maritime transport, in close co-operation with the study units dealing with problems of maritime transport in the countries of the region, with the secretariats of the United Nations Conference on Trade and Development, of the other regional economic commissions of the United Nations, and of the Latin American Free-Trade Association.

#### G. Future action

28. To recommend to the Governments of developing States members of ECLA;

(a) That, given the unity achieved by the developing countries during the Geneva Conference, they maintain and intensify Latin America's contacts and common action with the developing countries in other regions, as one of the chief methods of overcoming the obstacles to the attainment of the aims pursued at Geneva;

(b) That, at the nineteenth session of the United Nations General Assembly, they endorse the establishment of the institutional machinery approved in recommendation A.V.1 as a first step leading to the establishment of the worldwide agency advocated by the developing countries at the Geneva Conference.

(c) That, once established, they give this machinery whatever co-operation it needs to achieve its aims as quickly as possible;

(d) That they co-operate with the secretariat of ECLA in its studies and activities in connexion with these matters.

29. To recommend to the secretariat of ECLA:

(a) That, in consultation with the Governments of developing States members of ECLA, it continue and complete

its studies and work on world trade in order to ensure that the principles and rules adopted by the United Nations Conference on Trade and Development are converted, as early as possible, into practical measures;

(b) That, this end in view, it co-operate closely with the secretariat of the United Nations Conference on Trade and Development, with the secretariats of the other Regional Commissions and with the other international agencies concerned;

(c) That it continue to provide the Latin American Governments with advisory assistance in these matters, with a view to maintaining and strengthening their unity of thought and action at the regional level.

30. To recommend to member Governments that they see to it:

(a) That the set of principles adopted by the United Nations Conference on Trade and Development be constantly improved and adopted on a universal basis;

(b) That the Trade and Development Board, from the time of its establishment, takes steps to systematize the principles already prepared and continue to formulate rules of general value, in conformity with the recommendations adopted by the United Nations agencies whose terms of reference relate to trade and development;

(c) That the consolidation of these principles constitute a Charter on Trade and Development, as a basic instrument of the United Nations Conference on Trade and Development which is to meet at regular intervals, and of its executive agencies.

31. To recommend to the Governments of developing States members of ECLA,

that, taking into account the need for the Latin American countries to extend their trade to new areas, they should view with interest the opportunities for increasing such trade afforded by commerce with the centrally-planned economy countries, on the basis of the offers made by the latter at the United Nations Conference on Trade and Development, and take appropriate measures to that effect.

#### H. Other matters

32. To express its gratitude to the United Nations Economic and Social Council for its adoption of resolution 1000 (XXXVII), expressing appreciation of the work done by the regional economic commissions, and the co-operation established among them in connexion with the United Nations Conference on Trade and Development, and the hope that they will continue their activities with a view to the implementation of the recommendations on trade and development adopted at the Conference.

A N N E X 4

ECLA RESOLUTION 260 (AC.58)

LATIN AMERICAN INSTITUTE FOR ECONOMIC AND SOCIAL PLANNING

(Adopted at the Eleventh Meeting of the Committee of the Whole held in Santiago, Chile - May 11, 1966)

The Committee of the Whole of the Economic Commission for Latin America,

Considering the important contribution made to the Governments in their planning and development activities by the Latin American Institute for Economic and Social Planning, created in 1962 by virtue of an ECLA resolution and established as a project of the United Nations Special Fund with the aid of the Inter-American Development Bank (IDB);

Considering that the Commission has followed the progress of the Institute's work by means of the annual reports submitted by its Governing Council to ECLA;

Bearing in mind the report of activities and the report of the Director-General of the Institute on its past development and policy, as well as the other documents on the subject;

Considering that the Latin American Governments have been helping to finance the Institute, through the contribution of the Inter-American Development Bank and other resources and through the counterpart funds allocated for the intensive training courses and advisory groups on planning;

Considering that in its resolution 220(AC.58) the Committee of the Whole requests the Governing Council of the Institute to submit to ECLA, prior to its 1966 session, a proposal designed to ensure the continuity of the Institute;

Noting with satisfaction the resolution adopted on 17 December 1965 by the Governing Council of the Institute recommending the continuation and intensification of the activities of the Latin American Institute for Economic and Social Planning;

Considering that the functions of the Institute fill a permanent need in the field of development planning in Latin America;

Considering that the action being taken by the United Nations in Latin America through the Latin American Institute for Economic and Social Planning is wholly consistent with the objectives of the Development Decade (United Nations General Assembly resolution 1710(XVI) of 19 December 1961 and 2084(XX) of 20 December 1965);



Bearing in mind the recommendation made by the Economic and Social Council in resolution 1079 (XXXIX) of 28 July 1965 to the regional economic commissions to continue and intensify their work in planning, in which express mention is made of the planning institutes established by these commissions;

Decides:

1. To express, with particular satisfaction, its support for the Institute in the work it is doing, which has made a significant contribution in the form of training courses, research and advisory services, to the progress of planning in Latin America.

2. To recommend to the Governments that, in view of the increasing requirements deriving from the process of planning in Latin America, they take the necessary steps to continue and intensify the activities of the Institute, among other fields, in the economic integration of Latin America, and to support the proposals for financing made for that purpose to the United Nations Development Programme and the Inter-American Development Bank.

3. To transmit to the Administrator of the United Nations Development Programme its appreciation for the support extended to the Institute and to the Project for the Expansion of Activities approved by the Special Fund, and to urge him to continue to assist it in future in order to ensure the continuity and expansion of the Institute's activities.

4. To transmit to the President of the Inter-American Development Bank and to its Directors its gratitude for the support they have given to the Institute, and to urge them to continue to assist it in future in order to ensure the continuity and development of the Institute's activities.

5. To express its appreciation of the valuable co-operation extended to the Institute by the International Labour Office (ILO), the United Nations Development Programme, the Food and Agriculture Organization of the United Nations (FAO), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations Children's Fund (UNICEF), the Pan American Sanitary Bureau (PASB) (the regional office of the World Health Organization), the Organization of American States (OAS), the Agency for International Development of the United States Government (AID), Resources for the Future, Inc., and other international and national, public and private organizations, and to recommend that such co-operation be continued, at the same time expressing its gratitude to the Government of the Netherlands for the financial resources it has made available to the Institute for the implementation of its work.

6. To request the Executive Secretary of ECLA and the Director-General of the Institute to take such steps as may be required to ensure implementation of this resolution.

A N N E X 5

ECLA RESOLUTION 261(AC.58)

PUBLIC PARTICIPATION AND COMMUNITY DEVELOPMENT

(Adopted at the Eleventh Meeting of the Committee of the Whole held in Santiago, Chile - May 11, 1966)

The Committee of the Whole of the Economic Commission for Latin America,

Recognizing the importance of programmes based on public participation and community development in accelerating development;

Considering that various Latin American countries have already achieved tangible results in promoting community participation as a means of building up and organizing many services of community interest;

Bearing in mind the contribution of ECLA in providing technical guidance for some of these programmes;

Noting that other international agencies have concerned themselves with this task and are taking action in this sphere;

Recognizes the valuable contribution made by ECLA in the field of public participation and community development;

Requests the secretariat of ECLA, in co-ordination with other international agencies, to redouble its efforts in this field, in particular by encouraging an exchange of experiences and helping to promote programmes in those countries which - while not yet having tried out these programmes - might so request.

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO  
A The Canadian Embassy,  
Santiago, Chile.

FROM  
De The Under-Secretary of State  
for External Affairs.

REFERENCE  
Référence Your Letters 91 and 92 of April 4, 1966.

SUBJECT  
Sujet Documents Presented at the ECLA Symposium  
for Industrial Development - Santiago,  
March 14-25, 1966.

SECURITY  
Sécurité UNCLASSIFIED

DATE June 1, 1966.

NUMBER  
Numéro E-1792

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	36 36

ENCLOSURES  
Annexes

1

DISTRIBUTION

...

Attached is a list of the documents issued before and during the Latin American Symposium on Industrial Development with an indication in each case of the number of copies we would like you to forward by sea mail to this Department.

(SGD) J. E. HYNDMAN

Under-Secretary of State  
for External Affairs.

DOCUMENTS PRESENTED AT THE ECLA INDUSTRIALIZATION SYMPOSIUM

Santiago, March 14-25, 1966

I Evaluation and Prospects for the Industrialization of Latin America

- L.2 The process of industrialization in Latin America (4)
- L.28 Some problems of industrial development (4)
- L.45 Industrial Development of Trinidad and Tobago (1)
- L.21 Food and food products industries (1)

II Present Situation, problems and prospects of main Industrial Sectors

1. Base Metal Industry

- L.29 La economia siderurgica de América Latina (1)
- L.26 Perspectivas del desarrollo de la industria del aluminio primario en América Latina y posibilidades de integracion regional (1)

2. Chemical Industry

- L.5 Report of the seminar on the development of the chemical industry in Latin America (2)
- L.30 La industria petroquímica en América Latina: evolucion y perspectivas (1)

3. Pulp and Paper Industry

- L.32 El papel y la celulosa en América Latina: situacion actual y tendencias futuras de su demanda, producción e intercambio (1)

4. Mechanical Industry

- L.4 The metal-transforming industry in Venezuela: an import substitution development programme (1)

III Problems of Finance, Export, and the Small Industry

1. Financing Industrial Expansion

- L.15 Issues in the financing of industrial development (2)
- L.58 The experience of the World Bank Group in financing industrial development in Latin America (2)

- 2 -

2. Export of Manufactured Goods to World Markets

- L.40 Prospects for Latin American pulp and paper exports to overseas (3)
- L.43 La exportacion en el mercado mundial: una perspectiva para el desarrollo de la industria textil latino-americana (1)

IV Problems of Transfer of Technical Knowledge, Applied Technical Research, and Technical Assistance

2. Technological Research in Industrial Application

- L.6 las investigaciones sobre celulosa y papel en América Latina (1)
- L.53 Problems of automation in developing countries (1)

3. Technical Assistance for Industrial Development

- L.27 United Nations technical co-operation activities for industrial development (2)
- L.61 Training of Technical Personnel for industrialization in the developing countries (1)
- L.54 Employment and manpower problems related to industrial development (1)
- L.55 I.L.O. productivity and management development programmes in Latin America (2)
- L.42 A note on technical co-operation in the field of industrial development of D.A.C. member countries with Latin America (1)
- L.62 Background information on AID's activities in the field of industrial development in Latin America (2)

DOCUMENTS PRESENTED AT THE REVIEW CONSULTATION ON PULP AND PAPER DEVELOPMENT IN LATIN AMERICA

March 17-23, 1966

- II/1 Economics of pulp and paper manufacture under average Latin American conditions (1)
- III/3 Financing of Latin America's pulp and paper industry's development by National institutions (1)

- 3 -

- III/4 Statistical classifications in the field of pulp and paper (1)
- IV/1 Dissolving pulp industry in Latin America: present situation and future prospects (1)
- IV/2 Packaging and industrialization in Latin America (1)
- IV/3 Chip ground wood and possibilities for its application to newsprint manufacture in Latin America (1)
- L.6 Research on pulp and paper in Latin America (1)

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

*File  
PK*

TO  
A The Under-Secretary of State  
for External Affairs

FROM  
De The Embassy, Santiago, Chile

REFERENCE  
Référence Your Numbered Letter E-1792

SUBJECT  
Sujet DOCUMENTS PRESENTED AT THE LATIN AMERICAN  
SYMPOSIUM ON INDUSTRIAL DEVELOPMENT,  
SANTIAGO, CHILE - MARCH 14 - 25, 1966

SECURITY  
Sécurité Unclassified

DATE June 23, 1966

NUMBER  
Numéro 181

FILE	DOSSIER
OTTAWA 35-20-ECLA	
MISSION 36	1-8
35-LATAM-20-ECLA-2	

ENCLOSURES  
Annexes  
Documents  
and itemized  
list

DISTRIBUTION

Further to the above mentioned numbered letter, we are forwarding all the documents requested by surface bag, with the exception of the documents presented in connection with the Symposium on Pulp and Paper. These documents are out of print at the moment, but we expect to receive them about July 10, and shall forward them at that time.

A list of the documents which we are forwarding is enclosed.

The Embassy

E	TO: M. Hebert
	JUL 5 1966
	REGISTRY

Santiago, June 23, 1966

DOCUMENTS PRESENTED AT THE LATIN AMERICAN SYMPOSIUM ON  
INDUSTRIAL DEVELOPMENT, SANTIAGO, MARCH 14 - 25, 1966

- L.2 The process of industrialization in Latin America (4)
- L.28 Some problems of industrial development (4)
- L.45 Industrial development of Trinidad and Tobago (1)
- L.21 Food and food products industries (1)
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- L.26 Perspectivas del desarrollo de la industria del aluminio primario en América Latina y posibilidades de integración regional (1)
- L.5 Report of the seminiar on the development of the chemical industry in Latin America (2)
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- L.32 El papel y la celulosa en América Latina: situación actual y tendencias futuras de su demanda, producción e intercambio (1)
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- L.40 Prospects for Latin American pulp and paper exports to overseas (3)
- L.43 La exportación en el mercado mundial: una perspectiva para el desarrollo de la industria textil latinoamericana (1)
- L.53 Problems of automation in developing countries (1)
- L.27 United Nations technical co-operation activities for industrial development (2)
- L.61 Training of technical personnel for industrialization in development countries (1)



- L.54 Employment and manpower problems related to industrial development (1)
- L.55 ILO productivity and management development programmes in Latin America (2)
- L.42 A note on technical co-operation in the field of industrial development of DAC member countries with Latin America (1)
- L.62 Background information on AID's activities in the field of industrial development in Latin America (2)



NACIONES UNIDAS

COMISION ECONOMICA PARA AMERICA LATINA

Av. Providencia 871  
Casilla 179 D.  
SANTIAGO, CHILE

REFERENCIA. TEC 327(300-2)

35-20-ECLA
40
Cable: UNATIONS

Santiago, 27 June 1966

Sir:

The United Nations, through its Economic Commission for Latin America, Statistical Office and Bureau of Technical Assistance Operations, in co-operation with the Inter-American Statistical Institute, is sponsoring a Latin American Seminar on Industrial Statistics, which is scheduled to take place at Quito, Ecuador, from 24 October to 5 November 1966, in accordance with the provisions set forth in the attached aide-memoire.

This Seminar will offer participants the opportunity for an exchange of experiences and a thorough discussion of the problems noted in the organization and execution of industrial statistics programmes in the countries of the region, with a view to introducing improvements therein. Representatives of twenty-five countries and territories in the area covered by ECLA are being invited to attend.

I therefore have the honour to invite your Government to designate one candidate to participate in the above Seminar. In the course of the discussions it is hoped that the major problems will be analysed, and appropriate suggestions put forward for the compilation of industrial statistics.

In view of the financial limitations of the budget approved for this meeting, the United Nations will not be able to defray the cost of transportation and subsistence for the participant selected by your Government.

The selected candidates will take part in the Seminar in a personal capacity and not as official representatives of their Governments, and the discussions will be kept on a strictly technical plane.

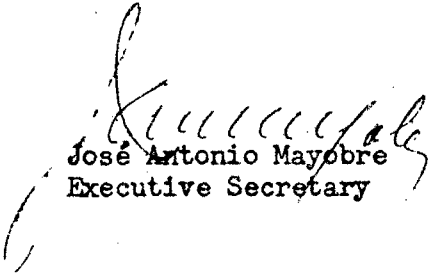
His Excellency  
The Hon. Paul James Martin  
Secretary of State for Foreign Affairs  
Ottawa, Canada

BEST ORIGINAL AVAILABLE  
MEILLEUR ORIGINAL

- 2 -

... The attached aide-memoire comprises information on the Seminar and the provisional agenda. It would be appreciated if you would kindly transmit to us the name of the proposed candidate, together with the attached form which should be completed in quadruplicate.

Accept, Sir, the assurances of my highest consideration.

  
José Antonio Mayobre  
Executive Secretary

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

*File 4P*

TO  
À

Under-Secretary of State  
for External Affairs, Ottawa

SECURITY  
Sécurité

Unclassified

FROM  
De

The Embassy, Santiago, Chile

DATE

July 7, 1966

REFERENCE  
Référence

Our numbered letter 181, June 23, 1966

NUMBER  
Numéro

196

SUBJECT  
Sujet

DOCUMENTS PRESENTED AT THE REVIEW  
CONSULTATION ON PULP AND PAPER IN LATIN  
AMERICA, SANTIAGO, MARCH 17 - 22, 1966

FILE

DOSSIER

OTTAWA

35-20-ECLA

MISSION

35-LATAM-20-ECLA-2

ENCLOSURES  
Annexes

DISTRIBUTION

Further to our letter of June 23 in which we enclosed various documents presented at the Latin American Symposium on Industrial Development, we are pleased to enclose the following documents which were issued in connection with the consultation on pulp and paper held simultaneously with the Symposium:

1. ST/ECLA/Conf.23/L.6 - Research on Pulp and Paper in Latin America
2. II/1 - Economics of pulp and paper manufacture under average Latin American conditions
3. III/3 - Financing of Latin America's pulp and paper industry's development by national institutions
- \* 4. Statistical classifications in pulp and paper
5. IV/2 - Packaging and industrialization in Latin America
6. IV/3 - Chip groundwood and possibilities for its application to newsprint manufacture in Latin America
- \* 7. E/CN.12/724 - Dissolving pulp industry in Latin America: present situation and future prospects
- \* Available in Spanish only

*W.C. Searf*  
The Embassy

*[Handwritten signature]*

35-20-ECLA
36 18

Ottawa, July 27, 1966

Dominion Statistician,  
Dominion Bureau of Statistics,  
Ottawa.  
Attention: Mr. Walter E. Duffett

Latin American Seminar of Industrial Statistics

-- We are enclosing along with its attachment a copy of a letter dated June 27, 1966 from the Executive Secretary of the Economic Commission for Latin America conveying an invitation to the Canadian Government to attend a Latin American Seminar on Industrial Statistics which will be held at Quito, Ecuador from October 24 to November 5, 1966. You will note that the Canadian candidate, if one should be designated, would participate in the Seminar in his personal capacity and that his travel expenses as well as his living expenses while at Quito would not be assumed by the United Nations (this indication presumably overrides contrary information in the background paper attached to Dr. Mayobre's letter).

-- We would appreciate it if you would let us know as soon as possible if you wish to designate someone to participate in this Seminar, and in that event, if you could complete the attached questionnaire in quadruplicate.

(SGD) J. E. HYNDMAN  
FOR THE

Under-Secretary of State  
for External Affairs

25-80-ECLA	
36	7

DOMINION BUREAU OF STATISTICS



Ottawa, Canada

BUREAU FÉDÉRAL DE LA STATISTIQUE

*Mr. Boyd* . August 5, 1966.

E	TO: <i>Mr. Hyndman</i>
	AUG 10 1966
	REGISTRY

*9-70*  
The Under-Secretary  
of State for External Affairs,  
Ottawa, Ontario.

Dear Sir:

Attention: Mr. J. E. Hyndman,  
Economic Division.

I have your letter of July 27th inquiring if we wish to designate a participant in this Seminar.

We have some interest in this matter, arising from our membership in the Inter American Statistical Institute. However, in this instance it appears that the meeting is to be entirely in the Spanish language and our only possible delegate is ill and on his return may not feel able to take the necessary time to participate.

Therefore, I feel that for the present we should decline the invitation sent to us by the Economic Commission for Latin America, indicating, however, that renewed consideration will be given to the matter, probably in September.

Yours sincerely,

*Walter E. Duffett*

Walter E. Duffett,  
Dominion Statistician.



NACIONES UNIDAS  
COMISION ECONOMICA PARA AMERICA LATINA  
Av. Providencia 871  
Casilla 178 D.  
SANTIAGO, CHILE

REFERENCIA. TEC 327(132-6)

Cable: UNATIONS

Santiago, 4 August 1966

35-20-ECLA

Sir,

The United Nations, through its Economic Commission for Latin America, the Centre for Industrial Development and the Bureau of Technical Assistance Operations, is sponsoring a Seminar on Small-Scale Industry in Latin America which is scheduled to take place at Quito, Ecuador, from 28 November to 5 December 1966.

This Seminar will offer to the participants the opportunity to review the existing situation of small-scale industry, the problem arising from its size, and its future prospects within the process of industrial development in the region. Representatives of twenty-seven countries in the area covered by ECLA are being invited to attend.

I therefore have the honour to invite your Government to designate one candidate to participate in the above Seminar. In the course of the discussions, it is hoped that the major problems will be analysed, and appropriate suggestions put forward in connexion with the items of the agenda.

In view of the financial limitations of the budget approved for this meeting, the United Nations will not be able to defray the cost of transportation and subsistence for the participant selected by your Government.

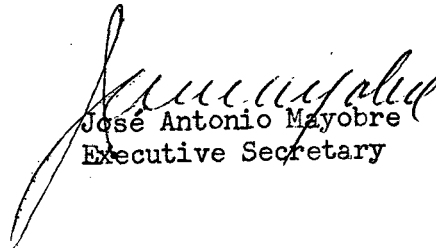
The selected candidates will take part in the Seminar in a personal capacity and not as official representatives of their Governments, and the discussions will be kept on a strictly technical plane.

His Excellency  
The Hon. Paul James Martin  
Secretary of State for Foreign Affairs  
Ottawa, Canada

- 2 -

... The attached aide-mémoire comprises information on the Seminar and the provisional agenda. It would be appreciated if you would kindly transmit to us the name of the proposed candidate, together with the attached nomination form which should be completed in quadruplicate.

Accept, Sir, the assurances of my highest consideration.

  
José Antonio Mayobre  
Executive Secretary

000706



## SEMINAR ON SMALL-SCALE INDUSTRY IN LATIN AMERICA

(Quito, Ecuador, 28 November to 5 December 1966)

Organized by the United Nations through its Economic Commission for Latin America, the Centre for Industrial Development and the Bureau of Technical Assistance Operations

### General information, provisional agenda and documents, and outline for the preparation of national reports

#### A. GENERAL INFORMATION

##### 1. Background information

During the last few years the Latin American countries have been taking an increasing interest in the problems of small industry, and the important part that it can play in the industrial development of the region. The United Nations, through the Economic Commission for Latin America, the Centre for Industrial Development and the Bureau of Technical Assistance Operations, is therefore organizing a Seminar on Small-Scale Industry in Latin America, which will be held at Quito, Ecuador, from 28 November to 5 December 1966.

##### 2. Objectives

The purpose of the Seminar is to review the existing situation of small-scale industry, the problems arising from its size, and its future prospects within the process of industrial development in the region.

In the course of its discussions, the Seminar will consider the industrial policy measures and decisions that should be adopted in each country for the promotion and development of small-scale industry, and the forms that should be taken by international co-operation if these aims are to be achieved. Both general questions and issues bearing on specific branches of industry will be dealt with on this occasion.

The conclusions reached in the course of the exchange of views on these subjects will be presented in the final report of the Seminar, for transmission to the Governments through the United Nations.

##### 3. Participants

The participants in the Seminar should be specialists in some aspect of small-scale industry or officials directly connected with this field.

/The United

- 2 -

The United Nations proposes to invite one expert from each of the Latin American countries. It will defray the cost of return air travel by economy class, and of per diem for the duration of the Seminar. Any country that wishes to send a larger number of representatives may do so at its own expense.

4. Liaison during the preparatory work for the Seminar

In order to facilitate liaison with ECLA in the preparation for the Seminar, particularly in connexion with the national reports, each country is requested to appoint a liaison officer who would thereafter be responsible for keeping in contact with ECLA. The ECLA secretariat should be informed as soon as possible of the name of the official and of the organization for which he works.

All correspondence relating to the preparation of the national reports or to the Seminar itself should be sent through the liaison officers to:

Mr. Nuno de Figueiredo  
Director, Joint ECLA/INST/IDB Programme on the  
Integration of Industrial Development  
Avenida Providencia 871,  
Santiago, Chile.

5. Co-operation with the Ecuadorian authorities

The Ecuadorian authorities have agreed to the dates proposed for the Seminar, that is, 28 November to 5 December 1966, and are prepared to co-operate in every way for the success of the meetings. The Government of Ecuador has appointed Mr. Carlos Bañomera, Chief of the Section for the Promotion of Enterprises and International Trade, National Economic Planning and Co-ordination Board, as the co-ordinator of the work connected with the proceedings of the Seminar.

B. PROVISIONAL AGENDA AND LIST OF DOCUMENTS

1. Provisional agenda

I. The contribution of small-scale industry to the development of Latin America

1. Characteristics of the development of small-scale industry in Latin America.

/2. The

- 3 -

2. The role of small-scale industry in over-all economic development strategy.
3. Possibilities of developing small-scale industry in particular sectors.
4. General development programmes for small-scale industry: organization, sectoral priorities and means of action.

II. The role of technical services and assistance in developing small-scale industry

1. Technical services at plant level for technological rationalization: organization, administration and methods.
2. Special vocational training programmes and other services for small-scale industry.
3. Industrial estates: organization, administration and financing.
4. Forms of co-operation and self-help.

III. Development financing for small-scale industry

1. Alternative policies and their respective systems.
2. Sources of funds: domestic and foreign.

IV. International and regional co-operation in the field of small-scale industry

1. Possible forms of international co-operation.
2. Regional co-ordination: aims and mechanisms.

2. Provisional documents

The discussion of the proposed agenda items will be based on papers expressly prepared for that purpose. The following is a provisional list of documents, listed in accordance with the items of the agenda, which can be added to before the initiation of the Seminar.

I. The contribution of small-scale industry to the development of Latin America

1. Small-scale industry in Latin America, by the ECLA secretariat  
National reports on small-scale industry, prepared by the participants from the different countries.
2. Small-scale industry defined, by P.C. Alexander  
The role of small-scale industry in over-all industrial development strategy, by P.C. Alexander.

/4. Global

- 4 -

4. Global development programmes for the small-scale industry in Latin America, by Bernhard Stein.

Development possibilities of small-scale industry in specific sectors of industrial activity, by A. Neilson.

II. The role of technical services and assistance in the development of small-scale industry

1. Criteria for evaluating technical assistance programmes in the field of small industry: The case of Chile, by the Chilean Technical Co-operation Service (CORFO).
2. Industrial extension services for small industries, by P.C. Alexander  
Entrepreneurial incentive and assistance to the small-scale industrialist in the pre-investment stage, by the United Nations Centre for Industrial Development.
3. Industrial estates in Latin America, by the United Nations Centre for Industrial Development.  
Pre-project planning of industrial estates, by P. Quigley  
Types of industrial estates, by P.C. Alexander  
The role of industrial estates in development policies and programmes for the small-scale industry, by P.C. Alexander

III. Development financing for small-scale industry

1. Document on the financing of small-scale industry (not yet specified).

IV. International and regional co-operation in the field of small-scale industry

1. Technical co-operation for the development of small-scale industry, by the United Nations Centre for Industrial Development.

/C. OUTLINE

- 5 -

### C. OUTLINE FOR THE PREPARATION OF NATIONAL REPORTS

In order to guide the persons designated in the different Latin American countries to prepare the national reports on small-scale industry, and to ensure that the presentation of the reports will be as uniform as possible, an outline of the main aspects that should be dealt with is given below. This outline is very tentative, since the situation and problems of small-scale industry may vary considerably from one country to another and would have to be given special treatment in each case. The national reports should therefore be adapted to the conditions prevailing in each country, and enter into as much detail as possible on credit facilities, technical assistance, vocational training, the development of co-operatives, methods of sub-contracting and so forth.

These detailed descriptions, and the analyses of activities in the field of small-scale industry will provide the necessary background information on each country's experience, and serve as a basis for discussion at the Seminar on the main lines of a development strategy for this sector of industry which is of such vital importance as a source of employment.

#### I. ECONOMIC IMPORTANCE OF SMALL-SCALE INDUSTRY

##### 1. Description of recent trends in the development of small-scale industry

Give information and statistical data on value added, production value, labour force employed, investment, location, etc., in order to show the main characteristics of the sector's development and its significance for manufacturing industry and the economy as a whole.

##### 2. Major sectors of small-scale industry

Give an account of the present situation and problems of the major sectors of small-scale industry, i.e., food products, textiles, clothing and footwear, furniture and metal-transforming.

##### 3. Development plans and programmes for small-scale industry

State whether a policy exists for modernizing and promoting small-scale industry, its main lines, and the bodies responsible for applying it. Explain the role assigned to small-scale industry in

/industrial development

- 6 -

industrial development programmes and strategy. Give a brief summary of the legislation on the development and promotion of small-scale industry.

Note: For the sake of clarity, a definition should be given of the concept or concepts employed under the generic term of small-scale industry, whether in describing its evolution or indicating the development programmes and measures adopted (indicators: employment by enterprise, capital, value, sales, etc.). Wherever possible, the United Nations International Standard Industrial Classification of all Economic Activities (ST/STAT/Ser.M/4/Rev.1) should be used in defining the sectors of small-scale industry.

## II. THE ROLE OF TECHNICAL SERVICES AND ASSISTANCE IN THE DEVELOPMENT OF SMALL-SCALE INDUSTRY

### 1. Technical assistance and advisory services

Describe the different forms of technical assistance, whether given to plants or to branches of industry, distinguishing between assistance provided for technical improvements, organization, administration and so forth, and list the organizations responsible for providing it.

### 2. Special vocational training programmes and other services for aiding small-scale industry

Give an account of the existing vocational training systems for the different levels of personnel working in small-scale industry, and of the industrial training centres. Data should be furnished on the number of persons trained in each course for the years on which information is available. Indications should also be given of any other services for aiding small-scale industry, particularly in relation to the supply of raw materials and marketing of the final products.

### 3. Industrial estates

State whether there are small-scale industrial estates in the country, and outline future programmes for establishing them together with the methods of organization, administration and financing adopted.

### /4. Forms

- 7 -

4. Forms of co-operation and self-help

The different co-operative activities in the field of small-scale industry should be covered under this point, namely, consumer, credit, and production co-operatives, together with other methods of co-operation and self-help such as organizations of small entrepreneurs and associations.

III. DEVELOPMENT FINANCING FOR SMALL-SCALE INDUSTRY

1. Alternative policies and their respective systems

Describe the programmes for giving financial assistance to small-scale industry, specifying the agencies in charge of these activities, the sums made available every year for this purpose, the criteria followed in allocating the resources, their distribution by branches of industry and by areas within a country, the terms on which they are released to small industrialists (maturities, rates of interest, guarantees, etc.), and the co-ordination of such programmes with others providing, for instance, technical assistance.

2. Sources of funds: domestic and foreign

Provide information on the domestic sources of funds used by small enterprises (depreciation reserves and reinvested profits), with estimates of the adequacy of the depreciation reserves and profit utilization trends (the respective proportions of reinvested and distributed profits). Mention any relevant legislation.

Similar information should be given on external sources of funds for small concerns (capital contributions, loans, etc.), indicating the extent to which organized stock markets are used and the availability of official or private bank loans. Where possible, specify the percentage of the total funds obtained from sources outside the enterprise and its composition in terms of capital contributions, bank loans, suppliers' credit and other types of financing.

/IV. INTERNATIONAL

- 8 -

#### IV. INTERNATIONAL CO-OPERATION IN THE FIELD OF SMALL-SCALE INDUSTRY

##### 1. Financial assistance

List current programmes of external financial assistance implemented directly or through a national agency. As much information as possible should be supplied on such points as the organization or country extending the assistance, the sum involved, the conditions to be met by national industry and credit terms (maturities, rates of interest and so on). The list of programmes could be separated by type of source into multilateral (e.g. United Nations, OAS/IDB) and bilateral by countries. It should also be indicated whether small industry receives suppliers' credits from abroad for purchases of equipment and machinery and, if so, for how much and on what terms.

##### 2. Technical assistance

List the current programmes of technical assistance from abroad, and give as much information as possible on the following points: the country providing the assistance, the recipient organization or enterprise (singly or by branch of industry), the amount (if possible distinguishing between the usual items of classification, such as experts, fellowships, equipment, teaching, personnel, etc.), the country's own contribution to the programme, the field covered (assistance to a branch of industry, group of enterprises, area, organization, etc.), the length of the programme, and whether it is thought to be practicable in terms of the results aimed at. If any co-operation is given by a Latin American country, describe the form this takes.

##### Note on presentation

Although there is no set length for the national reports, it is considered that about fifty pages of typed text in one and a half spacing (excluding appended material) would fill the purpose.

/The decimal



- 9 -

The decimal metric system should be the only system of measurement used save in exceptional cases when the metric equivalent should be given in brackets. For the sake of easy comparison, values should be expressed in United States dollars whenever possible, and, in any case, at the exchange rate prevailing during the year or years in question.

The reports should be received at ECLA Headquarters not later than 8 September 1966 so that the documents can be reproduced in good time.

UNITED NATIONS

SEMINAR ON SMALL-SCALE INDUSTRY IN LATIN AMERICA

28 November to 5 December 1966

Quito, Ecuador

Organized by the United Nations through its Economic Commission  
for Latin America, the Centre for Industrial Development  
and the Bureau of Technical Assistance Operations

PRESENTATION OF THE CANDIDATE

The Government of \_\_\_\_\_ recommends the following  
candidate for the Seminar on Small-Scale Industry in Latin America:

1. Family Name \_\_\_\_\_ First and middle names \_\_\_\_\_ (Underline first name  
and family name)

2. Present post \_\_\_\_\_

3. Address \_\_\_\_\_

4. Sex	5. Place and country of birth	6. Date of birth	7. Age
M F		Day Month Year	

8. Civil status \_\_\_\_\_

9. Nationality \_\_\_\_\_

10. Name of person to be notified in  
case of emergency \_\_\_\_\_

11. Address \_\_\_\_\_

- 2 -

12. Employment record (in reverse order, for the last three years only)

A. Present post

Description of duties and personal  
responsibilities of the proposed  
candidate

Address

Type of organization

Post

Years of service

From

To

B. Former post or secondary  
post held at present

Description of duties, and personal  
responsibilities of the proposed  
candidate

Address

Type of organization

Post

Years of service

From

To

- 3 -

C. Former post

Description of duties and personal  
responsibilities of the proposed  
candidate

Address

Type of organization

Post

Years of service

From

To

13. Academic qualifications (university level)

14. Brief account of the candidate's special field of interest, in  
relation to the subjects that will be covered.

15. List of articles or other publications on small-scale industry or  
allied subjects

16. As the course will be given in Spanish, it is essential that the  
candidates should have a working knowledge of that language.

Signature of candidate

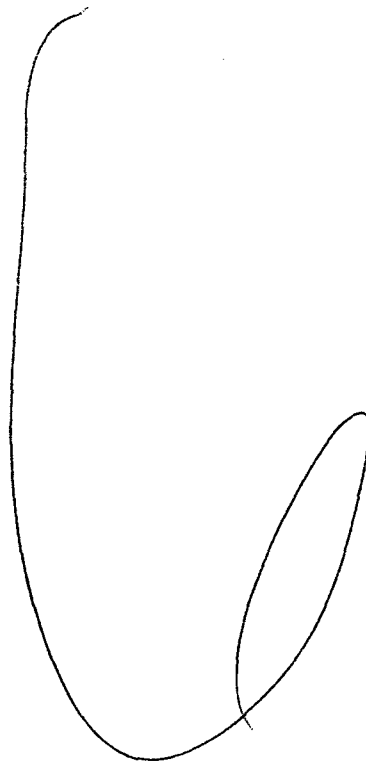
Stamp and signature of  
certifying Government Official

Date

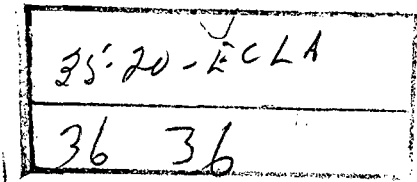
Post

Date

000718



Economic/D. Boily/mjl



Your Ref. TEC 327(300-2)

OTTAWA, August 22, 1966

No. E 2560

Sir,

I have the honour to refer to your letter of June 27, 1966 inviting the Canadian Government to send representatives to attend the Latin American Seminar on Industrial Statistics which is scheduled to take place at Quito, Ecuador from October 24 to November 5, 1966.

The Dominion Bureau of Statistics has expressed its appreciation for this invitation and its interest in the Seminar arising from Canada's membership in the Inter-American Statistical Institute.

Unfortunately, it appears unlikely at this time that it will prove possible to send a Canadian delegate to your meeting. Renewed consideration will, however, be given to this matter closer to the time of the meeting and if there should be any change in our position, you will be advised without delay.

Accept, Sir, the assurances of my highest consideration.

D. H. W. KIRKWOOD  
Secretary of State  
for External Affairs.

José Antonio Mayobre, Esq.,  
Executive Secretary,  
United Nations Economic Commission  
for Latin America,  
Av. Providencia 871,  
Casilla 179 D.,  
SANTIAGO, Chile.

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO: Mr. Bailey  
SEP 7 1966  
REGISTRY

TO  
A The Under-Secretary of State  
for External Affairs, Ottawa

FROM  
De Canadian Embassy, Santiago, Chile

REFERENCE  
Référence CONFERENCE OF MINISTERS OF EDUCATION  
AND MINISTERS RESPONSIBLE FOR ECONOMIC  
PLANNING IN COUNTRIES OF LATIN AMERICA  
AND THE CARIBBEAN

SUBJECT  
Sujet

SECURITY  
Sécurité

UNCLASSIFIED

DATE August 25, 1966

NUMBER  
Numéro 275

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	3635-20-ECLA-43 18

ENCLOSURES  
Annexes

1

DISTRIBUTION

Trade and  
Commerce

Canadian  
Embassy,  
Buenos Aires

Place, Time Sponsorship

The Conference of Ministers of Education and Ministers responsible for Economic Planning in countries of Latin America and the Caribbean was held in Buenos Aires from June 21 to June 28 under the joint sponsorship of the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the Economic Commission for Latin America (ECLA).

Purpose

2. The chief purpose of the Conference was (1) to formulate guiding criteria and principles to help member states in Latin America in planning the development of education at the national level, and (2) to make recommendations on the nature and trend of UNESCO's future education programmes in the region.

Participation

3. The Conference was attended by 201 delegates from 25 countries, 17 observers from 6 countries, 10 representatives from 6 United Nations organizations and observers from 7 inter-governmental and 16 international non-governmental organizations. The delegations included 15 Ministers of Education and one Minister for Economic Affairs. As might be expected, the largest delegation belonged to the host government and numbered 101 members. In descending progression, this was followed by the U.S. delegation (10 members), the Peruvian delegation (9 members), the Brazilian delegation (8 members), the Cuban delegation (7 members) down to Costa Rica (one member).

Canada's Participation

4. Canada was represented by an observer delegation composed of the Canadian Ambassador to Argentina, Mr. Jean Bruchési as Head of Delegation, assisted by Mr. R.E. Gravel, Canadian Commercial Counsellor in Chile.

EAO  
L.A. Div.  
Cultural Div.  
2 Mr. Munro

Done: Rm  
13/6/66

5. As education in Canada is primarily the responsibility of the ten Canadian Provinces, it was considered that the appropriate status for the Canadian representatives attending would be that of "observers" without the right to vote rather than as "chief participants".

6. Fellow observers included Bolivia, Spain, Italy, the Union of Soviet Socialist Republics and the Holy See.

#### Agenda

7. The basic items of the agenda consisted of the following:

- (a) Survey of progress made by the countries of the region in education and in the relevant sectors of economic and social development since the Conference of Ministers of Education in Lima (1956) and of the extent to which educational services are contributing to national development
- (b) Prospects for the economic and social development of Latin America, and its needs in respect of the expansion of education and the training of human resources. Present and future availability of and demand for technical personnel and skilled manpower.
- (c) Reforms needed for the economic and social development of the countries of the region, in regard to the structure, quality and administration of their educational services, with particular reference to:
  - ( i) general education as a prerequisite for specialized training of all kinds and at all levels;
  - ( ii) technical and vocational education;
  - (iii) continuing education for young people and adults, and literacy programmes;
  - ( iv) training of personnel for the educational services.

#### Documentation

8. As usual, the documentation was abundant as each delegate presented an account of the educational progress achieved in his country since the last Conference of Ministers of Education. Over 20 such documents were presented to the delegations together with other miscellaneous material.



9. A list of the basic documents is attached and we will be glad to forward these to the Department if requested (see Annex).

#### Resolutions

10. At the final session, the conference adopted resolutions or recommendations dealing with the following subjects:

- (a) human resources
- (b) structure of the educational systems
- (c) quality of education
- (d) administration of education
- (e) comprehensive planning and financing of education
- (f) general and specialized education
- (g) technical and vocational education
- (h) continuing education for young people and adults, and literacy programmes
- (i) training of staff for educational services

#### General Observations

11. The Conference was opened by Mr. Rene Maheu, the Director General of UNESCO, in the presence of the President of Argentina, Dr. Arturo V. Illia who also addressed the delegations. Dr. Illia was deposed on the following Tuesday, June 28, when the Conference came to an abrupt end, having lost its president, Mr. Carlos Alconada Aramburu, Minister of Education and Justice of the Argentine Republic.

12. In a private and plenary session, the Conference considered and adopted the reports of the committees and instructed the Secretariat to revise and publish its final report, which appeared at the end of July.

13. A representative of the Executive Secretary of ECLA said that the Conference had confirmed the Commission's conviction that the work of integrating educational planning in over-all development planning must be accelerated. The views expressed during the Conference could lead to a revision of ECLA's own plans in this field because of the importance attached during the debates to the need to increase the training and the in-service training of human resources. ECLA hoped to work even more closely with UNESCO which could bring to such co-operation its broad and invaluable understanding of educational problems.

  
The Embassy

A N N E X

List of Documents

UNESCO/MINEDECAL/6	Educational developments in Latin America 1956 - 1965
UNESCO/MINEDECAL/7	Education and development in Latin America: Bases for an educational policy
UNESCO/MINEDECAL/8 - Part I	Conference on the application of science and technology to the development of Latin America, organized by UNESCO with the co-operation of the Economic Commission for Latin America
UNESCO/MINEDECAL/8 - Part II	Meeting of experts on higher education and development in Latin America
UNESCO/MINEDECAL/8 - Part III	Regional conference on the planning and organization of literacy programmes in Latin America and the Caribbean
UNESCO/MINEDECAL/9	Human resources training in the economic and social development of Latin America

35-20-ECLA	
10	10

OTTAWA August 31, 1966.

~~The Deputy Minister.~~

Seminar on Small-Scale Industry in Latin America

We are enclosing along with its attachment  
---a copy of a letter dated August 4, 1966 from the  
Executive Secretary of the Economic Commission for  
Latin America conveying an invitation to the Canadian  
Government to attend a Latin American Seminar on Small-  
Scale Industry which will be held at Quito, Ecuador from  
November 28 to December 5, 1966. You will note that the  
Canadian candidate, if one should be designated, will  
participate in the seminar in his personal capacity and  
that his travel expenses as well as his living expenses  
while at Quito will not be assumed by the United Nations.  
We will appreciate it if you would let us know as soon  
as possible if you wish to designate someone to  
participate in this seminar. In that event, four copies  
of the attached questionnaire should be completed and  
forwarded to us.

D.H.W. KIRKWOOD  
FOR

Under-Secretary of State  
for External Affairs.

Letter sent to:  
Department of Industry  
Department of Trade and Commerce

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO: <i>M. Widgress</i>
FROM: REGISTRY
SEP 13 1966
FILE CHARGE OUT
TO: <i>E</i>

TO: A  
The Under-Secretary of State  
for External Affairs, Ottawa

FROM: De  
The Embassy, Santiago, Chile

REFERENCE  
Référence

SUBJECT  
Sujet  
THE UNITED NATIONS BUILDING  
- SANTIAGO, CHILE

SECURITY  
Sécurité

DATE

NUMBER  
Numéro

Unclassified

September 6, 1966

279

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	36
35-LATAM-20-ECLA-9 36	

ENCLOSURES  
Annexes

DISTRIBUTION  
Trade and  
Commerce

The inauguration of the Santiago United Nations Building took place on Monday, August 29 in the presence of Eduardo Frei, President of the Republic of Chile, and U Thant, Secretary-General of the United Nations Organization, who flew down from New York to preside over the ceremony. With the exception of minor details, the building is almost completely finished. It will house the Secretariat of the Economic Commission for Latin America (ECLA or CEPAL) as well as the Latin American Institute for Economic and Social Planning. It is planned that other United Nations organizations with regional headquarters in Santiago will also move in at a later date.

2. It will be recalled that the Canadian Government contributed the sum of \$10,000 in December 1963, under the Gift Programme undertaken by the Ad Hoc Committee of the ECLA.

3. We are attaching a booklet in Spanish which was distributed to guests during the inauguration ceremony. It contains drawings and photographs which give a fairly accurate idea of the size, appearance and present state of the third building owned by the United Nations, the other two being in New York and Geneva.

*M. C. Seavey*  
The Embassy

*972*

DEPARTMENT  
OF  
INDUSTRY



MINISTÈRE  
DE  
L'INDUSTRIE

35-20-ECLA	
40	40

REFER TO FILE NO.  
MENTIONNER LE DOSSIER.....

Ottawa 4, September 12, 1966

Under-Secretary of State  
for External Affairs,  
East Block,  
O t t a w a 4, Ontario.

Attention: Mr. D.H.W. Kirkwood

Dear Mr. Kirkwood:

Re: Seminar on Small-Scale Industry  
in Latin America

In answer to your letter of August 31, 1966,  
we do not wish to designate anyone to participate in the Seminar  
on Small-Scale Industry to be held at Quito, Ecuador, November 28  
to December 5, 1966.

Yours truly,

A. S. Abell,  
Economic Adviser.

J 73

e  
2

UNITED NATIONS  
ECONOMIC COMMISSION FOR LATIN AMERICA



NATIONS UNIES  
COMMISSION ÉCONOMIQUE POUR L'AMÉRIQUE LATINE

NACIONES UNIDAS  
COMISION ECONOMICA PARA AMERICA LATINA  
Av. Providencia 871  
Casilla 179 D.  
SANTIAGO, CHILE

REFERENCIA. TEC 327(300-3)

Cable: UNATIONS

Santiago, 15 September 1966

Sir,

Reference is being made to the invitation addressed to your Excellency on 27 June 1966 concerning the Latin American Seminar on Industrial Statistics.

At the request of the host Government, it has been decided to postpone this Seminar, which is now scheduled to be held at Quito, Ecuador, from 6 to 16 December 1966.

We should like to take this opportunity to point out that so far no candidates have been proposed by your Government.

Accept, Sir, the assurances of my highest consideration,

José Antonio Mayobre  
Executive Secretary

His Excellency  
Mr. Paul Martin  
Secretary of State for External Affairs  
Ottawa, Canada

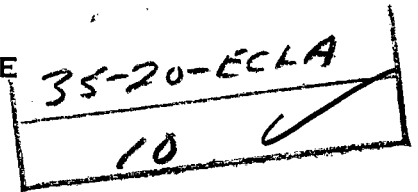
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SEP 29 Ent'd

000729



DEPARTMENT OF TRADE AND COMMERCE  
MINISTÈRE DU COMMERCE



FILE NO. 22-47  
DOSSIER

OTTAWA, September 20, 1966.

Under-Secretary of State  
for External Affairs,  
OTTAWA, Ontario

Attention: Mr. D.H.W. Kirkwood

SEMINAR ON SMALL-SCALE INDUSTRY IN LATIN AMERICA

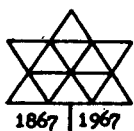
Dear Sir:

We have reviewed your letter of August 31, 1966, and attached invitation to participate at the Seminar on Small-Scale Industry in Latin America, and have decided that this does not appear to be of interest to this Department.

Thank you for bringing this seminar to our attention.

Yours faithfully,

R.A. Bull, Chief,  
Latin American Division,  
Office of Trade Relations.





Economic/D.Boily/rm

c.c. to Dept. of Industry  
Latin American Division,  
Trade and Commerce Dept.  
SantiagoEXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO  
À  
The Canadian Embassy,  
QUITO, Ecuador

FROM  
De  
The Under-Secretary of State  
for External Affairs

REFERENCE  
Référence

SUBJECT  
Sujet  
Seminar on Small-Scale Industry  
in Latin America

SECURITY  
Sécurité  
UNCLASSIFIED

DATE  
September 22, 1966

NUMBER  
Numéro  
E2973

FILE	DOSSIER
OTTAWA	35-20-EC LA
MISSION	10

ENCLOSURES  
Annexes

1

DISTRIBUTION

...

Attached for your information are copies of correspondence and documents concerning a Seminar on Small-Scale Industry in Latin America which is scheduled to take place in Quito from November 28 to December 5, 1966 under the auspices of the ECLA.

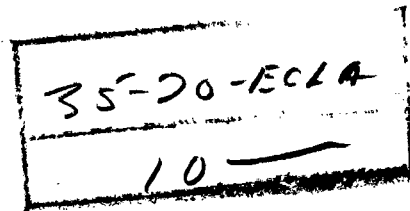
2. Since, as you will note, there will be no Canadian representation at this meeting, we would welcome any information or publications emanating from it which may come your way.

R.M. TAIT  
FOR

Under-Secretary of State  
for External Affairs.

Economic/D. Boily/rm

c.c. Dept. of Industry,  
Latin American Division,  
Trade and Commerce Dept.  
Santiago.



OTTAWA, September 22, 1966.

No. E 2972

Sir,

I have the honour to refer to your letter, reference TEC (132-6) of June 27, 1966, inviting the Canadian Government to designate a representative to attend the Seminar on Small-Scale Industry in Latin America which is scheduled to take place at Quito from November 28 to December 5, 1966. Your letter has been carefully considered by the appropriate Canadian authorities, including the Department of Industry, which has expressed its appreciation for this invitation and its interest in the development of small-scale industry in Latin America.

Unfortunately, however, it will not prove possible for a Canadian representative to participate in this meeting.

Accept, Sir, the renewed assurances of my highest consideration.

R. M. TAIT  
FOR

Secretary of State  
for External Affairs.

Sr. José Antonio Mayobre,  
Executive Secretary,  
United Nations Economic Commission for Latin America,  
Av. Providencia 871,  
Casilla 179 D.  
Santiago, Chile.

2 p.m.  
J.H.

UNITED NATIONS  
ECONOMIC COMMISSION FOR LATIN AMERICA



NATIONS UNIES  
COMMISSION ÉCONOMIQUE POUR L'AMÉRIQUE LATINE

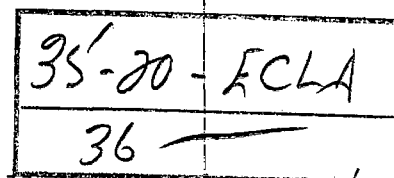
NACIONES UNIDAS  
COMISION ECONOMICA PARA AMERICA LATINA  
Av. Providencia 871  
Casilla 179 D.  
SANTIAGO, CHILE

*See N 4 F  
hang further  
action to*

REFERENCIA.

Cable: UNATIONS

10 October 1966



Sir,

I have the honour to refer to the Seminar on Small-Scale Industry in Latin America, which is to be held at Quito (Ecuador) from 28 November to 5 December 1966, and to inform you that the first set of documents for the Seminar is being sent to you by airmail under separate cover. It includes the following:

<u>Nr</u>	<u>Symbol</u>	<u>Title of the document</u>
1		Information on the Quito Seminar.
2	ST/ECLA/Conf.25/L.2	The definition of small-scale industry. Presented by P.C. Alexander, Consultant, United Nations Centre for Industrial Development.
3	ST/ECLA/Conf.25/L.3	Industrial Extension Services for Small-Scale Industries. Presented by P.C. Alexander, Consultant, United Nations Centre for Industrial Development.
4	ST/ECLA/Conf.25/L.4	The role of industrial states in policies and programmes for the development of small-scale industries. Presented by P.C. Alexander, Consultant, United Nations Centre for Industrial Development.
5	ST/ECLA/Conf.25/L.5	Types of industrial states. Presented by P.C. Alexander, Consultant, United Nations Centre for Industrial Development.
6	ST/ECLA/Conf.25/L.6	Stimulation of entrepreneurship and assistance to small industrialists at the pre-investment stage. Presented by the United Nations Centre for Industrial Development.

His Excellency  
The Hon. Paul James Martin  
Secretary of State for Foreign Affairs  
Ottawa, Canada

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- |    |                      |   |
|----|----------------------|---|
| 7  | ST/ECLA/Conf.25/L.7  | Pre-project planning for industrial states.<br>Presented by P. Quigley, Consultant, United Nations Centre for Industrial Development.   |
| 8  | ST/ECLA/Conf.25/L.8  | Programas globales de fomento para la pequeña industria en América Latina, criterios generales, instituciones, medidas y prioridades.<br>Presented by Bernhard Stein, Expert of the United Nations Programme for Development. |
| 9  | ST/ECLA/Conf.25/L.9  | Industrial state plans and projects in Latin American countries.<br>Presented by the United Nations Centre for Industrial Development.  |
| 10 | ST/ECLA/Conf.25/L.10 | The role of small-scale industry in over-all industrial development strategy.<br>Presented by P.C. Alexander, Consultant, United Nations Centre for Industrial Development.   |

At the beginning of November we shall send you the second set of documents, a provisional list of which is as follows:

Temario provisional comentado y lista provisional de documentos.

La Pequeña Industria en América Latina, prepared by the Economic Commission for Latin America.

Monografía sobre la pequeña industria en Brasil

"	"	"	"	"	"	Bolivia
"	"	"	"	"	"	Centroamérica
"	"	"	"	"	"	Chile
"	"	"	"	"	"	Colombia
"	"	"	"	"	"	Ecuador
"	"	"	"	"	"	México
"	"	"	"	"	"	Paraguay
"	"	"	"	"	"	Perú
"	"	"	"	"	"	Uruguay
"	"	"	"	"	"	Venezuela

Prepared by the respective governments.

Development possibilities for small-scale industry in specific fields of industrial activity. Prepared by A. Neilson.

- 3 -

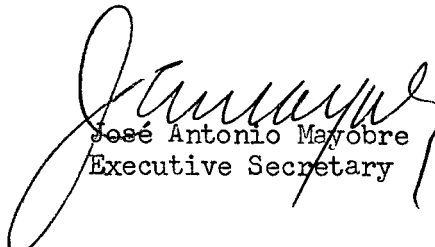
Evolución de un programa de asistencia a la pequeña industria; el caso de Chile.

Prepared by the Servicio de Cooperación Técnica de Chile.

Technical co-operation for the development of small-scale industry.

Prepared by the United Nations Centre for Industrial Development.

Accept, Sir, the assurance of my highest consideration.

  
José Antonio Mayobre  
Executive Secretary

c.c. Department of Trade and Commerce  
Department of Industry  
Santiago  
Latin American Division  
DBS (Mr. Duffett)

Economic/D. Bolly/DR

35-20-ECLA
36 36

No. E- 3199

Ottawa, October 18, 1966

Sir,

I have the honour to acknowledge with thanks your letter, reference TEC 327 (300-3) of September 15, 1966, about the postponement of the Latin American Seminar of Industrial Statistics which is now scheduled to be held at Quito, Ecuador, from December 6 to 16, 1966.

As I informed you in letter E-2992 of September 22, 1966, it will not prove possible for a Canadian representative to participate in this seminar.

Accept, Sir, the renewed assurances of my highest consideration.

SGDI J. E. HYNDMAN  
FOR

Secretary of State  
for External Affairs

Sr. José Antonio Mayobre,  
Executive Secretary,  
United Nations Commission for Latin America,  
Av. Providencia 871,  
Casilla 179 D,  
Santiago, Chile.

33-20-1-16

UNITED NATIONS

ECOMOMIC COMMISSION FOR LATIN AMERICA



NATIONS UNIES

COMMISSION ECONOMIQUE POUR L'AMERIQUE LATINE

NACIONES UNIDAS

COMISION ECONOMICA PARA AMERICA LATINA

AV. PROVIDENCIA 871  
CASILLA 179 D  
SANTIAGO, CHILE

REFERENCIA: TEC 327 (300-3)

CABLE: UNATIONS

Santiago, 26 October 1966

Sir,

I have the honour to refer to your letter N° E 2560 of 22 August 1966 from which we regret to note that it is unlikely that the Dominion Bureau of Statistics will be represented at the Latin American Seminar on Industrial Statistics. However, in the meantime the Seminar has been postponed and will now be held at Quito, Ecuador, from 6 to 16 December 1966 which I hope may make it possible for a Canadian delegate to attend.

Accept, Sir, the assurances of my highest consideration.

José Antonio Mayobre  
Executive Secretary

His Excellency  
The Hon. Paul James Martin  
Secretary of State for External Affairs  
Ottawa, Canada



DOMINION BUREAU OF STATISTICS



BUREAU FÉDÉRAL DE LA STATISTIQUE

Ottawa, Canada

TO: *Mr. Fortin*  
FROM REGISTRY  
NOV 17 1966  
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TO: *File*

35-20-ECLA  
45 10  
November 9, 1966.

The Under-Secretary  
of State for External Affairs,  
Ottawa, Ontario.

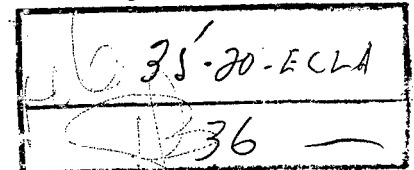
Dear Sir:

With further reference to my letter of August 5 regarding a Latin American Seminar on Industrial Statistics, I wish to confirm the indication which I gave previously, that it will not be practicable for us to be represented on this occasion, notwithstanding the fact that the Seminar has now been deferred until December 1966.

Yours sincerely,

*Walter E. Duffett*

Walter E. Duffett,  
Dominion Statistician.



## SEMINAR ON SMALL-SCALE INDUSTRY IN LATIN AMERICA

(Quito, Ecuador, 28 November to 5 December 1966)

Organized by the United Nations through its Economic Commission for Latin America, the Centre for Industrial Development and the Bureau of Technical Assistance Operations

General information, provisional agenda and documents,  
and outline for the preparation of national reports

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### A. GENERAL INFORMATION

#### 1. Background information

During the last few years the Latin American countries have been taking an increasing interest in the problems of small industry, and the important part that it can play in the industrial development of the region. The United Nations, through the Economic Commission for Latin America, the Centre for Industrial Development and the Bureau of Technical Assistance Operations, is therefore organizing a Seminar on Small-Scale Industry in Latin America, which will be held at Quito, Ecuador, from 28 November to 5 December 1966.

#### 2. Objectives

The purpose of the Seminar is to review the existing situation of small-scale industry, the problems arising from its size, and its future prospects within the process of industrial development in the region.

In the course of its discussions, the Seminar will consider the industrial policy measures and decisions that should be adopted in each country for the promotion and development of small-scale industry, and the forms that should be taken by international co-operation if these aims are to be achieved. Both general questions and issues bearing on specific branches of industry will be dealt with on this occasion.

The conclusions reached in the course of the exchange of views on these subjects will be presented in the final report of the Seminar, for transmission to the Governments through the United Nations.

#### 3. Participants

The participants in the Seminar should be specialists in some aspect of small-scale industry or officials directly connected with this field.

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- 2 -

The United Nations proposes to invite one expert from each of the Latin American countries. It will defray the cost of return air travel by economy class, and of per diem for the duration of the Seminar. Any country that wishes to send a larger number of representatives may do so at its own expense.

4. Liaison during the preparatory work for the Seminar

In order to facilitate liaison with ECLA in the preparation for the Seminar, particularly in connexion with the national reports, each country is requested to appoint a liaison officer who would thereafter be responsible for keeping in contact with ECLA. The ECLA secretariat should be informed as soon as possible of the name of the official and of the organization for which he works.

All correspondence relating to the preparation of the national reports or to the Seminar itself should be sent through the liaison officers to:

Mr. Nuno de Figueiredo  
Director, Joint ECLA/INST/IDB Programme on the  
Integration of Industrial Development  
Avenida Providencia 871,  
Santiago, Chile.

5. Co-operation with the Ecuadorian authorities

The Ecuadorian authorities have agreed to the dates proposed for the Seminar, that is, 28 November to 5 December 1966, and are prepared to co-operate in every way for the success of the meetings. The Government of Ecuador has appointed Mr. Carlos Bañomera, Chief of the Section for the Promotion of Enterprises and International Trade, National Economic Planning and Co-ordination Board, as the co-ordinator of the work connected with the proceedings of the Seminar.

B. PROVISIONAL AGENDA AND LIST OF DOCUMENTS

1. Provisional agenda

I. The contribution of small-scale industry to the development of Latin America

1. Characteristics of the development of small-scale industry in Latin America.

/2. The

- 3 -

2. The role of small-scale industry in over-all economic development strategy.
3. Possibilities of developing small-scale industry in particular sectors.
4. General development programmes for small-scale industry: organization, sectoral priorities and means of action.

II. The role of technical services and assistance in developing small-scale industry

1. Technical services at plant level for technological rationalization: organization, administration and methods.
2. Special vocational training programmes and other services for small-scale industry.
3. Industrial estates: organization, administration and financing.
4. Forms of co-operation and self-help.

III. Development financing for small-scale industry

1. Alternative policies and their respective systems.
2. Sources of funds: domestic and foreign.

IV. International and regional co-operation in the field of small-scale industry

1. Possible forms of international co-operation.
2. Regional co-ordination: aims and mechanisms.

2. Provisional documents

The discussion of the proposed agenda items will be based on papers expressly prepared for that purpose. The following is a provisional list of documents, listed in accordance with the items of the agenda, which can be added to before the initiation of the Seminar.

I. The contribution of small-scale industry to the development of Latin America

1. Small-scale industry in Latin America, by the ECLA secretariat  
National reports on small-scale industry, prepared by the participants from the different countries.
2. Small-scale industry defined, by P.C. Alexander  
The role of small-scale industry in over-all industrial development strategy, by P.C. Alexander.

/4. Global

- 4 -

4. Global development programmes for the small-scale industry in Latin America, by Bernhard Stein.  
Development possibilities of small-scale industry in specific sectors of industrial activity, by A. Neilson.
- II. The role of technical services and assistance in the development of small-scale industry
  1. Criteria for evaluating technical assistance programmes in the field of small industry: The case of Chile, by the Chilean Technical Co-operation Service (CORFO).
  2. Industrial extension services for small industries, by P.C. Alexander  
Entrepreneurial incentive and assistance to the small-scale industrialist in the pre-investment stage, by the United Nations Centre for Industrial Development.
  3. Industrial estates in Latin America, by the United Nations Centre for Industrial Development.  
Pre-project planning of industrial estates, by P. Quigley  
Types of industrial estates, by P.C. Alexander  
The role of industrial estates in development policies and programmes for the small-scale industry, by P.C. Alexander
- III. Development financing for small-scale industry
  1. Document on the financing of small-scale industry (not yet specified).
- IV. International and regional co-operation in the field of small-scale industry
  1. Technical co-operation for the development of small-scale industry, by the United Nations Centre for Industrial Development.

/C. OUTLINE

- 5 -

### C. OUTLINE FOR THE PREPARATION OF NATIONAL REPORTS

In order to guide the persons designated in the different Latin American countries to prepare the national reports on small-scale industry, and to ensure that the presentation of the reports will be as uniform as possible, an outline of the main aspects that should be dealt with is given below. This outline is very tentative, since the situation and problems of small-scale industry may vary considerably from one country to another and would have to be given special treatment in each case. The national reports should therefore be adapted to the conditions prevailing in each country, and enter into as much detail as possible on credit facilities, technical assistance, vocational training, the development of co-operatives, methods of sub-contracting and so forth.

These detailed descriptions, and the analyses of activities in the field of small-scale industry will provide the necessary background information on each country's experience, and serve as a basis for discussion at the Seminar on the main lines of a development strategy for this sector of industry which is of such vital importance as a source of employment.

#### I. ECONOMIC IMPORTANCE OF SMALL-SCALE INDUSTRY

##### 1. Description of recent trends in the development of small-scale industry

Give information and statistical data on value added, production value, labour force employed, investment, location, etc., in order to show the main characteristics of the sector's development and its significance for manufacturing industry and the economy as a whole.

##### 2. Major sectors of small-scale industry

Give an account of the present situation and problems of the major sectors of small-scale industry, i.e., food products, textiles, clothing and footwear, furniture and metal-transforming.

##### 3. Development plans and programmes for small-scale industry

State whether a policy exists for modernizing and promoting small-scale industry, its main lines, and the bodies responsible for applying it. Explain the role assigned to small-scale industry in

/industrial development

industrial development programmes and strategy. Give a brief summary of the legislation on the development and promotion of small-scale industry.

Note: For the sake of clarity, a definition should be given of the concept or concepts employed under the generic term of small-scale industry, whether in describing its evolution or indicating the development programmes and measures adopted (indicators: employment by enterprise, capital, value, sales, etc.). Wherever possible, the United Nations International Standard Industrial Classification of all Economic Activities (ST/STAT/Ser.M/4/Rev.1) should be used in defining the sectors of small-scale industry.

## II. THE ROLE OF TECHNICAL SERVICES AND ASSISTANCE IN THE DEVELOPMENT OF SMALL-SCALE INDUSTRY

### 1. Technical assistance and advisory services

Describe the different forms of technical assistance, whether given to plants or to branches of industry, distinguishing between assistance provided for technical improvements, organization, administration and so forth, and list the organizations responsible for providing it.

### 2. Special vocational training programmes and other services for aiding small-scale industry

Give an account of the existing vocational training systems for the different levels of personnel working in small-scale industry, and of the industrial training centres. Data should be furnished on the number of persons trained in each course for the years on which information is available. Indications should also be given of any other services for aiding small-scale industry, particularly in relation to the supply of raw materials and marketing of the final products.

### 3. Industrial estates

State whether there are small-scale industrial estates in the country, and outline future programmes for establishing them together with the methods of organization, administration and financing adopted.

### /4. Forms

BEST ORIGINAL AVAILABLE  
MILLEUR ORIGINAL

- 7 -

#### 4. Forms of co-operation and self-help

The different co-operative activities in the field of small-scale industry should be covered under this point, namely, consumer, credit, and production co-operatives, together with other methods of co-operation and self-help such as organizations of small entrepreneurs and associations.

### III. DEVELOPMENT FINANCING FOR SMALL-SCALE INDUSTRY

#### 1. Alternative policies and their respective systems

Describe the programmes for giving financial assistance to small-scale industry, specifying the agencies in charge of these activities, the sums made available every year for this purpose, the criteria followed in allocating the resources, their distribution by branches of industry and by areas within a country, the terms on which they are released to small industrialists (maturities, rates of interest, guarantees, etc.), and the co-ordination of such programmes with others providing, for instance, technical assistance.

#### 2. Sources of funds: domestic and foreign

Provide information on the domestic sources of funds used by small enterprises (depreciation reserves and reinvested profits), with estimates of the adequacy of the depreciation reserves and profit utilization trends (the respective proportions of reinvested and distributed profits). Mention any relevant legislation.

Similar information should be given on external sources of funds for small concerns (capital contributions, loans, etc.), indicating the extent to which organized stock markets are used and the availability of official or private bank loans. Where possible, specify the percentage of the total funds obtained from sources outside the enterprise and its composition in terms of capital contributions, bank loans, suppliers' credit and other types of financing.

### /IV. INTERNATIONAL



- 8 -

#### IV. INTERNATIONAL CO-OPERATION IN THE FIELD OF SMALL-SCALE INDUSTRY

##### 1. Financial assistance

List current programmes of external financial assistance implemented directly or through a national agency. As much information as possible should be supplied on such points as the organization or country extending the assistance, the sum involved, the conditions to be met by national industry and credit terms (maturities, rates of interest and so on). The list of programmes could be separated by type of source into multilateral (e.g. United Nations, OAS/IDB) and bilateral by countries. It should also be indicated whether small industry receives suppliers' credits from abroad for purchases of equipment and machinery and, if so, for how much and on what terms.

##### 2. Technical assistance

List the current programmes of technical assistance from abroad, and give as much information as possible on the following points: the country providing the assistance, the recipient organization or enterprise (singly or by branch of industry), the amount (if possible distinguishing between the usual items of classification, such as experts, fellowships, equipment, teaching, personnel, etc.), the country's own contribution to the programme, the field covered (assistance to a branch of industry, group of enterprises, area, organization, etc.), the length of the programme, and whether it is thought to be practicable in terms of the results aimed at. If any co-operation is given by a Latin American country, describe the form this takes.

##### Note on presentation

Although there is no set length for the national reports, it is considered that about fifty pages of typed text in one and a half spacing (excluding appended material) would fill the purpose.

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- 9 -

The decimal metric system should be the only system of measurement used save in exceptional cases when the metric equivalent should be given in brackets. For the sake of easy comparison, values should be expressed in United States dollars whenever possible, and, in any case, at the exchange rate prevailing during the year or years in question.

The reports should be received at ECLA Headquarters not later than 8 September 1966 so that the documents can be reproduced in good time.

UNITED NATIONS

SEMINAR ON SMALL-SCALE INDUSTRY IN LATIN AMERICA

28 November to 5 December 1966

Quito, Ecuador

Organized by the United Nations through its Economic Commission  
for Latin America, the Centre for Industrial Development  
and the Bureau of Technical Assistance Operations

PRESENTATION OF THE CANDIDATE

The Government of \_\_\_\_\_ recommends the following  
candidate for the Seminar on Small-Scale Industry in Latin America:

1. Family Name \_\_\_\_\_ First and middle names \_\_\_\_\_ (Underline first name  
and family name)

2. Present post \_\_\_\_\_

3. Address \_\_\_\_\_

4. Sex	5. Place and country of birth	6. Date of birth Day Month Year	7. Age
M. F.			

8. Civil status \_\_\_\_\_

9. Nationality \_\_\_\_\_

10. Name of person to be notified in  
case of emergency \_\_\_\_\_

11. Address \_\_\_\_\_

- 2 -

12. Employment record (in reverse order, for the last three years only)

A. Present post

Description of duties and personal  
responsibilities of the proposed  
candidate

Address

Type of organization

Post

Years of service

From

To

B. Former post or secondary  
post held at present

Description of duties, and personal  
responsibilities of the proposed  
candidate

Address

Type of organization

Post

Years of service

From

To

- 3 -

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C. Former post	Description of duties and personal responsibilities of the proposed candidate
----------------	---

---

---

Address

---

---

Type of organization

---

---

Post	Years of service
	From To

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13. Academic qualifications (university level)

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14. Brief account of the candidate's special field of interest, in relation to the subjects that will be covered.

---

---

15. List of articles or other publications on small-scale industry or allied subjects

---

---

16. As the course will be given in Spanish, it is essential that the candidates should have a working knowledge of that language.

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Signature of candidate

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Stamp and signature of  
certifying Government Official

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Date

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Post

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Date

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000751

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

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FROM: REGISTRY

FILE: /

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Unclassified

SECURITY  
Sécurité

DATE

February 20, 1967

NUMBER  
Numéro

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MISSION	35-20-ECLA-1 /4

TO  
A

FROM  
De

REFERENCE  
Référence

SUBJECT  
Sujet

The Under-Secretary of State  
for External Affairs, Ottawa

The Embassy, Santiago, Chile

Economic Commission for Latin America -  
Summary of Activities During 1966

ENCLOSURES  
Annexes

DISTRIBUTION

Trade and  
Commerce,  
Ottawa

During 1966 the ECLA renewed efforts to achieve economic development and economic integration of the Latin American countries. To this end ECLA sponsored regional meetings on industrialization and organized a course on trade policy. The 1965 edition of the Economic Survey of Latin America was published, as well as various studies on agriculture, natural and human resources, and the future of the chemical industry in Latin America. Technical assistance was given to promote integration and prepare development and economic planning projects.

2. Also during 1966 the new United Nations building in Santiago was inaugurated. This building will be the site of ECLA and of the Instituto Latinoamericano de Planificación Económica y Social. (ILPES)

Regional Conferences

3. In March the Regional Symposium on Industrial Development was held in Santiago. It was attended by 86 representatives of twenty-one member countries and eighteen observers. At this meeting the situation of industry in Latin America was reviewed, and the possibility of adopting a unified stand for Latin America at the International Symposium on Industrial Development in 1967 was examined. A Review Consultation on Pulp and Paper was held jointly with the Symposium on Industrial Development.

4. Two regional seminars were held in Quito during 1966: the Seminar on Small Industry in Latin America, and the Latin American Seminar on Industrial Statistics.

Education and Economic Development

5. ECLA continued collaboration with UNESCO in the study of planning and financing of education in the area. To this end the Conference of Ministers of Education and Ministers Responsible for Economic Affairs of Latin America and the Caribbean was held in Buenos Aires in June. At this

Conference means of reorganizing Latin American educational systems were discussed, as well as the need to strengthen technical and vocational education in order to satisfy the needs of economic and social development.

6. In December a Seminar on Investments in Education in Latin America was held in Santiago, to discuss financing the education of Latin America's growing number of university students.

#### Economic Tendencies

7. The Committee of the Whole of ECLA which met in Santiago in May discussed economic tendencies of the Latin American countries in 1965, the progress of the Central American Integration Programme, and the activities of the Instituto Latinoamericano de Planificación Económica y Social (ILPES).

8. The Economic Survey of Latin America for 1965 was presented to the Committee meeting. It consists of three parts dealing respectively with the general economic situation of the area, the economic tendencies in some countries, and major developments in the principal sectors of the economy.

9. In addition the Committee of the Whole recommended to Member Governments that they adopt the necessary means to continue and intensify the activities of ILPES and requested the Directors of the Inter-American Development Bank and the United Nations Development Programme to give ILPES the necessary financial support.

#### Vocational Training

10. In conformance with the resolution of the ECLA Trade Committee, the ECLA with assistance from the United Nations Development Programme held the first regional course on trade policy. The object of this course was to improve the knowledge of Latin American officials at the intermediate level who help to form the external trade policies of their respective countries, and who eventually will be in charge of formulating such policies.

11. In addition ILPES gave the first course in economic development planning for labour leaders. Twenty-five students who had scholarships from the International Labour Organization participated.

12. During the latter half of the year ECLA and ILPES jointly organized a course on housing programming, which was financed by the United Nations Technical Assistance.

13. ILPES continued its annual basic course in Santiago to train personnel involved in technical planning and sponsored a programme of intensive courses in eleven countries of the area. These courses were designed to prepare personnel for planning in the fields of agriculture, preparation of estimates, both industrial and regional, and elaboration and evaluation of investment projects.

#### Economic Integration

14. In addition to its permanent collaboration with the Central American Integration Programme through its office in Mexico City, ECLA has maintained close contact with the LAFTA. As a result of discussions between officials of the ECLA and the LAFTA, an agreement was reached comprising the work to be done in 1966 and 1967 on trade policy, industrial problems, balanced development, monetary and financial affairs, statistics, transportation and agricultural questions. The ECLA has also participated as a consultant in the more important LAFTA meetings held in Montevideo.

#### Technical Assistance and Other Activities

15. The scope of administrative and operational functions of the Secretariat with regard to development of regional projects of technical assistance was enhanced. More than fifty regional consultants are presently working in Latin America in various fields ranging from hydroelectric power to public administration.

16. In addition, technical assistance has been given to Latin American governments with respect to trade policy, industrial development, transportation, housing, social problems, land tenure and social welfare.

17. The ECLA has continued its studies on various social and economic themes of interest to the Latin American area. With the completion of the volumes on Mexico and Venezuela, the series of reports on the textile industry in Latin America is now finished. A provisional form of a study on fertilizers has been issued, and the study on transportation was published in final form.

18. At the request of the Panamanian Government, the ECLA prepared a general framework for more specific investigations on the nature and magnitude of the effects on the Panamanian economy of the construction of a new canal in that area.

*M. G. Seacul*  
The Embassy





FEB 28 1967

TO  
A  
The Under-Secretary of State  
for External Affairs, Ottawa

SECURITY FILE CNA  
Sécurité ~~Unclassified~~

FROM  
De  
The Embassy, Santiago, Chile

TO:  
DATE February 22, 1967

REFERENCE  
Référence

NUMBER  
Numéro 35

SUBJECT  
Sujet  
NEW EXECUTIVE SECRETARY OF ECLA

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ENCLOSURES  
Annexes

DISTRIBUTION

Department  
of Trade  
and Commerce  
Ottawa

The Secretary General of the United Nations, U Thant, has designated the Mexican economist, Sr. Carlos Quintana, as Executive Secretary of the Economic Commission for Latin America. Sr. Quintana replaces Dr. José Antonio Mayobre, who resigned the position of Executive Secretary in January to become Minister of Mines and Hydrocarbons of Venezuela.

The new Executive Secretary of ECLA is presently Director of Industrial Planning of the Mexican National Development Bank (Nacional Financiera). He is a specialist in electrical and mechanical engineering, and obtained his degree as Master of Industrial Engineering at Columbia University in 1944.

During 1944 and 1950 Sr. Quintana worked with the Department of Industrial Investigations of the Bank of Mexico. He has been a Professor of the Mexican National Polytechnical Institute and has worked in various engineering fields, in both public and private sectors.

From 1950 to 1960 he acted as Director of the Industrial Development Division of ECLA. Since that time in addition to his post with the Nacional Financiera he has collaborated with the Directive Council of the Mexican Institute of Technological Investigations and has represented his country in many conferences of the United Nations.

It is expected that Sr. Quintana will assume the post of Executive Secretary of ECLA on April 1st, 1967.

*M. C. Truett*  
The Embassy

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Mr. S. C. [initials]  
file  
P.H.*



NACIONES UNIDAS  
COMISION ECONOMICA PARA AMERICA LATINA  
Av. Providencia 871  
Casilla 179 D.  
SANTIAGO, CHILE

REFERENCIA. ORG 411 (1)

3520-ECLA Cable UNATIONS  
15 March 1967

Sir,

On behalf of the Secretary-General of the United Nations, I have the honour to invite your Government to send a delegation to represent it at the twelfth session of the Economic Commission for Latin America (ECLA), which is to be held at Caracas from 2 to 13 May 1967.

...

I am enclosing the provisional agenda for the session, for consideration by your Government, together with a list of the background and reference documents relating to each agenda item. You will begin to receive this material as from next week.

As you will see from the provisional agenda, the session will be particularly significant because topics of vital concern to Latin America are to be discussed. In addition to an analysis of the current economic situation and the obstacles to the implementation of development plans, they include such questions as Latin America's trade policy and the second United Nations Conference on Trade and Development (UNCTAD), and the problems created by regional integration for the relatively less developed countries. I would therefore suggest that the delegations representing the Governments of the States members of the Commission should include high-level experts with experience in these fields.

I shall greatly appreciate it if you would be kind enough to inform me well in advance of the names of the members of your country's delegation to this session of the Commission.

Accept, Sir, the assurances of my highest consideration.

*Manuel Bálboa*

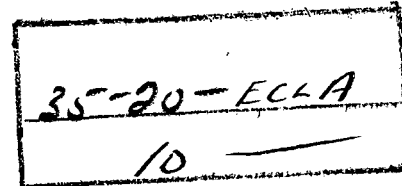
Manuel Bálboa  
Acting Executive Secretary

His Excellency  
The Hon. Paul James Martin  
Secretary of State for External Affairs  
Ottawa, Canada

000756

cc U.N. Division  
Latin American Division

Economic/A. Salazar/mb



OTTAWA, April 13, 1967.

*Miss Cloutier  
Please make me  
photo of a file  
for me A.S.*

ECIA: 12th Meeting of the Commission  
Caracas, May 2-13, 1967

We are attaching the provisional agenda for the 12th meeting of the ECIA Commission to be held in Caracas from May 2 to 13, 1967.

As you know, ECIA is the only regional economic commission to which Canada belongs as a full member and we have traditionally sent a strong delegation to such conferences. We are now giving urgent consideration to the composition of the delegation and would be grateful if you would review those items on the agenda of particular interest to you. We are looking forward to consulting with you in the very near future concerning the preparation of guidance notes for our delegation.

Under-Secretary of State  
for External Affairs

Letter sent to  
Department of Trade and Commerce  
Department of Finance  
Department of Industry  
External Aid Office

# MESSAGE

FILE COPY

FM/DE EXTERNL OTT

DATE	FILE/DOSSIER	SECURITY SECURITE
APR 13/67	35-20-ECLA 10	UNCLAS

TO/A SANTIAGO

NO	PRECEDENCE
E-1283	IMMED

INFO CRCAS, MVDEO TANDC FINANCE EXTAID

11

## REF

SUB/SUJ ECLA 12TH SESSION: COMPOSITION OF CDN DEL

AS YOU KNOW 12TH SESSION OF ECLA WILL BE HELD IN CRCAS FROM MAY 2 - 13 AND WE ARE ANXIOUS TO FOLLOW PRACTICE OF SENDING STRONG DEL. IN VIEW OF YOUR LONG EXPERIENCE WITH ECLA WE WOULD BE MOST GRATEFUL IF YOU WOULD LEAD OUR DEL AGAIN THIS YEAR. WE APPRECIATE THAT THIS REQUEST ON SHORT NOTICE MAY CAUSE INCONVENIENCE BUT IT IS IMPOSSIBLE FOR RANKIN TO TAKE ON JOB SINCE HE WAS RECENTLY ASKED TO ATTEND 42ND ECOSOC IN NY DURING PERIOD. ~~WE TRUST YOU ARE ABLE TO~~ <sup>WE VERY MUCH HOPE YOU CAN</sup> ACCEPT THIS ASSIGNMENT. IF SO PLEASE INDICATE TO CRCAS WHEN YOU WOULD PLAN TO ARRIVE. FOR CRCAS TO ASSIST HEAD OF DEL, WE ARE ASKING SHAPIRO IN MVDEO TO ATTEND. IN ADDITION, WE HOPE THAT GRENON AND KEPPER WILL BE AVAILABLE TO SERVE AS MEMBERS OF DEL. PLEASE MAKE APPROPRIATE HOTEL RESERVATIONS FOR HEAD OF DEL PLUS SHAPIRO. FOR MVDEO SHAPIROS FAMILIARITY WITH ECLA MATTERS AND FACT THAT HE HAS FOLLOWED PUNTA DEL ESTE MTG MAKE HIM LOGICAL CHOICE FOR FORTHCOMING SESSION. PLEASE CONFIRM THAT HE CAN ATTEND ... 2

DISTRIBUTION L.A. DIV MISS SZLAZAK  
LOCAL/LOCALE U.N. DIV

NO STANDARD

ORIGINATOR/REDACTEUR

DIVISION

TELEPHONE

APPROVED/AUTORISE

SIG.....R.M. TAIT/RM.....

ECONOMIC

2-3952

SIG.....J. E. HYNDMAN.....  
.....D.H.W. KIRKWOOD.....

-2-

AND NOTIFY CRCAS OF ETA.

DEPARTMENT OF TRADE AND COMMERCE

OUTGOING MESSAGE

FILE	DATE	MESSAGE NO.	SECURITY
20-161-5	APR 13/67	TC 4322	CONF
FM TANDC OTT			PRECEDENCE
TO TANDC MVIDEO			ROUTE
INFO TANDC CARACAS - ATTENTION: KEPPLER			
SURNAME (Addressee - Sender) SHAPIRO DE BULL			

35-20-ECLA:  
10

REF

SUBJECT

EXTERNAL HAS BEEN IN TOUCH REGARDING MAKEUP OF OUR  
DELEGATION TO ECIA MEETING IN CARACAS MAY 2 - 13.  
WE HAVE NOMINATED YOU AS SECOND IN COMMAND AND KEPPLER  
AS FOURTH MEMBER. SUZERS IN SANTIAGO IS BEING ASKED  
TO HEAD DELEGATION.

START ON THIS MARGIN

STOP HERE WITH ELITE TYPE

STOP HERE WITH PICA TYPE

LOCAL DISTRIBUTION  
(by Messenger at Ottawa)

EXTERNAL AFFAIRS

ORIGINATOR	DIVISION	TELEPHONE	APPROVED
R.A. DULL	LATIN AMERICAN	2-7641	R.A. DULL

000760

OTT162

ST0001/14

ACTION COPY 4/16/67  
3B

FM STAGO APR14/67

TO EXTERL 58 IMMED

REFYOURTEL E1283 APR13

ECLA 12TH SESSION

PLEASED TO HEAD DEL IN CRCAS AND BELIEVE ATTENDANCE WILL ASSIST MY  
WORK HERE.

2. WE ARE SERIOUSLY SHORT OF STAFF JUST NOW AS VERNON ILL WITH  
HEPATITIS AND GRAVEL ON DUTY IN CDA. GRAVELS ASST CASKEY IS ONLY  
TWO WEEKS IN POST AND JUST SETTLING IN. WE HOPE VERNON WILL RETURN  
TO DUTY AT BEGINNING OF MAY BUT HE WILL NEED TO TAKE THINGS EASY  
FOR A WHILE. MY ABSENCE WILL THEREFORE MEAN SOME EMB TASKS WILL BE  
POSTPONED AND DIRECTION OF EMB IN ANY EMERGENCY THAT MAY ARISE BE  
UNDER VERY YOUNG OFFICERS. MY OPINION IS AN ABSENCE OF TWO WEEKS CAN  
BE MANAGED AND DIFFICULTIES HERE CAN BE FACED WITHOUT TOO GREAT  
CONCERN. HOWEVER I FEEL YOU SHOULD BE AWARE OF THEM AND WOULD BE  
GRATEFUL IF YOU WOULD CONFIRM THAT YOU WISH ME TO GO BEFORE I  
ADVISE CRCAS

SUMMERS

35-20-ECLA

Summers  
attendance  
Confirmed  
April 17/67  
000761

**ACTION COPY**

*Refer*

*Santiago  
Pinar*

*Circulate*

*File  
b/c*

OTT135

MVO 1/14

FM MVO AORIL 14/67

TO EXTERNAL OTT NO 61

INFO TT TANDC OTT FROM EXT TT CARACAS FROM MVO

YOUR TELEGRAM E1283 OF APRIL 13 TO SANTIAGO

ECLA 12TH SESSION

SHAPIRO CAN ATTEND MEETING IN CARACAS. HE WILL NOTIFY CARACAS

ETA WHEN FLIGHT ARRANGEMENTS COMPLETED.

35-70-ECLA

*Mr. Brady*

000762



FM RCAS APR17/67

TO EXTERNL 114 IMMED

INFO MVDEO TNADCOTT EXTAID FINANCE

REFYOURTEL EI283 APR13

ECLA 12TH SESSION: COMPOSITION OF CDN DEL

YOUR ARE PERHAPS NOT RPT NOT AWARE ECLA CONFERENCE WILL BE HELD AT MACUTO SHERATON HOTEL ONE AND HALF HOURS DRIVE FROM CRCAS AND LONGER DURING PEAK HOURS. RESIDENCE AT HOTEL FOR ALL MEMBERS OF DEL THROUGHOUT CONFERENCE IS THEREFORE ESSENTIAL.

2. AS YOU POINT OUT I AM ALREADY COMMITTED TO ECOSOC NY AND B BLACKWOOD, THE COMMERCIAL COUNSELLOR, IS IN CDA UNTIL EARLY JUN.

3. AS WE ARE, IF ANYTHING, UNDERSTAFFED WHEN ALL FOUR OFFICERS ARE PRESENT AT THIS POST ALLOCATION OF GRENON AND KEPPER TO ECLA STRIKES ME AS AN IMPOSSIBILITY. I PARTICULARLY URGE THAT GRENON, WHO WILL BE CHARGE DURING MY ABSENCE, BE RELIEVED OF THIS COMMITMENT. I WOULD ALSO APPRECIATE IT IF YOU WOULD EXPRESS TO TANDC MY CONCERN ABOUT KEPPER BEING ABSENT FROM OFFICE FOR FULL PERIOD OF CONFERENCE.

4. IF OTHER PERSONNEL ARE NOT RPT NOT AVAILABLE FROM ADJACENT POSTS AND APPEARANCES IN TERMS OF SIZE OF DEL ARE CONSIDERED IMPORTANT GRENON AND KEPPER COULD BE ATTACHED AND APPEAR AT OPENING AND CLOSING PLENARY SESSIONS.

5. AS CONFERENCE WILL BE HELD SOME DISTANCE FROM EMB DEL MAY WELL REQUIRE STENOGRAPHER AT HOTEL AND IN THIS CONNECTION WE WOULD ATTEMPT TO BE HELPFUL.

6. YOUR COMMENTS WOULD BE APPRECIATED.

35-20-ECLA

Refuse  
Ops  
ACTION COPY  
Done 18/4/67  
LA  
TA  
Miss  
BB  
R. Brady

FILE COPY

# MESSAGE

DATE		FILE/DOSSIER		SECURITY SECURITE
APR 17/67		35-20-ECLA 10		UNCLAS
FM/DE	EXTERNL OTT	NO		PRECEDENCE
TO/A	SANTIAGO	E- 1340		IMMED
INFO				CRCAS TANDC FINANCE MVDEO

**REF** YOUR TEL 58 OF APR 14

**SUB/SUJ** ECLA: TWELFTH SESSION MAY 2-13

*ENTAILED*

FOR AMBASSADOR: WE APPRECIATE DIFFICULTIES ~~THIS~~ ENTAILS FOR  
YOUR MISSION BUT BELIEVE THAT IMPORTANCE OF ECLA SESSION  
WARRANTS YOUR ATTENDANCE AS HEAD OF DEL. VERY PLEASED THAT  
YOU CAN ACCEPT THIS ASSIGNMENT. PLEASE NOTIFY CRCAS OF YOUR  
ETA.

DISTRIBUTION PERSONNEL OPS DIV MISS SZLAZAK  
LOCAL/LOCALE L.A.DIV

NO STANDARD

ORIGINATOR/REDACTEUR	DIVISION	TELEPHONE	APPROVED/AUTORISE
SIG..... .....R.M. TAIT/RM.....	ECONOMIC	2-3952	D.H.W. KIRKWOOD D.H.W. KIRKWOOD D.H.W. KIRKWOOD

FILE COPY

# MESSAGE

FM/DE		EXTERNAL OTT	DATE	FILE/DOSSIER		SECURITY SECURITE
			APR 17/67	35-20-ECLA 10		UNCLAS
TO/A			NO		PRECEDENCE	
			E-1341		IMMED	
INFO			TANDC		EXTAID	
			FINANCE		MVDEO SANTIAGO	

**REF** YOUR TEL 114 OF APR 17  
**SUB/SUJ** ECLA: TWELFTH SESSION MAY 2-13

NEWS THAT ECLA CONFERENCE IS BEING CONVENED AT SOME DISTANCE FROM CRCAS COMES AS SURPRISE TO US. IN CIRCUMSTANCES, WE AGREE THAT WE SHOULD RULE OUT COMMITTING GRENON AND KEPER AS ACTIVE MEMBERS OF DEL. WHETHER THEY SHOULD FORMALLY APPEAR ON LIST WE WILL LEAVE UNTIL WE HAVE CANVASSED ALTERNATIVES. IN MEANTIME PLEASE ENSURE RESERVATION AT MACUTO SHERATON HOTEL FOR <sup>SUMMERS</sup>~~SOMERS~~, SHAPIRO AND ONE ADDITIONAL OFFICER.

DISTRIBUTION  
LOCAL/LOCALE

L.A. DIV. PERSONNEL OPS DIV;

MISS SZLAZAK

NO STANDARD

ORIGINATOR/REDACTEUR	DIVISION	TELEPHONE	APPROVED/AUTORISE
SIG..... R.M. TAIT/RM	ECONOMIC	2-3952	SIG..... D.H.W. KIRKWOOD..... D.H.W. KIRKWOOD.....

*Miss Mear  
Dunne sent 7/26/67*

*E*

OTT144

STG003/18

FM STAGO APR18/67

TO TT ~~CRCAS~~ 59 IMMED DE OTT

INFO EXTERL

ECLA 12TH SESSION

3520-ECLA

*Y. S. Szozak  
+ files  
Mr. Brady*

ARRIVE CRCAS 1845 HRS AIR FRANCE FLT 116 SAT APR29. GRATEFUL IF YOU  
COULD ARRANGE TRANSPORT TO HOTEL.

2. CEPAL CONFERENCE OFFICER IS RESPONSIBLE FOR SECURING RESERVATIONS  
AND I HAVE REQUESTED BEDROOM WITH SITTING ROOM FOR MYSELF SO AS TO  
PROVIDE A DEL WORKING ROOM, AND IN ADDITION HAVE ASKED FOR RESERVAT-  
ION FOR SHAPIRO AND ONE OTHER. THIS WILL SUPPORT REQUEST FOR RESERV-  
ATIONS MADE BY YOU. YOU MAY WISH TO CONFIRM WHETHER ACCOMMODATION  
HAS BEEN SECURED AND INDICATE DATES OF ARRIVAL TO JUANA EYZAGUIRRE,  
CEPAL CONFERENCE OFFICER WHO LEFT STAGO TODAY FOR CRCAS

SUMMERS

EXTERNAL AID OFFICE

OTTAWA 4



BUREAU DE L'AIDE EXTÉRIEURE

OTTAWA 4

April 18, 1967.

Under-Secretary of State  
for External Affairs  
OTTAWA, Ont.

Attention : Economic Division.

ECLA - 12th Meeting of the Commission  
CARACAS, May 2-13, 1967.

We have now reviewed the provisional agenda for the 12th Meeting of the ECLA Commission, which was forwarded with your letter of April 13, 1967.

While the External Aid Office has marginal interest in at least four of the items on the agenda, since our aid program in Latin America is being administered by the Inter-American Development Bank, we would not expect to have any direct interest in the ECLA meeting. The items on which we would appreciate receiving copies of documents or reports, in due course, are:

4. The position of the Latin American economy.
5. Planning problems in Latin America.
7. The relatively less developed countries and Latin American integration.
9. Latin American Institute for Economic and Social Planning.

As we do not have a direct interest in the ECLA meeting, there would probably be little that we could contribute to the guidance notes for our delegation. You may, however, wish to contact Mr. C. Pineau (local 6-2332) regarding any item which you consider might be prepared in this Office.

  
P. M. Towe  
Deputy Director General.

*Handwritten notes:*  
Mr. Brady  
AS  
Supply for  
into  
Ext aid  
did not  
do my job  
to help.  
action  
file  
PB

FILE COPY

# MESSAGE

FM/DE		EXTERNAL OTT		DATE	FILE/DOSSIER		SECURITY
				14 APR 18/67	35-20-ECLA 10		SECURITE
TO/A		CRCAS		NO		UNCLAS	
				E-1354		PRECEDENCE	
INFO		TANDC(KNOWLES) EXTALD FINANCE MVDEO SANTIAGO				IMMED	

**REF** OUR TEL E-1341 APR 17

**SUB/SUJ** ECLA:TWELFTH SESSION

D.C. KNOWLES, LATIN AMERICAN DIV, TANDC OTT, WILL BE AVAILABLE TO SERVE ON DEL AND WE WILL INFORM YOU OF HIS ETA AS SOON AS HIS TRAVEL ARRANGEMENTS ARE COMPLETED. IN ADDITION, WE WOULD BE GRATEFUL IF GRENONS NAME COULD BE INCLUDED ON DEL LIST ON UNDERSTANDING THAT HE WOULD NOT RPT NOT BE EXPECTED TO ATTEND SESSION EXCEPT AT OPENING AND CLOSING CEREMONIES AND ON SUCH OTHER <sup>appropriate</sup> OCCASIONS AS MAY ~~APPEAR DESIRABLE TO EXTENT THAT~~ HIS DUTIES WITH MISSION PERMIT. WE RECOGNIZE THAT LATTER MUST BE GIVEN ABSOLUTE PRIORITY. HOWEVER FOR PRESENTATIONAL PURPOSES, WE BELIEVE IT WOULD BE MOST <sup>desirable for</sup> APPROPRIATE ~~THAT~~ MEMBER OF OUR LOCAL MISSION <sup>to</sup> BE FORMALLY NAMED TO DEL. GRATEFUL IF YOU COULD CONFIRM THAT THIS ARRANGEMENT IS ACCEPTABLE.

DISTRIBUTION LOCAL/LOCALE L.A. DIV. PERSONNEL OPS DIV.  
MISS A. SZLAZAK

NO STANDARD

ORIGINATOR/REDACTEUR	DIVISION	TELEPHONE	APPROVED/AUTORISE
SIG.....R.M. TAIT/RM.....	ECONOMIC	2-3952	SIG.....D.H.W. KIRKWOOD..... .....D.H.W. KIRKWOOD.....

EN055

RR T

DE NYK

ACTION COPY

*file*

*br*

FM CRCAAS APR20/67

TO EXTERNAL 118 IMMED

INFO TANDC OTT (KNOWLES) EXTALD MVDEO STAGO FINANCE

REFYOURTEL E1359 APR19

ECLA 12TH SESSION

ARRANGEMENT ACCEPTABLE.

35-70-ECLA

*Mike Brady*

*Economic / A*  
file  
as attachment  
to let E 1411

DIARY COPY

RESTRICTED

35-24 ECH

April 21, 1967.

## Canadian Trade with Latin America

In the two decades since the end of the Second World War Canadian trade with the twenty republics of Latin America has more than trebled, with imports and exports showing an almost equal rate of growth. Canada has had a continuing unfavourable trade balance with Latin America, the deficit varying from year to year. It reached its highest levels in the mid 1950's (\$185.4 million in 1956), but since that period it has been reduced, and in 1964 and 1965 it stood at an annual level of approximately \$96 million.

8351 ORIGINAL AVAILABLE  
MAIL FOR ORIGINAL

### Exports

Canadian exports to Latin America over the last two decades have maintained approximately the same growth rate as total Canadian exports. The amount of Canadian goods exported to the area as a whole is relatively small (in 1965, 3.7 per cent of total Canadian exports) but some of the individual Latin American countries absorb surprisingly large amounts of Canadian products. In fact in 1965 four countries (Venezuela, Cuba, Mexico, Argentina) ranked in the top 25 Canadian markets and together accounted for two-thirds of our exports to Latin America, which totalled \$316 million that year. Latin America as a whole buys as much as Japan, our third largest single customer (after the United States and the United Kingdom). Sales in 1965 to members of the Latin American Free Trade Association, valued at \$159 million, ranked between West Germany and Australia. The Central American Common Market is purchasing an increasing amount of Canadian goods (\$17 million in 1965) and now absorbs approximately as much as the Republic of Ireland.

A wide variety of products are included in Canada's exports to Latin America, but a detailed breakdown by the Standard International Trade Classification shows that only eight items account for more than half of all Canadian exports to the area. Seven of these items - wheat, wheat flour, newsprint, sheet and strip steel, plastic and synthetic rubber, aluminum pipe ingots and asbestos fibres #4 and 5 - fall into raw material or semi-processed classifications; the eighth, passenger automobiles and chassis, is the only manufactured item to reach the level of a major export. It is also interesting to note that for four of the eight items - sheet and strip steel, wheat flour, plastic and



synthetic rubber, and passenger autos and chassis - shipments to Latin America constitute a very significant part of total Canadian exports to the world of that item.

The success of many of these exports can be partly attributed to the fact that they are traditional Canadian exports which have increased, along with Latin American population and economic growth, rather than as a result of aggressive trade promotion (or trade policy) efforts. In some cases success has been based on other factors, such as intra-company relationships (aluminum), or the rationalization of production between foreign parent firms and Canadian subsidiaries (automobiles).

Exports to individual countries are subject to substantial variations from year to year. These fluctuations are the result of a number of factors among which the most important are the following: internal economic and political conditions, the availability of external financing for imports, the growth of local production, and shipment of large "one off" exports (i.e. shipments which fulfil a need at a particular moment and hence are not likely to recur).

### **Imports**

Although Canada's imports from Latin America have more than trebled in the last two decades they have failed to match the growth rate of total imports from both the United States and the United Kingdom. Nevertheless, Canadian imports from Latin America in 1965, valued at \$41.2 million, represented a 4.6 per cent share of our total imports for that year. Moreover, Venezuela was our third largest supplier, after the United States and the United Kingdom, and ahead of both Japan and Germany.

As in the case of exports, relatively few items make up the bulk of the trade. In 1964 and 1965 crude petroleum and petroleum products accounted for approximately 60 per cent of our total imports from Latin America and the following products for a further 20 per cent: bananas, raw sugar for refining, green coffee, raw cotton, sisal and agave fibres, and iron ore. The imports of all of these goods, with the exception of raw sugar, raw cotton and iron ore, form significant proportions of total Canadian imports of that particular product.

It is noteworthy that there are no manufactured products among these imports, which consist almost entirely of tropical foodstuffs and raw or semi-processed materials. With the exception of green coffee, which is supplied by 15 countries, Canadian imports of these goods are largely drawn from one or two individual suppliers among the Latin American countries. Bananas come from Central America and Canada, raw cotton from Mexico, and Venezuela has a virtual monopoly of Canadian imports of petroleum and petroleum products from Latin America.

### The Effect of the Canadian Tariff on Imports

Canadian customs duties in total do not weigh heavily on imports from Latin America. Approximately two-thirds of the goods enter duty free, and in most cases the rates charged on dutiable goods are low.

### The United States Position in Canadian-Latin American Trade

While some of Canada's trade is of course carried directly between Canada and Latin America, a very substantial part is transmitted via United States ports or even markets. In some cases this is due to climatic or geographical reasons (e.g. oil imports from Venezuela arrive in Montreal via the oil pipeline from Portland, Maine, when the St. Lawrence River is closed in the winter season); in others it is the result of intra-company or trade arrangements. Many Canadian firms, notably subsidiaries of United States firms, purchase their goods from suppliers in the United States. This is particularly true in the cases of coffee and bananas.

CONFIDENTIAL

April 21, 1967.

Canadian Assistance to Latin America  
and the Caribbean Area

Canada's aid contributions to economic development in the ECLA region include the provision of long-term development loans to Latin American countries through the Inter-American Development Bank (IDB) and the Canadian bilateral programme for assistance to the Commonwealth Caribbean area. In addition substantial amounts in long-term credits have been made available under Section 21A of the Export Credits Insurance Act, and part of Canada's contributions to the aid programmes of the United Nations and the Specialised Agencies has gone to countries of the ECLA region.

In December 1964 an agreement was signed with the IDB under which the Bank would administer \$10 million in long-term development loans for projects in Latin American countries. Since that time the agreement has been amended annually to include further allocations of \$10 million and a further exchange of letters is expected to take place next week between the Canadian Government and the IDB which will raise our overall contribution to \$40 million. The Bank has been informed that Canada is particularly interested in receiving suggestions for projects in Brazil, Chile, Peru, Argentina and Colombia. Interest was also expressed in projects of a regional nature, including high priority projects in support of Central American economic integration. (A brief summary of the current loan programme is attached.)

Cabinet recently agreed to the introduction of a limited technical assistance programme for Latin America, the major aspects of which are currently under consideration in Ottawa. It is proposed that the programme be concentrated mainly in the countries to which we will direct the bulk of development loan assistance provided through the IDB, and emphasis is to be given to integrated projects rather than isolated requests. The Organization for American States (OAS), which already has wide experience in the administration of technical assistance programmes in Latin America, will probably be the main channel for Canadian technical assistance, but the provision of such funds through the IDB is not excluded.

An additional financial contribution to Latin American development is made through long-term credits which are provided under

. . . /2

Section 21A of the Export Credits Insurance Act. These credits, while not intended as an instrument of foreign aid, are a useful form of capital assistance in that they are used to support business developed by Canadian exporters in any credit-worthy country. To the end of 1966 nearly \$138 million in long-term credits had been extended to Canadian suppliers for sales of Canadian capital equipment and related engineering services in Latin America. An additional \$15 million of special Section 21A funds which have been allocated for capital projects to be designated by the IDB have not yet been disbursed.

Canada is also contributing to Latin America development through its assessments and pledges to the regular budgets of the United Nations and the Specialized Agencies.

Canada has for some years provided bilateral grant aid to the Commonwealth countries of the Caribbean. Our aid to this area was initiated in 1958 with the introduction of a \$10 million programme to provide assistance to the West Indies over a five-year period. On the conclusion of this programme in March 1963, \$2.1 million was made available for the succeeding fiscal year, followed by contributions of \$9 million and \$10 million, respectively, for 1964/65 and 1965/66. A Cabinet decision was taken in April 1966 designating the Commonwealth Caribbean a major area of concentration for Canadian assistance. This decision, which involves the authority to make advance commitments over a five-year period, will permit the development of a flexible and more effective programme in the area.

At the Canada-Caribbean Conference of July 1966 Canada announced that the Caribbean aid programme would be increased during 1966/67 to reach a total figure of \$13.1 million, of which \$6.1 million would be in the form of grants and \$7 million in the form of loans. In addition, it was announced that over the five-year period 1966/67 - 1970/71 total Canadian bilateral aid to the area would reach a minimum of \$65 million, with additional related assistance bringing this figure to \$75 million. Canada has since announced a further 30 per cent increase in the programme for 1967/68, allocating \$17.2 million to the Caribbean to be distributed as follows: \$9.2 million in the form of grants and \$8 million in the form of loans. (Details of the programme are attached)

Note: All amounts in this paper expressed in Canadian dollars.

### Summary of Canadian IDB Loan Programme

Funds allocated to March, 1967*	\$30,000,000
(a) <u>Loans signed</u>	
1. El Salvador - Acajutla Project	\$ 3,240,000
2. Ecuador - Guayas River	1,260,000
3. Paraguay - Highway Studies	800,000
4. Argentina - CONADE Hydro Studies	756,000
5. Bolivia - Mining & Industrial Equip.	1,620,000
6. Mexico - Pre-investment Studies	540,000
	<u>\$ 8,216,000</u>
(b) <u>Loans Approved</u>	
7. Peru - Feasibility Studies	\$ 540,000
8. Central American Bank for Economic Integration	3,780,000
9. Chile - State Technical University	4,320,000
	<u>\$ 8,640,000</u>
(c) <u>Loans Under Investigation</u>	
10. Bolivia - Rural Electrification	\$ 1,782,000
11. Ecuador - Manabi Hydro Study	648,000
12. Chile - Telecommunications	6,210,000
	<u>\$ 8,640,000</u>
(d) <u>Projects Proposed for Investigation</u>	
13. Brazil - Aid to Universities	\$ 2,700,000
	<u>\$ 2,700,000</u>
Total of (a), (b), (c) and (d)	\$28,196,000

\* Does not include the \$10 million allocation for 1967/68 to be announced on April 24, 1967.

In addition to the projects listed above, preliminary consideration is being given to a possible loan to Colombia for development of the caustic soda industry.

Summary of Canadian IDB Loan Programme

Funds allocated to March, 1967*	\$30,000,000
(a) <u>Loans signed</u>	
1. El Salvador - Acajutla Project	\$ 3,240,000
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\* Does not include the \$10 million allocation for 1967/68 to be announced on April 24, 1967.

In addition to the projects listed above, preliminary consideration is being given to a possible loan to Colombia for development of the caustic soda industry.

Confidential

April 7, 1967.

Canada-U.K. Ministerial Committee on Trade & Economic Affairs

London, April 19-20, 1967

Commonwealth Caribbean Assistance Program

Background

The Canadian development aid program for the Caribbean area was introduced in 1958 when the proposed West Indies Federation, comprised of Jamaica, Trinidad & Tobago, Barbados and the Leeward and Windward Islands, was in the process of formation. Canada's original aid allocation was \$10 million over five years, intended primarily for projects of general benefit to the whole Federation rather than any one unit of it. This program was continued after the dissolution of the Federation in 1962, as a series of individual programs for the former units of the Federation.

On the conclusion of the original five year allocation on March 31, 1963, funds for the succeeding fiscal year, amounting to \$2.1 million, were made available for the Commonwealth Caribbean area, including British Honduras and British Guiana (Guyana).

Based on the approved allocations of funds, and acting on the requests and priorities submitted by the recipient governments, the Canadian program of aid to the Commonwealth Caribbean area for the first six years was involved primarily with one major project - the provision of the two ships for inter-island commerce - and, in addition, emphasized educational and technical assistance.

With the introduction of an expanded aid program in the fiscal year 1964-65, a substantially increased assistance program for the Commonwealth Caribbean area was approved, making available a planning allocation of \$9 million; \$3.5 million in grant assistance and \$5.5 million in special development loans, the first such loans which Canada offered. For the first time also these development funds were made non-lapsing, permitting unexpended funds to be carried forward into succeeding fiscal years to meet existing commitments. \$10 million was made available by Canada for 1965-66, including \$4.5 million in grants and \$5.5 million in development loans.

Decisions taken in connection with the July conference concerned the amount, terms and mechanics of providing Canadian aid to the West Indies; among the more important were:

1. To announce an increase of 30% in the level of Canadian aid, bringing the 1966-67 C.C.A.P. allocation to \$13.1 million (of which \$6.1 million was grants and \$7 million loans);

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2. To give an undertaking (subject to Parliamentary approval and Canadian economic circumstances) that Canadian aid to the West Indies over the five year period 1966/67 - 1970/71 would be not less than \$65 million;
3. To give an undertaking to provide \$5 million in grant funds for capital and technical assistance to the University of the West Indies during the next five years and to provide \$1 million for similar assistance to the University of the Guyana over the next three years.
4. To pay, in appropriate cases, local and shipping costs up to 25% of the total Canadian commitment to a project.
5. To waive the service and commitment charge (3/4 of 1%) on future development loans and, where appropriate, to offer loans at 3% interest, seven years grace and thirty year maturity in addition to the interest free, ten years grace and fifty year maturity loans previously offered.
6. To undertake further study of the report of the joint Canada - U.S. - U.K. economic survey of the Little Eight, particularly its implications for longer range co-ordinated aid efforts and to study the possibility of establishing a financial institution for regional development.

Cabinet recently approved a further increase for 1967/68 which will make \$17.1 available for the Caribbean area. The following is a breakdown of this allocation:

	<u>Grants</u>	<u>Loans</u>
Jamaica	\$1,000,000	\$3,000,000
Trinidad	1,000,000	3,000,000
Guyana	1,200,000	2,000,000
Little Eight & British Honduras	5,000,000	*
University of the West Indies	\$1,000,000	-

\* Barbados is considered eligible for limited loan assistance, if suitable projects are put forward.

By 1970/71 the Canadian Government is contemplating an overall aid program of approximately \$500 million, almost double the 1965/66 allocation. Obviously, at this stage, it is impossible to say how much of the increased program would be available for the Caribbean, but the current level of \$17.2 million would certainly be the minimum annual allocation. Decisions regarding the breakdown in these funds between units in the Caribbean will have to be taken in the light of the needs of these units, plus their ability effectively to use available Canadian assistance. It is possible, for example, that Trinidad and Barbados, as potential members of the Inter-American Development Bank, might have additional sources of assistance which could reduce their overall requirements for assistance.



The increasing level of assistance for the Caribbean islands, combined with the ability to make commitments over a five year period will permit Canada to develop more meaningful and more effective aid programs in the area. The recent Cabinet decisions regarding the general lines for a Canadian program for the Little Eight is an example of the new flexibility in action. Attached as annex to this paper are brief status reports of the various country programs in the Commonwealth Caribbean.

ANNEX "A"  
CONFIDENTIAL

JAMAICA

The Canadian aid program in the West Indies began in 1957/58 with a five year \$10 million allocation to the Federation of the West Indies. The Federation was dissolved in 1962, though a further allocation of \$2,000,000 was made for the area in 1963/64. Beginning in 1964/65 Canada made individual allocations for the components of the former Federation. The allocations for Jamaica have been:

	<u>1964/65</u>	<u>1965/66</u>	<u>1966/67</u>	<u>1967/68</u>
grants	500,000	500,000	500,000	1,000,000
development loans	<u>2,500,000</u>	<u>2,500,000</u>	<u>3,000,000</u>	<u>3,000,000</u>
Total	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,500,000</u>	<u>4,000,000</u>

Canadian aid to Jamaica has been concentrated in the field of education. There are at present 17 teachers and teacher trainers serving in Jamaica and 74 Jamaicans training in Canada under External Aid. We have provided \$230,000 in technical and vocational training equipment with grant funds and we have allocated \$1,550,000 in loan funds for the construction of primary schools and teacherages. This construction program is now underway.

Jamaica is now preparing its second five year development plan and we are in close consultation with Jamaican officials to assure the effective use of Canadian aid funds in the implementation of this plan. Ministerial approval will shortly be sought for a \$1 million loan for pre-investment and feasibility studies, which should go a long way to ensure substantial Canadian participation in the second five year plan, and for a \$1.2 million loan for a water distribution scheme in a north coast agricultural area of Jamaica. This latter item is but one of several such schemes in various parts of the island to which the Jamaican government attaches some priority and for which additional Canadian assistance may be sought.

ANNEX "B"  
CONFIDENTIAL

UNIVERSITY OF THE WEST INDIES

Prior to the fiscal year 1966/67 aid to the University of the West Indies had been charged to the country allocations of Jamaica, Trinidad or Barbados, depending upon which U.W.I. campus received the aid. This assistance included the construction of a residence, Canada Hall, at the University's Trinidad campus (\$700,000), the provision of equipment for the Barbados campus (\$125,000) and the assignment of professors and lecturers to all three campuses.

At the Commonwealth Caribbean-Canada Conference last July, Canada, the Governments of Jamaica, Trinidad, Barbados, the Leewards and Windwards, British Honduras and the Bahamas and the University of the West Indies signed an agreement providing for a five year \$5 million program of grant aid to the University. Details of the program have since been agreed upon with officials of the U.W.I. and approved in principle by Cabinet. The following are the components of the program:

Capital Projects

Hall of Residence, Cave Hill, Barbados	\$500,000
University Centres in six Leeward and Windward Islands, including equipment and books	225,000
University Faculty Building, Trinidad	150,000
Library Extension, Mona, Jamaica	<u>725,000</u>
	1,600,000

Scholarships and Fellowships

Undergraduate Scholarships tenable at the University of the West Indies - intended primarily to benefit students from the smaller islands (\$1000 per student year - 25 three year scholarships in each of five years)	375,000
Postgraduate Scholarships tenable in Canada by U.W.I. graduates - 30 one year awards per year in each of five years at \$3,500 per award	525,000
Staff Development Fellowships tenable in Canada by U.W.I. staff - ten one year awards in each of five years at \$10,000 per award	<u>500,000</u>
	1,400,000

### Lecturers and Professors

Canada will provide up to twenty lecturers, professors and advisers per year for U.W.I. staff. Some of these advisers will be in the field of industrial research and, in support of their assignment, equipment will be provided to establish an Institute of Industrial Research at St. Augustine, Trinidad.

1,400,000

### Progress to Date

Consultants have been named to design and supervise the construction of all capital projects. The University wishes to give priority to the construction of the Students Residence at Cave Hill, Barbados and we have agreed.

The first 25 undergraduate scholarships were awarded for the 1966/67 academic year. Two post graduate scholarships were taken up in 1966/67 but we expect the full thirty to be taken up in 1967/68. The first Staff Development Fellowships will be taken up in 1967/68.

There are 17 Canadian personnel at U.W.I. for the 1966/67 academic year. We expect the full complement of 20 to be assigned for the 1967/68 year.

ANNEX "C"  
CONFIDENTIAL

Assistance to the Eastern Caribbean Region - Background

Canadian aid to Barbados, the Leeward and Windward Islands was first extended in 1958 when they formed part of the West Indies Federation. Assistance was continued to these small islands as the Little Eight, dependent Commonwealth territories after the Federation dissolved in 1962. On November 30, 1966 Barbados gained full independence; Antigua and St. Kitts in the Leewards and Dominica, Grenada, and St. Lucia in the Windwards became internally self-governing states associated with Britain in March 1967. Of the eight Eastern Caribbean islands eligible for Canadian aid, only Montserrat and St. Vincent remain fully dependent territories.

During January to March 1966 Canada with Britain and the United States sponsored a tripartite economic survey of the Little Eight. The survey Report recommended that the Eastern Caribbean governments concentrate on regional efforts to promote economic development in the islands. Tourism and agriculture were identified as the sectors which could most readily take advantage of the natural resources in the region, attract private investment, reduce the relatively high dependence on imports and prepare the way for self-propelled growth. In addition to the self-help measure advocated for the island governments the survey Report also indicated a need for external technical and capital assistance in the order of \$15 million per year over the next five years. British aid already amounts to about one third of this level. Canadian assistance is being increased from \$3 million in 1966/67 to \$5 million for 1967/68. If a suitable regional agency is formed it is possible that additional aid would be forthcoming from the United States, other donor countries and multilateral institutions, to make up the remaining one third of minimum external assistance requirements.

Since the Tripartite Survey Report was published in June of 1966 the Eastern Caribbean Governments have shown interest in, if not enthusiasm for, a regional approach to development. The Council of Ministers is taking steps to establish a Regional Development Committee which will attempt to co-ordinate the various development assistance programs in the area. At the same time, however, they have made clear their desire to continue to arrange for individual island projects on a bilateral basis.

As outlined in the memorandum approved in principle by Cabinet on January 12, 1967, Canada will provide assistance in the order of \$5 million per year over the next five years. On the basis of the Tripartite Survey Report, requests already received from the islands, and the interests of the Canadian government, it has been decided that Canadian aid should be concentrated on education, air transport, water development and agriculture. Capital assistance will amount to \$1 million per year each for schools, airports and water projects. Aid to agriculture at a level of \$200,000 per year will consist mainly of technical assistance. In addition to these main sectors, technical assistance in various fields and a few small capital projects are contemplated.

Annex "D"

Confidential

GUYANA

Canadian aid to Guyana began with a small technical assistance program for the dependent Commonwealth territory of British Guiana in 1958. To date, technical assistance grants in the order of \$820,000 have financed the training of 152 Guyanese students in Canada, and the provision of 33 Canadian advisers, teachers and professors to Guyana.

Capital assistance was first extended in 1964/65, when highway maintenance equipment, trucks and two diesel locomotives were provided under a grant of \$1 million. Assistance with the construction of the University of Guyana and a vocational school in New Amsterdam started in 1965/66. In 1966/67 further funds were allocated to the University project and the vocational school, and a Twin Otter aircraft valued at \$330,000 was supplied to Guyana Airways. Following independence in May, 1966 Guyana became eligible for development loan assistance and a \$1 million loan was signed for an aerial survey and mapping project now being carried out by a Canadian firm.

Canadian officials have been authorized to plan on the assumption that for 1967/68 and each of the following four years \$1.2 million in grants and \$2 million in development loans will be made available to Guyana. To date the loans have been offered on the softest possible terms, 50 year maturity, ten years grace, and no interest.

ANNEX "E"

CONFIDENTIAL

TRINIDAD & TOBAGO

Trinidad and Tobago first became eligible for Canadian assistance in 1958 as part of the West Indies Federation. With the substantial increase in Canadian assistance which took place in 1964-65, specific allocations were made to Trinidad. The programs have been based on the following allocations of funds:

	<u>1964-65</u>	<u>1965-66</u>	<u>1966-67</u>	<u>1967-68</u>
Grants	500,000	500,000	600,000	1,000,000
Development Loans	<u>2,500,000</u>	<u>2,500,000</u>	<u>3,000,000</u>	<u>3,000,000</u>
Total	3,000,000	3,000,000	3,600,000	4,000,000

In 1966-67 grant allocations were used entirely for technical assistance. 40 teachers and teacher-trainers and 14 other advisers served in Trinidad and Tobago and 45 Trinidadians trained in Canada under the external aid program. From loan funds made available in the past, a wide variety of development projects have been financed. These have included a rural electrification program, the purchase of Canadian port equipment, studies of water resources and transportation problems, an aerial survey, the provision of factory shells and building material for a low-cost housing program and the supply of Canadian dairy cattle. Negotiations are now taking place with Trinidad for possible projects to be financed from funds available to the island. The Trinidadians have suggested that these funds might finance a harbour development program, the provision of a radio, therapy and diagnostic x-ray centre, a further rural electrification program and possibly a variety of feasibility studies. Ministerial approval will be sought for these projects shortly.

Trinidad is now preparing its third Five Year Development Plan and Canadian authorities are in close consultation with Trinidadian officials to ensure that the most efficient use is made of available Canadian funds.

Annex "F"

Confidential

### REGIONAL DEVELOPMENT BANK

At the Ottawa Conference a decision was taken to investigate "the possibility of establishing a financial institution for regional development, which might be used as a method of financing projects of particular interest to the smaller areas, as well as projects which would benefit the region as a whole". At meetings in Antigua in November, 1966, the Bank was discussed further and it was agreed that, in consultation with the Canadian Government, Antigua would approach the other Caribbean countries with a view to the appointment of a team of experts to undertake the study. Britain and the U.S. associated themselves with the study proposal and indicated that they would give "sympathetic consideration as to how that institution might be given external, technical and financial support."

After rather extended negotiations, approaches were made to the UNDP by Jamaica, Trinidad, Barbados and Guyana and by Britain, on behalf of the dependent territories, suggesting that the UNDP undertake the study. It has been suggested that the bank should at the outset lend for sound projects on banking terms. The funds which the Bank had available from capital subscriptions might be invested in accordance with sound banking practices. The Bank might also have the capacity to accept and administer funds provided by governments for softer lending and for technical assistance or grant projects. The bank should not start off on a wide scale or attempt to undertake too much. Projects in the smaller territories, to which priority is given, and measures designed for the development of trade beneficial to the region as a whole, should be given first attention. The Bank should, in the main, be owned, controlled and staffed by the Caribbean countries concerned.

The UNDP is on the point of naming the investigating team which will visit the territories in the Caribbean and consult with Canada, Britain and the U.S.A. before submitting a report which would include recommendations of further measures leading to the establishment of a Bank if such an institution is considered feasible.



ANNEX "G"  
CONFIDENTIAL

### Regional Development Committee

The report issued by the tripartite economic survey for the Eastern Caribbean recommended the establishment of a Regional Development Agency (RDA) which would provide a more integrated approach to the economic problems of the area. The RDA would be a single planning and administrative organization under the joint sponsorship of the USA, Britain and Canada. Its two divisions would be Technical and Commercial Services Division, which would promote tourism and associated investment commercial markets for primary products and industrialization, and a Development Bank Division similar to larger organizations of this type functioning elsewhere in the world. Through the RDA the donor governments would supply the sustained initiative and organizational support, as well as the technical and capital requirements essential for continued development.

At the November conference in Antigua the establishment of a regional organization was discussed further and it became apparent that the small islands were prepared to support such an organization. The final communique stated that the participants "agreed to the early establishment of a Regional Development Committee to be located in one of the territories covered by the report and responsible for making recommendations to member governments in respect of development plans and objectives and projects of a regional character for which additional financial assistance from outside the region was required. The Committee would also be empowered to consider what further functions it might usefully perform for the benefit of the region as a whole". It was agreed that the question of the new Committee would be discussed by the regional Council of Ministers immediately following the Antiguan meeting and that the three donor governments would then be approached with the suggestions of the island administrations.

In the event, a Committee on the regional Council of Ministers was established in November and submitted its report later that month to a meeting of the Council. The Council of Ministers did not accept the full report of the Committee in that they, in fact, rejected a suggestion that a Committee separate from the Council of Ministers be formed. Rather than a three-tier organization including a Board of Directors, a Committee and a Secretariat, the Council suggested a Board of Directors made up of Ministers of the participating governments and a secretariat. This proposal was approved on December 17 and submitted to Barbados for its comments. The Government of Barbados has now submitted a counter proposal closer to the recommendations put to the Council of Ministers by its committee. Negotiations are continuing and we are hopeful that some suitable machinery can be established in the near future.

ANNEX "H"  
CONFIDENTIAL

Canadian Aid to Air Transport in the  
Leewards, Windwards and Barbados

The Canadian program of aid to air transport development in the Little Eight Islands has two bases, the recommendations of the tri-partite survey report that these facilities be developed as an aid to tourism and the desire of DOT/Air Canada to increase their ties and influence in the Caribbean area. As a result the areas of possible assistance now under review include (a) the improvement of airport terminal and navigational facilities in the islands and (b) the development of a working relationship between DOT/Air Canada on the one hand and BWIA, Air Jamaica and LIAT on the other for the provision of air services both within the islands and between the islands and outside points.

Canada has allocated \$5 million over the next five years for air transport development in the Little Eight. We had hoped to deal through the proposed Regional Development Committee in determining priorities for the use of these funds, but because formation of the Committee is being delayed, we (primarily DOT) have been dealing with local airline and government authorities. Britain retains responsibility for air transport matters for the six Associated States and the mechanics of dealing with the West Indies Associated States on air transport at the political (as opposed to the technical) level remain to be clarified.

DOT is now preparing a development plan for the islands on the basis of the findings of a technical team which visited the area earlier this year. This plan would then be discussed with West Indian government and airline authorities.

Economic/R.M. Tait/rm

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO  
A The Canadian Embassy,  
CARACAS, Venezuela

FROM  
De The Under-Secretary of State for  
External Affairs

REFERENCE  
Référence

SECURITY  
Sécurité CONFIDENTIAL

DATE April 21, 1967

NUMBER  
Numéro E-1411

SUBJECT  
Sujet 12th Session of the United Nations Economic  
Commission for Latin America - May 2-13, 1967

FILE	DOSSIER
OTTAWA	
35-20-ECLA	
MISSION	10

ENCLOSURES  
Annexes

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Unfortunately, it has not proved possible to give as much time as we would have liked to the preparation of briefing material for the delegation's use at this meeting. However, this letter will serve to indicate in general terms our attitude towards some of the main issues which seem likely to dominate the discussions. We are appending source material from which the delegation can draw in preparing a statement for delivery during the course of the proceedings. We shall leave it to the delegation's discretion to choose the most appropriate point in the Session's work at which it should intervene; possibly Item 6 on the provisional agenda, "Latin American Trade Policy and the Second Session of UNCTAD" will prove a suitable place for Canada to express its continuing interest in ECLA's programme and our sympathetic support of the organization's objective of advancing the economic development of Latin America.

2. As the only Latin American economic organization of which Canada is a full member, it goes without saying that we attach importance to taking as active a part in sessions of the Commission as our position as a non-Latin country, and an industrialized one at that, permits. Since the organization is primarily a vehicle for promoting and co-ordinating the efforts of Latin American countries to come to grips with their own trade and development problems, our role, of necessity, must largely be confined to that of a benevolent observer. As for the resolutions which will be presented during the Session, our position is likely to conform closely to that of the developed countries represented there, (e.g., the United States, the U.K., the Netherlands, etc.).

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The delegation will, therefore, wish to consult closely with this group before casting its vote, and if necessary, seek additional guidance from Ottawa.

### Latin American Integration

Following (as it does) in the wake of the heads of state meeting in Punta Del Este where major decisions were confirmed regarding the programme for creating a Latin American common market over the period 1970-1985, the 12th Session of ECLA will undoubtedly devote much attention to this topic. Plainly, the goal set at Punta Del Este will be exceedingly difficult to achieve, a fact recognized by the extended timetable which looks ahead to 1985 as the date by which the market will be "substantially in operation". But whatever reservations one may harbour about the feasibility of implementing this project, it holds out great promise for the economic advancement of the region and the Canadian delegation should certainly strike a positive note in referring to the potential importance of this great economic grouping, both for world trade in general and for the future development of our own commercial relations with the area.

### Preferences

President Johnson's announcement at Punta Del Este that the United States was now prepared to seek a consensus in favour of a globalized system of temporary preferences for the products of developing countries in the markets of all developed countries represents a significant shift in direction of U.S.A. policy on trade with the underdeveloped world. Apparently, the U.S.A. decided to take this step in the light of an assessment that the only alternative would be eventually to yield to pressure to join a regional trading group involving a discriminatory hemispheric preference system. The latter, of course, would be totally inimical to the United States' long-term trade policy which opposes discriminatory trade relationships (including those between the EEC and its former colonial territories, as well as Commonwealth preferences) and favours the progressive liberalization of international

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trade on a world-wide basis.

Canada, although not as negative in the past as the United States, has been sceptical about the practical benefits which the developing countries could hope to derive from the introduction of new preferences. We have been inclined to conclude that their possible advantages were outweighed by their possible disruptive effects on efforts to free trade on the basis of the MFN principle. On the other hand, in international discussions of this issue we have indicated our willingness to consider objectively specific proposals for preferences for the LDC's on their merits. Plainly, the United States' initiative will require a careful reassessment of Canada's attitude in the light of the many implications it has for Canadian trade policies, including our participation in the Commonwealth preference system. The United States has indicated that it intends to consult closely with us and other developed countries, both bilaterally and in the OECD, with a view to the formulation of agreed recommendations to the OECD Ministerial Council Meeting next autumn. It is the United States' aim that a broadly acceptable arrangement can be worked out in time for presentation at the Second UNCTAD Conference scheduled to be held in New Delhi early next year.

The Canadian delegation, if this subject is discussed, as it is almost bound to be, should be very guarded in its comments. Given the fact that the Canadian position will have to be carefully framed in consultation with our major trading partners, the delegation should not go beyond recognizing the importance of the United States' initiative, indicating that we shall be studying it carefully in the context of our continuing examination of various approaches to improving the trade opportunities of the developing countries.

#### Canadian Trade with Latin America

It would seem appropriate in a general Canadian statement at the Session to refer to the development of our trade relations with Latin American countries. The delegation's statement might touch, inter alia, on the fact that LAFTA countries provide our fourth largest

... 4

-4-

market, that Venezuela is our third supplier after the United States and Britain and that we look forward to the encouraging prospects for the extension of our close relations with our trading partners in the future.

Among the attachments to this letter is a note on Canadian-Latin American trade and the text of a statement by the Deputy-Minister of Trade and Commerce to the Canadian Inter-American Association of Trade last February; both contain material from which the delegation may draw for its remarks on this subject.

#### Canadian Aid Programme

The delegation will doubtless wish to include in its statement a synopsis of Canadian assistance to Latin American countries. In addition to the passages in Mr. Warren's speech mentioned above, it should refer to the attached note on our aid contributions to this area through multilateral agencies and on a bilateral basis through the Inter-American Development Bank. Very shortly, it is expected that an agreement will be signed to increase our contribution to IDB by a further \$10 million, bringing to \$40 million the funds which are available for agreed projects through this agency. When this agreement is made public, we shall send a telegram to Caracas to authorize the delegation to make an appropriate announcement during the ECLA Session.

#### The Second UNCTAD

Attached for the delegation's background information is a note prepared for the recent Canada - U.K. Ministerial Committee summarizing our views regarding the prospects for the Second UNCTAD. As you know, Canada participates actively in the work of this important organization, and is a member both of its executive organ, the Trade and Development Board, and of each of its four major committees (Commodities, Manufactures, Invisibles and Financing, and Shipping). We believe that every effort should be made between now and the New Delhi meeting to concentrate attention on a selection of major questions regarding which there is some basis for hoping that tangible results can be achieved in the relatively near future. In this connection, it might be appropriate for our delegation to refer in approving terms to the

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-5-

role which ECLA is performing in examining matters which Latin American countries wish to be given high priority in UNCTAD's deliberations. We are glad that ECLA has established effective working relationships with the UNCTAD Secretariat. We welcome in particular the fact that the present session of ECLA has before it reports on the recent activities of competent bodies within the U.N. system relating to the promotion of exports of manufactures from developing countries. This is a field which is being given increased prominence in the programmes of various U.N. organizations, (UNCTAD, the Regional Economic Commissions, and the newly established U.N. Industrial Development Organization), as well as through the Trade Development Centre of the GATT. It represents an extremely significant aspect of the international community's efforts to equip developing countries with the techniques and knowledge necessary to enable them to expand and diversify their exports and we welcome the attention which ECLA is devoting to it.

In discussing preparations for the Second UNCTAD, it would also be suitable for the delegation to refer to our firm support for current efforts to conclude international commodity arrangements for cocoa and sugar and to Canadian interest in a new supplementary financing scheme which is now being examined by experts and will be an important item on UNCTAD II's agenda.

Finally, we are attaching a copy of the statement delivered by Mr. Feaver at ECLA's 11th Session which may be helpful for reference purposes.

D.H.W. KIRKWOOD  
FOR

Under-Secretary of State  
for External Affairs.

35-20-ECLA

UNCLASSIFIED

April 21, 1967

*Miss Sylazak*  
*Note Mr. Robinson's*  
*Comment re airmail*  
*transmission*

MEMORANDUM FOR THE MINISTER

*Not sent to*  
*ME A.*  
*HBR*

Canadian Delegation to 12th Session of ECLA

--  
Attached for your signature, if you agree, is a Note to Mr. Quintana, Executive Secretary of the United Nations Economic Commission for Latin America (ECLA) advising him of the composition of the Canadian delegation to ECLA's Twelfth Session which will be held in Caracas May 2-13. We are proposing that our Ambassador in Santiago lead our delegation to this session. Santiago is the headquarters of the organization and Mr. Summers has served as leader of the Canadian delegation to ECLA meetings in the past. Our Ambassador in Caracas, you will recall, will be serving on our delegation to ECOSOC/New York during this period. To assist Mr. Summers we are suggesting two Trade and Commerce officers knowledgeable on Latin American matters and, on a part-time basis, an officer of this Department from our local mission. This is in line with the level and size of our representation at ECLA sessions in past years.

This meeting holds particular significance in view of the fact that it follows in the wake of the recent Punta del Este Conference. Attention will undoubtedly focus on the decisions confirmed at this conference as regards Latin American economic integration and the development of trade policy in the region in relation to the forthcoming second UNCTAD.

M.C.

*I signed for*  
*himself as he*  
*will not be here*  
*for several days*  
*HBR*  
*Apr 21.*

*Letter should surely*  
*go airmail*

*Done*  
*per*

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O/SSEA  
O/USSEA  
Parliamentary Secretary  
Press & Liaison Div.

Economic Div./A.Szlasak/eg

APR 21 1967

Ottawa,

No. 1416

35-20-ECLA

Sir,

I have the honour to refer to Mr. Balboa's letter of March 15 inviting the Canadian Government to send representatives to attend the Twelfth Session of the Economic Commission for Latin America to be held in Caracas from May 2 - 13, 1967.

The Canadian Delegation to this session will be composed of the following persons:

G.B. Summers, Canadian Ambassador to Chile -  
Head of Delegation;

H.S. Shapiro, Commercial Counsellor,  
Canadian Embassy,  
Montevideo, Uruguay - Alternate;

J.Y. Grenon, First Secretary and Consul,  
Canadian Embassy, Caracas, Venezuela - Adviser;

D.C. Knowles, Latin American Division,  
Department of Trade and Commerce, Ottawa,  
Canada - Adviser.

Accept, Sir, the assurances of my highest consideration.

(SGD.) H.E. ROBINSON

Secretary of State for  
External Affairs.

Carlos Quintana, Esq.,  
Executive Secretary,  
U.N. Economic Commission for Latin America,  
Avenue Providencia 871,  
Casilla 179 D,  
Santiago, Chile.

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# MESSAGE

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WORKING GROUP ON LATIN AMERICA

FOLLOWING BACKGROUND MAY BE USEFUL TO GRAHAM IN CONNECTION WITH  
W.G. CONSIDERATION OF ITEM ONE ON AGENDA:

(A) LATIN AMERICAN INTEGRATION: GOAL SET AT PUNTA DEL ESTE  
FOR CREATION OF COMMON MARKET OVER PERIOD 1970-85 WILL BE  
DIFFICULT ONE TO ACHIEVE. THIS FACT IS RECOGNIZED BY EXTENDED  
TIME TABLE WHICH LOOKS AHEAD TO 1985 AS ~~DATE~~ <sup>DATE</sup> BY WHICH MARKET  
WILL BE QUOTE SUBSTANTIALLY IN OPERATION UNQUOTE. HOWEVER,  
WHATEVER RESERVATIONS ONE MAY HAVE ABOUT FEASIBILITY OF  
IMPLEMENTING THIS APPROACH, IT HOLDS OUT GREAT PROMISE FOR  
ECONOMIC ADVANCEMENT OF REGION. AS FAR AS CANADA IS CONCERNED  
WE WELCOME LATIN AMERICAN <sup>efforts</sup> ~~offer~~ TO FURTHER ECONOMIC DEVELOPMENT  
AND CAPACITY TO PARTICIPATE IN GROWTH OF WORLD TRADE THROUGH  
MEASURES OF REGIONAL COOPERATION AND INTEGRATION. WHILE PRECISE  
IMPLICATIONS FOR CANADA OF COMMON MARKET SCHEME WILL ONLY  
BECOME CLEAR AS PROJECT EVOLVES, AT THIS STAGE WE TAKE POSITIVE  
ATTITUDE TOWARDS POTENTIAL IMPORTANCE OF THIS ECONOMIC ... 2

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SIG.....R.M. TAIT/RM.....

ECONOMIC

2-3952

SIG D.H.W. KIRKWOOD.....  
D.H.W. KIRKWOOD.....

Economic/R.M. Tait/rm

EXTERNAL AFFAIRS



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TO  
A  
Passport Division  
Attention: Miss Leclerc

FROM  
De  
Economic Division

REFERENCE  
Référence

SUBJECT  
Sujet  
Passport for D. C. Knowles

SECURITY  
Sécurité

RESTRICTED

DATE

April 24, 1967

NUMBER  
Numéro

FILE	DOSSIER
OTTAWA 35-20 — ECLA	
MISSION 10 —	

ENCLOSURES  
Annexes

DISTRIBUTION

Communications  
(Mr. Mathews)

Mr. D. C. Knowles, of the Department of Trade and Commerce, will be attending the 12th session of the Economic Commission for Latin America in Caracas from May 2-13 as a member of the Canadian delegation. He leaves for Caracas on April 30. Normally, Mr. Knowles would be issued with a Special passport but in this case we are exceptionally asking that he receive a Diplomatic passport to enable him to act as a courier carrying confidential, official correspondence from this Department addressed to our Embassy in Caracas. This material would have gone by diplomatic bag but we are obliged to send it with Mr. Knowles since the bag schedule was changed at the last moment and the correspondence is needed by our delegation to ECLA before the next regular run.

D.H.W. KIRKWOOD

Economic Division

cc. Mr. A.C. Matthews,  
Communications Division

35-70-ECLA
10 —

CONFIDENTIAL

April 24, 1967

Dear Mr. Knowles,

I enclose our letter No. E-1111 of April 21 and its attachments which we have prepared by way of guidance for our delegation to the 12th session of ECLA. As discussed on the 'phone, I would be grateful if you would act as courier for this material.

Mr. A.C. Matthews of our Communications Division will be in direct touch with you regarding a letter which they will provide you with which will identify you as a carrier of diplomatic correspondence for our Mission in Caracas.

Yours sincerely, R. M. TAIT

R.M. Tait,  
Economic Division

D.C. Knowles, Esq.,  
Latin American Division,  
Department of Trade and Commerce,  
O t t a w a

BEST ORIGINAL AVAILABLE  
MILLEUR ORIGINAL

# MESSAGE

FM/DE EXTERNAL CTT

DATE	FILE/DOSSIER	SECURITY SECURITE
APR 25, '67	35-20-ECLA	CONF
	10	

TO/A NATO PARIS

NO	PRECEDENCE
XL-25C	IMM

INFO

REF CUMTEL E-1419 OF APR 24

SUB/SUJ WORKING GROUP ON LATIN AMERICA

FOLLOWING FOR GRAHAM

YOU WILL UNDERSTAND THAT GUIDANCE IN PARA 2 REFERS ONLY TO PART (B)  
OF PARA 1 ON PREFERENCES AND NOT RPT NOT TO PART (A) ON LATIN AMERICAN  
INTEGRATION.

DISTRIBUTION NO STD cc: D.L.(1) Economic  
LOCAL/LOCALE

ORIGINATOR/REDACTEUR

DIVISION

TELEPHONE

APPROVED/AUTORISE

SIG.....  
P.A. BRIDLE.....

Latin American

2-7175

SIG.....  
P.A. BRIDLE.....

FILE COPY

# MESSAGE

FM/DE	EXTERNAL OTT	DATE	FILE/DOSSIER		SECURITY
		APR26/67	35-20-ECLA 10		SECURITE
				NO	RESTRICTED
TO/A				E-1465	PRECEDENCE
CPCAS					ROUTINE
INFO					

REF OUR LETTER E-1411 *Apr 21*

SUB/SUJ ECLA 12TH SESSION

FURTHER CDN CONTRIBUTION OF 10 MILLION DOLLARS TO IDB NOW ANNOUNCED.

THIS RAISES OUR TOTAL IDB CONTRIBUTION TO 40 MILLION DOLLARS. ECLA DEL

THEREFORE *must* REFER TO THIS DEVELOPMENT AT MTG.

DISTRIBUTION  
LOCAL/LOCALE

*cc Supins*

NO STD

ORIGINATOR/REDACTEUR

DIVISION

TELEPHONE

APPROVED/AUTORISE

SIG.....  
A. Szlajak/eg

Economic

SIG.....  
D.H.W. Kirkwood

OT748

STG 52/26

FM STAGO APR26/67

TO EXTERL 68 IMMED

REFYOURTEL E1340 APR17

ECLA 12TH SESSION

ACTION COPY

35-20-ECHA

Mr. Brady

WE ASSUME THAT GENERAL INSTRUCTIONS TO THE DEL ON ITEMS TO BE DISCUSSED ARE BEING PREPARED AND WOULD ALSO WELCOME AN OUTLINE OF A STATEMENT AS PROVIDED ON PREVIOUS OCCASION FOR POSSIBLE USE AT OPENING MTG.

2. AS THERE WOULD NOT RPT NOT NOW BE TIME TO RECEIVE THESE INSTRUCTIONS HERE PLEASE DESPATCH DIRECT TO CRACAS.

3. IN RESPONSE TO REQUEST SUBMITTED MY LET 120 APR11/63 A SPECIAL ENTERTAINMENT ALLOWANCE FOR DEL TO 10TH SESSION WAS APPROVED. SIMILAR ASSISTANCE WOULD GREATLY FACILITATE DEL TASKS IN COMING CONFERENCE. I RECOMMEND IT TO BE APPROVED.

4. WILL EMB CRACAS BE ABLE TO PROVIDE SECRETARIAL ASSISTANCE? IF NOT RPT NOT PLEASE GIVE CONSIDERATION TO THIS PROBLEM. FOR 10TH SESSION MAR DEL PLATA A STENO~~TYPE~~ WAS ASSIGNED FROM STAGO. IN GRAVELS ABSENCE I DO NOT RPT NOT KNOW WHAT ARRANGEMENTS WERE MADE FOR MEXICO BUT SITUATION AT CRACAS IN VIEW OF LOCATION MTG MAY CREATE SPECIAL DIFFICULTIES.

5. GRATEFUL FOR YOUR ADVICE ON FOREGOING BEFORE DEPARTURE APR29 IF POSSIBLE

SUMMERS

000801

EXTERNAL AFFAIRS



AFFAIRES ÉTRANGÈRES

*Am. Brady COR*

TO  
À  
The Under-Secretary of State  
for External Affairs, Ottawa

FROM  
De  
The Embassy, Santiago, Chile

REFERENCE  
Référence

SUBJECT  
Sujet  
DOCUMENTS FOR FORTHCOMING ECLA  
SESSION, CARACAS, MAY 1967

SECURITY  
Sécurité  
Unclassified  
DATE  
April 27, 1967  
NUMBER  
Numéro  
159

FILE	DOSSIER
OTTAWA 35-20-2-4-2	
MISSION 35-20-ECLA-2	44

ENCLOSURES  
Annexes

DISTRIBUTION

Trade and  
Commerce

We are enclosing the following documents which  
have so far been issued in English by the Economic  
Commission for Latin America in connection with the  
Twelfth Session of the Commission in Caracas, May 1967:

E/CN.12/772 Planning in Latin America  
E/CN.12/776 Draft programme of work and priorities  
E/CN.12/778 Report on the activities of the Latin American  
Institute for Economic and Social Planning  
E/CN.12/779 Note by the secretariat on the election of  
new members of the Governing Council of the  
Latin American Institute for Economic and  
Social Planning  
E/CN.12/767 Economic Survey of Latin America, 1966  
E/CN.12/773 Latin America and World Trade Policy  
E/CN.12/775 Report on the activities of the Commission  
since the Eleventh Session of the Committee  
of the Whole

2. Two additional documents in English, The Latin  
American Economy in 1966 and The Relatively Less Developed  
Countries and Latin American Integration, will be issued  
shortly and forwarded to you in due course.

*H. C. L.*  
The Embassy

*J. Mans.*

*Cons 1 en this doc. f11*  
*CH*

*May 9/67*  
*Access removed*  
*& placed into Sec. 1*  
*Section.*  
*AB*



# MESSAGE

*free ECLA*  
*W*

FM/DE	EXT OTT	DATE	FILE/DOSSIER	SECURITY
		APR28/67	35-20-ECLA 10	SECURITE UNCLASS
TO/A	SANTIAGO	CARACAS	NO	PRECEDENCE
			R-2016	PRIORITY
INFO				

**REF** SANTIAGO TEL 68 APR26

**SUB/SUJ** ECLA - 12TH SESSION: ENTERTAINMENT

UNDER FS REGS EMPLOYEES IN RECEIPT OF FULL POST DIRECT REPRESENTATION ALLOWANCES ARE NOT RPT NOT PERMITTED TO CLAIM FOR ENTERTAINMENT UNDER AN ALLOTMENT FOR A CONFERENCE. DIRECT REP ALLGES OF MESSRS SUMMERS AND SHAPIRO PRO-RATED FOR PERIOD OF CONFERENCE WOULD AMOUNT TO APPROXIMATELY \$135 AND \$85 RESPECTIVELY WHICH SHOULD BE ADEQUATE FOR CASUAL ENTERTAINMENT.

2. IF IT SHOULD BE CONSIDERED NECESSARY FOR CANDEL TO OFFER LUNCHEON OR SMALL RECEPTION, YOU ARE AUTHORIZED TO EXPEND AN AMOUNT NOT RPT NOT EXCEEDING \$300 FOR THIS PURPOSE. IT SHOULD BE HELD IN PUBLIC ESTABLISHMENT WITH BILL BEING SUBMITTED TO EMBASSY FOR PAYMENT FROM POST BANK ACCOUNT. GUEST LIST SHOULD BE ATTACHED TO VOUCHER.

DISTRIBUTION  
LOCAL/LOCALE

NO STANDARD

ECONOMIC DIV (MR. TAIT)  
LATIN AMERICAN (MR. CARDIF)

CTO

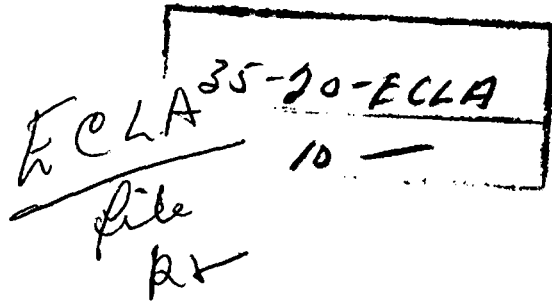
ORIGINATOR/REDACTEUR	DIVISION	TELEPHONE	APPROVED/AUTORISE
SIG.....W.H. HOLMES/dr.....	FINANCE	2-7395	SIG.....W. H. HOLMES.....

PASSEPORT DIVISION / 11-220-110/11

cc: Economic Division.

Mr. D. H. Kirkwood.

S-20152



OTTAWA, April 28, 1967.

The Deputy Minister,  
Department of Trade and Commerce,  
OTTAWA.

At the request of Mr. D. H. W. Kirkwood,  
Head of our Economic Division, I am pleased to  
enclose Canadian Diplomatic passport No. D-9065  
issued in the name of Mr. David Clifford Knowles,  
which is valid for travel to "All Countries" until  
April 26, 1968, together with a photographic Birth  
certificate and landing cards.

A Tourist visa has been obtained for  
Venezuela. He will not require a visa for the United  
States of America.

I should appreciate it if you would be good  
enough to request Mr. Knowles to forward the Diplomatic  
passport to this office when he returns to Canada.

M. W. GREENE  
Under-Secretary of State  
for External Affairs.

# FILE COPY. MESSAGE

FM/DE	EXTERNAL	DATE	FILE/DOSSIER		SECURITY SECURITE
		APR28 1967	35-20-ECLA 10		UNCLASSIFIED
TO/A SANTIAGO				NO	PRECEDENCE
				E-1505	IMMEDIATE
INFO CARACAS TANDC(OTT)					

REF YOUR TEL 68 APR26

SUB/SUJ ECLA: 12th SESSION

BRIEFING MATERIAL FOR DEL HAS BEEN ASSEMBLED. COVERING LET INDICATES  
WHAT SUBJECTS COM STATEMENT MIGHT TOUCH UPON AND <sup>suggests</sup> ~~ATTN: STATE~~ LINE TO ADOPT.

THIS MATERIAL WILL BE AVAILABLE IN CARACAS ON APR30, SO DEL WILL HAVE

OPPORTUNITY TO PREPARE SUITABLE INTERVENTION.

2. *Msg re entertainment follows.*

FOR CARACAS: PARA 4 OF RFTL WHICH WE HAVE REPEATED TO YOU RAISES

QUESTION OF SECRETARIAL ASSISTANCE. GRATEFUL IF YOU COULD PROVIDE STENO

FROM YOUR MISSION TO HELP DEL ~~PARTELL~~ *as required.*

DISTRIBUTION  
LOCAL/LOCALE

L.A. Div.

*Finance (Belmes)*

NO STANDARD

ORIGINATOR/REDACTEUR

DIVISION

TELEPHONE

APPROVED/AUTORISE

SIG.....  
.....R.L.Tait/hgf.....

Economic

23953

SIG.....  
.....R.M. TAIT  
.....D.H.U. Kirkwood.....

DEPARTMENT  
OF  
INDUSTRY



35-201 ECLA  
49  
MINISTÈRE  
DE  
L'INDUSTRIE

*file*  
*in*

REFER TO FILE NO.  
MENTIONNER LE DOSSIER.....

Ottawa 4, May 2, 1967

Under-Secretary of State  
for External Affairs,  
East Block,  
O t t a w a 4, Ontario.

Attention: Mr. R. M. Tait

TO: *Mr. Tait*  
FROM REGISTRY  
MAY 3 1967  
FILE CHANGED TO:  
TO:

Dear Sir:

ECLA: 12th Meeting of the Commission  
Caracas, May 2-13, 1967

In connection with the meeting of ECLA in Caracas  
May 2 to 13, 1967, I recall that last year we were represented  
by Mr. R. E. Gravel, Commercial Counsellor at the Canadian  
Embassy in Santiago. It seems to me that similar representation  
might be adequate for the forthcoming meeting.

Yours sincerely,

*A. S. Abell*

A. S. Abell,  
Economic Adviser.

*E*

3520-ECLA

DEPARTMENT OF STATE  
FOR THE PRESS

MAY 2, 1967

NO. 106

Ambassador Sol M. Linowitz, U.S. Representative on the Council of the Organization of American States, will head the United States delegation to the biennial meeting of the United Nations Economic Commission for Latin America (ECLA) in Caracas May 2-13. Ambassador Linowitz will not depart for the meeting until May 7, however, and until then the United States will be represented by Milton Barall, Deputy Assistant Administrator, Agency for International Development.

The ECLA meeting will consider a number of development-related topics such as Latin American trade policy and the problems posed by regional economic integration for the relatively less developed countries. The last such ECLA meeting was in Mexico in 1965.

Advisors to the United States delegation include Ernest F. Chase, Office of Regional Economic Policy, Bureau of Inter-American Affairs, Department of State; Claude Courand, Director, American Republics Division, Department of Commerce; J. Phillip Rourke, Counselor of Embassy for Economic Affairs, Caracas; Arnold A. Saltzman, President, The Seagrave Corp., New York, N.Y.; Leighton van Nort, Office of International Economic and Social Affairs, Department of State, and John E. Williams, Office of General Commercial Policy, Bureau of International Economic Affairs, Department of State.

\* \* \*

SECURITY TO: **Unclassified**  
Sécurité

DATE 5 May 1967

NUMBER 137 / 71  
Numéro

FILE	DOSSIER
OTTAWA	
35-20-ECLA	
MISSION	
4935-20-ECLA-2	49

The Under-Secretary of State  
for External Affairs - Ottawa

The Embassy, Santiago, Chile

DOCUMENTS FOR ECLA SESSION  
CARACAS, MAY 1967

ENCLOSURES  
Annexes

DISTRIBUTION

Trade and  
Commerce

We are enclosing the following documents which have been issued in Spanish by the Economic Commission for Latin America in connexion with the Twelfth Session of the Commission in Caracas, May 1967. We are forwarding these documents in Spanish owing to the fact that we have not been able to obtain them in English, and hope that, in spite of this, they will be of some use to you.

E/CN.12/770 Estudios sobre la Distribución del Ingreso en América Latina

E/CN.12/774 Los Países de Menor Desarrollo Económico Relativo y la Integración Latinoamericana.

2. As soon as the English version of these documents is issued, they will be forwarded.

→ No 25

Mr. Tardif - do  
you have these  
docs?

May 19/67  
Attached Spanish  
docs removed  
& sent to LA Div.  
AB

not here  
25

The Embassy

Let's wait  
for the English  
copies +  
annexes +  
to the file  
OK

**ACTION COPY**

FM CRCAS MAY15/67 CONFD

TO LAG EXTERL 158

INFO TANDC OTT FINANCE EXTAID

BAG PERMISNY STAGO MVDEO DE CRCAS

REF YOURLET E1411 APR21

ECLA TWELFTH SESSION

CONFERENCE TERMINATED MAY13.KNOWLES CARRIES DOCUS.FULL REPORT WILL  
BE SENT FROM STAGO.FOLLOWING IS IMMED ASSESSMENT OF PRINCIPAL POINTS.

2.DOCUS SUBMITTED AND DISCUSSION ON LATINAMERICAN ECONOMY,TRADE  
POLICY,AND UNCTAD RPTD PREVIOUS POSITIONS,EMPHASIZING DEEP CONCERN  
AT SLOW RATE OF ECONOMIC PROGRESS AND NEED FOR GREATER SHARE OF WORLD  
TRADE TO MEET DEVELOPMENT REQUIREMENTS.PROSPECTS WERE CONSIDERED  
DISCOURAGING <sup>allegedly</sup> DUE TO INTRANSIGENT ATTITUDES OF DEVELOPED COUNTRIES.  
LDCS COMPLAINED OF VIOLATION OF COMMITMENTS IN FIRST UNCTAD BY  
DEVELOPEDS,EG IMPOSITION OF NEW RESTRICTIONS AND MAINTENANCE OF  
QUOTAS.OTHER PREOCCUPATIONS WERE,PROBLEMS OF ACCESS TO MARKETS,TERMS  
OF TRADE,AND OF INTERNATL FINANCING,INTERNAL TAXATION,UNECONOMIC  
PRODUCTION OF COMPETING COMMODITIES IN DEVELOPED COUNTRIES,AS WELL AS  
FAILURE OF DEVELOPEDS TO PRODUCE SATISFACTORY SOLUTIONS IN COMMODITY  
AGREEMENTS,PARTICULARLY COCOA AND SUGAR.

3.ECLA SECRETARIAT WILL PREPARE STUDIES IN PREPARATION FOR SECOND  
UNCTAD ON(A)MACHINERY FOR IMPLEMENTATION OF PRINCIPLES AND RECOMMEND-  
ATIONS OF FIRST UNCTAD IN RELATION TO PRICE STABLIZATION AGREEMENTS  
FOR PRIMARY COMMODITIES AT REMUNERATIVE PRICES.(B)IMPORT RESTRICTIONS  
IMPOSED BY DEVELOPEDS TO AVOID MARKET DISRUPTION AND(C)A SYSTEM OF

PAGE TWO 158 CONFD

GENERAL NON-DISCRIMINATORY PREFERENCES FOR MANUFACTURES AND SEMI-MANUFACTURES.

4.NEED TO ABOLISH EXISTING DISCRIMINATORY PREFERENCES WAS ALSO MENTIONED AND EUROPEAN COMMON MARKET CAME UNDER PARTICULAR ATTACK FOR FAILURE TO TAKE ACCOUNT OF LATINAMERICAN TRADE REQUIREMENTS. COMWEL CARIB STATED THEIR ECONOMIC DEPENDENCE ON PRESENT PREFERENCES. THERE WAS SOME DISCUSSION OF COMPENSATORY MEASURES IF EXISTING PREFERENCES SHOULD BE REPLACED BY A GLOBAL SYSTEM.

5.ECLA SECRETARIAT WILL CONTINUE ASSISTANCE IN COORDINATING LATIN AMERICAN VIEWS FOR A CONCERTED POSITION AT UNCTAD AS WELL AS IN THE GROUP OF SEVENTY SEVEN.

6.DEVELOPED COUNTRIES INCLUDING CDA ABSTAINED ON RESLNS CONCERNING THE ABOVE MATTERS BUT JOINED IN SUPPORTING OTHERS RELATING TO PLANNING INTEGRATION AND COOPERATION WITH OTHER UN ORGANIZATIONS IN THE FIELDS OF INDUSTRIAL DEVELOPMENT, LABOUR AND AGRIC.

7.ECLA SECRETARIAT WILL PREPARE PROPOSALS TO BE SUBMITTED TO IA-ECOSOC AT VINA IN JUN RELATED TO THE FOREIGN TRADE SECTION OF RECENT DECLARATION OF PRESIDENTS.

8.ECLA IS NOW EXPECTED TO PLACE INCREASED EMPHASIS ON ITS ROLE IN STUDIES RELATED TO LATINAMERICAN COMMON MARKET AND SUB-REGIONAL INTEGRATION AGREEMENTS.THE IMPORTANCE OF THE PUNTE DEL ESTE DECISIONS WAS EMPHASIZED BUT THERE WAS RELATIVELY LITTLE DISCUSSION.

9.SECRETARIAT WILL ALSO STUDY POSSIBILITY OF EXPANSION OF TRADE WITH SOCIALIST BLOC.CUBAN DEL IN HIGHLY POLITICAL SPEECH CLAIMED CUBAN

...3



PAGE THREE 158 CONF

MODEL ONLY SOLUTION FOR REGION. HE RPTD HIS COUNTRY'S SUPPORT OF LIBERATION MOVEMENTS. SHORT RESPONSES FROM VENEZUELA AND USA AVOIDED CONTINUATION OF POLITICAL CONTROVERSY. IN STRIKING CONTRAST USSR OBSERVER EMPHASIZED TRADE OPPORTUNITIES AND COMMITMENT TO NON-INTERFERENCE IN INTERNAL AFFAIRS.

10. SECRETARIAT DOCUS AND DEL SPEECHES PRESENTING LATINAMERICAN COMPLAINTS AGAINST DEVELOPED COUNTRIES WERE CERTAINLY NOT RPT NOT OBJECTIVE. RESPONSE OF DEVELOPED COUNTRIES IN DEBATE WAS IN GENERAL MODERATE, RESTRICTED TO SHORT STATEMENTS OF POLICY WITH DEFENSE AGAINST SPECIFIC CHARGES, AND ACCEPTANCE OF LA COUNTRIES RIGHT TO EXPRESS THEIR VIEW, RESERVING THEIR NEGOTIATING POSITIONS FOR DISCUSSIONS IN OTHER FORUMS. USA REACTED MORE STRONGLY, APPEALING FOR A MORE REALISTIC APPROACH AND MORE SELF HELP. WE STATED CDN POSITION ON PARTICULAR ITEMS ON LINES YOUR INSTRUCTIONS AND AVOIDED ANY CONTROVERSIAL INVOLVEMENT.

11. USA REPS IN PRIVATE EMPHASIZED IRRITATION AT LATINAMERICAN FAILURE TO COOPERATE IN DISCUSSION ON AIMS AND MEANS TO ACHIEVE THEM. IN PRIVATE CONVERSATIONS WITH LA REPS IRRITATION WAS EXPRESSED AT BEING LECTURED BY USA AND DISAPPOINTMENT AT LACK OF USA COOPERATION WHICH IS SO ESSENTIAL. THIS LESS THAN CORDIAL USA-LA EXCHANGE IN ECLA SHOULD NOT RPT NOT BE GIVEN EXAGGERATED IMPORTANCE. THERE WAS A LACK OF APPRECIATION OF SUSCEPTIBILITIES IN WHICH BOTH SIDES WERE AT FAULT BUT BOTH SIDES WISH TO MAINTAIN BARGAINING POSITIONS AND THIS SESSION OF ECLA WAS NOT RPT NOT IN ANY EVENT A FORUM IN WHICH CONCESSIONS WERE TO BE EXPECTED.

...4

000811

PAGL FOUR 158 CONFD

12. THE ABSENCE OF ATTITUDES OF MUTUAL COOPERATION BETWEEN THE UNDEVELOPED AND DEVELOPED GROUP OF COUNTRIES IN THIS ECLA SESSION WAS HOWEVER SUFFICIENTLY APPARENT FOR THE EXECUTIVE DIRECTOR IN HIS CLOSING SPEECH OF ASSESSMENT TO MAKE SPECIAL REF TO IT. IN ADDITION TO REGRETTING THAT THE TWO SIDES COULD NOT RPT NOT HAVE HAD MORE COOPERATIVE DISCUSSIONS HE DEFENDED THE APPARENT PARTIALITY OF THE REPORTS ON THE BASIS THAT ECLA WAS CHARGED WITH PREPARING A LATINAMERICAN POSITION. HE CONSIDERED THAT CERTAIN OF THE DEVELOPED GROUP HAD APPARENTLY OVERLOOKED THAT ECLAS SPHERE OF ACTION WAS THE LATIN AMERICAN AREA AND OUTSIDE MEMBERS WHO WERE WELCOME AS SUCH WERE NEVERTHELESS IN THE ORGANIZATION TO COOPERATE IN LATINAMERICAN DEVELOPMENT. HE ALSO DEALT WITH THE CRITICISM THAT LATINAMERICAN COUNTRIES WERE NOT RPT NOT DOING ENOUGH TO HELP THEMSELVES BY REFERRING TO THE ACTIVITIES AND PROGRAMMES OF ECLA AND OTHER ORGANIZATIONS IN THIS FIELD. ALTHOUGH EXPRESSED IN GENERAL TERMS THERE WAS NO RPT NO DOUBT THAT THESE COMMENTS WERE INTENDED AS A REBUTTAL TO THE USA DEL AND NOT RPT NOT DIRECTED TO ALL OF THE DEVELOPED COUNTRIES MEMBERS OF THE COMMISSION.

13. THIRTEENTH SESSION OF ECLA WILL BE HELD IN LIMA IN APR OR MAY/69  
SUMMERS

May 17, 1967

ECLA: Members and Associate Members

List of Members as of May 12, 1966. \*

35-20-ECLA  
10 -

Argentina  
Bolivia  
Brazil  
Canada  
Chile  
Colombia  
Costa Rica  
Dominican Republic  
Ecuador  
El Salvador  
France  
Guatemala

Honduras  
Mexico  
Netherlands  
Nicaragua  
Panama  
Paraguay  
Peru  
Trinidad and Tobago  
U.K.  
U.S.A.  
Uruguay  
Venezuela

List of Associate Members as of May 12, 1966. \*

British Guiana

\* E/4181

cc. LA Div.  
UN Div.  
Econ Div.

UNCLASSIFIED

SEEN BY THE MINISTER  
6/6/67

May 30, 1967

file  
20

35-20-ECLA

MEMORANDUM FOR THE MINISTER

Membership of Barbados and Guyana in ECLA

In view of your interest in the external associations of the Caribbean Commonwealth countries, I should perhaps bring to your attention that Barbados and Guyana have been admitted as members of the U.N.'s Economic Commission for Latin America (ECLA). Jamaica and Trinidad and Tobago had been admitted previously. British Honduras is an associate member.

As you know, while ECLA as a UN organization has no direct relationship with the OAS, it has relations with several OAS organizations.

*doal belong?*  
*me*  
M. C.

*m*  
1.6.16 (vs)

000814



7

TO  
A The Under-Secretary of State for  
External Affairs, Ottawa, Canada

JUN 6 1967

SECURITY  
Sécurité

CONFIDENTIAL

FROM  
De Canadian Embassy, Santiago, Chile

DATE

May 31, 1967

REFERENCE  
Référence Your letter E-1411 of April 21, 1967, to Caracas

NUMBER  
Numéro

209

SUBJECT  
Sujet 12th Session of the United Nations Economic Commission  
for Latin America - May 2 to 13, 1967.

FILE DOSSIER

OTTAWA

MISSION

35-20-ECLA  
3735-LAT AMS (ECLA)ENCLOSURES  
Annexes

DISTRIBUTION

*Refer with report*  
Perkins NY  
Wash DC  
All LA Posts  
Kingston  
Georgetown  
Port of Spain  
LA Div (2cc) *Hare*  
P.F. Brady (2cc)  
Geneva  
UN DIV  
Tand C  
Finance  
Ext aid  
Industry  
O/SSEA  
Mr. J.C. Langley

*Attachments in file packet.*

Enclosed is head of delegation's report on the 12th session of ECLA.

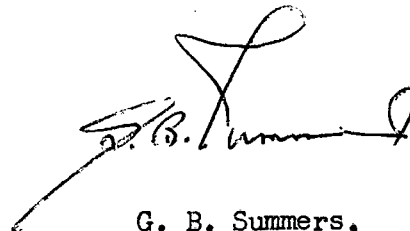
2. We have attached a minimum of documents as the principal documents which are relevant have been transmitted to Ottawa from here or from Caracas. Final record of the discussions has not yet been completed by ECLA Secretariat, but will be transmitted when received.

3. The aspect of the meeting which I believe merits most emphasis and is of interest to Canada, is the common viewpoint of the Latin American countries on the subject of foreign trade and its relationship to their industrial development. While this is not new and indeed a well-known theme at numerous international conferences, one cannot help but be impressed by the depth of the conviction which is held amongst the under-developed countries that the industrialized countries are not giving them a fair deal in terms of trade, that the benefits that aid provides are in a large measure lost because the net amount of foreign currency available from exports and financial assistance, less servicing of debt and remittances of profits abroad, falls so far short of that needed for development requirements. All of this in relation to low standards of living in which the urgency of taking remedial action and the numerous difficulties of doing so are striking.

4. It may well be that the case of the under-developed countries is sometimes presented in an unreasonable way with an over-emphasis on the fault of the developed countries, and also that statistics in support of certain aspects of their case may be open to question. However, this does not change the basic picture. Canada's policy towards this problem has been sympathetically stated and there are evidences amongst other industrial countries of a growing appreciation of a need to make some internal sacrifices with the object of attaining world prosperity. There are also evidences of the difficulties of making any real progress as a result of the policies of economic groupings and internal difficulties of certain developed countries.

-2-

5. This session of ECLA showed little sign that a will to overcome the obstacles and move in the direction of co-operative effort to raise world living standards really exists, and although it was certainly not the forum in which major changes of foreign trade policy could be negotiated, it was regrettable that a better atmosphere giving promise of some later improvements did not exist.

A handwritten signature in dark ink, appearing to read 'G. B. Summers', with a stylized flourish at the end.

G. B. Summers,  
Ambassador.



CONFIDENTIAL

ECONOMIC COMMISSION FOR LATIN AMERICA  
12TH SESSION

REPORT BY CANADIAN DELEGATION

1. The Commission's 12th Session took place in Hotel Macuto-Sheraton, some forty miles outside of Caracas, Venezuela, from May 2nd to May 13th, 1967.
2. The Canadian delegation consisted of:  
Mr. G. B. Summers, Ambassador to Chile  
Mr. Ben S. Shapiro, Commercial Counsellor, Canadian Embassy, Uruguay  
Mr. Jean-Yves Grenon, First Secretary, Canadian Embassy, Venezuela  
Mr. D. C. Knowles of the Department of Trade and Commerce.
3. The agenda of the session was as follows:
  - (1) Opening addresses
  - (2) Election of officers
  - (3) Adoption of the agenda
  - (4) The position of the Latin American economy
  - (5) Planning problems in Latin American
  - (6) Latin American trade policy and the 2nd session of the United Nations Conference on Trade and Development
  - (7) The relatively less developed countries and Latin American integration
  - (8) Report on the activities and programme of work of the Commission
  - (9) Latin American Institute for Economic and Social Planning
    - (a) Report on activities, 1966-67
    - (b) Election of new members of the Governing Council
  - (10) Consideration and adoption of the annual report of the Commission to the Economic and Social Council
  - (11) Date and place of the 13th session.

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4. Mr. Luis Hernández Solís, Minister for Development of Venezuela, was elected as Chairman; Mr. Plácido García Reynoso of Mexico as First Vice-Chairman; Sir Ashton Wright of Jamaica as Second Vice-Chairman; and Mr. Jorge Méndez Munévar of Colombia as Rapporteur.

5. Two Committees were established--Committee I to deal with Development Planning (Agenda Item 5), and Committee II to deal with Trade Policy and Integration (Agenda Items 6 and 7). A working group open to all members of the Commission dealt with the programme of work and priorities. Other items were dealt with in plenary session.

#### SUBJECTS OF DISCUSSION

6. The main themes of discussion at the 12th Session may be conveniently grouped under the following headings:

- (1) Review of the state of the Latin American economy
- (2) Latin American economic integration
- (3) Trade policy and the 2nd session of UNCTAD
- (4) Planning problems in Latin America.

Other matters related to the activities of ECIA including its work programme, co-operation with other organizations, the Latin American Institute for Economic and Social Planning, International Symposium on Industrial Development as outlined below.

#### LATIN AMERICAN ECONOMY

7. The Secretariat presented an extensive four-volume report, "The Economic Survey of Latin America, 1966", which is summarized in the more concise "Latin American Economy, 1966". Debate on this subject which took place in the plenary session reflected the concern of the Latin American countries in general at the slow rate of the economic growth of the region as a whole, despite some favourable developments in specific cases. Following more favourable conditions in 1964 and 1965, the year 1966 had shown a decline in rate of growth and the overall

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gross product had only kept pace with population growth, leaving per capita income at the same level as before.

8. The relationship of internal factors to increased productivity and the need for implementation of various measures at the inter-american level as well as nationally, in planning, industrialization and agricultural development, were recognized. Particular concern was however expressed at the obstacles to Latin American development arising from insufficient export earnings and the burden of external debt servicing, and it was considered that prospects for an adequate growth rate were unfavourable unless there were substantial changes in foreign trade trends and in the volume and terms of external financing.

9. The Economic Survey, copies of which have been sent to Ottawa, provide a great deal of reference material which should be of value to those concerned with analyses of the Latin American economy. The shorter pamphlet provides a most useful summary for a quick study of the facts and conclusions of ECLA in this field. Attention is also directed to the section of the statement of the Executive Director, Mr. Carlos Quintana, under the heading "The Rate of Growth and Development Policy".

10. The statement of Mr. Philippe de Seynes, Under-Secretary for Economic and Social Affairs for the United Nations, also merits close reading. He presented a sympathetic and balanced view of the difficulties faced by the Latin American countries in the present difficult phase of development and referred to the importance of an increased effort in support of Latin America from the industrial powers. A more detailed account of the discussions under this heading is contained in ECLA's report to the Economic and Social Council, Pages 81 to 89.

#### LATIN AMERICAN ECONOMIC INTEGRATION

11. The importance of the decisions at the conference of American Presidents at Punta del Este was emphasized in the opening address of President Leoni of Venezuela, in the statements of Mr. de Seynes, Under-

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Secretary of the United Nations, of Mr. Quintana, Executive Secretary of ECLA and by individual speakers from the Latin American countries. While there is realistic appreciation of the difficulties and a notable difference of emphasis as between the more powerful, the middle group, and the weaker Latin American countries, there is a general acceptance of the importance of the fact that a commitment has been entered into to establish a common market within a specified period and to take related action in different fields.

12. For Mr. Quintana, the significance of the undertaking at Punta del Este is that integration has now become irreversible, although the Declaration in itself cannot be regarded as a magic formula for the region's advancement henceforth. It is a splendid political basis, but it involves a commitment on the part of governments and international agencies to make a tremendous and unremitting effort. Mr. Quintana referred to the fifteen years of ECLA's activities directed towards this objective and its direct participation in promoting and shaping the two regional integration movements, the Central American Common Market and the Latin American Free Trade Association, and considered that the Punta del Este declaration confirmed the relevance of ECLA's development trade and integration action, and represents a sound and lasting basis for the Commission's future programme of work, Technical advisory services to LAFTA, the Central American Common Market, and specific and general studies in relation to integration will be a major part of the Secretariat's activities.

13. Mr. de Seynes was a shade more cautious as to the decisiveness of the Punta del Este agreement on integration, commenting that "in the long gestation period which leads from aspirations to decisions and then to their implementation, it is perhaps difficult to distinguish a point of no return and better to refrain from being too categorical." He thought that the integration project stemmed more directly from an inexorable analysis of the limitations of national development than from

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a clear cut vision of a continental future, but concluded that something very important has happened at Punta del Este and things will never again be quite the same, the initiative having been taken by Latin American countries with full knowledge of the difficulties and without the over-optimism which sometimes accompanies such events.

14. President Leoni in his formal address opening the conference, reaffirmed Venezuela's commitment in the decision to complete the economic integration process within a predetermined period. He went on to emphasize the importance of subregional agreements as a means of expediting it, referring particularly to joint action of Chile, Colombia and Venezuela, and Ecuador and Peru.

15. The idea of achieving a preliminary degree of integration by regional agreements and by bilateral complimentary agreements in particular spheres of industry is very much to the fore amongst the countries of the middle rank in South America whose industrial potential is substantial but whose markets are limited. Amongst the countries at the lower levels, the concern is to ensure that in an integration process they are not overwhelmed by the more powerful, and their special difficulties receive special treatment. The problems of the "Economically relatively less developed countries and Latin American integration" were the subject of a special Secretariat paper (E/CN.12/774 and Add. 1-2). This reflects the experience of the Central American Common Market and is a well studied preliminary analysis of the problems. It is to be revised. Debate at the conference included amongst the matters on which further study and suggestions might be made, "financial and technical assistance, development of infrastructure, identification of potential regional industries and systems for granting preference and advantages to the relatively less developed countries within the framework of existing integration machinery".

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16. The discussions on integration while of importance, took up relatively less time in the conference debates than other subjects. This does not, in our view, indicate any conscious or unconscious intent to detract from its importance which was indeed positively asserted. Rather coming so soon after the Punta del Este meeting, the need for extensive debate did not appear and what was practically required and was done, was to emphasize the part which ECLA could plan and give it specific directions. This was done by a resolution which passed unanimously with the abstention of Cuba. The resolution, 265(XII), which will be found on Page 121 of the report to the Economic and Social Council, requests the ECLA Secretariat in consultation and coordination with the regional integration bodies, to co-operate in carrying out studies, developing technical bases and identifying measures to give effect to the Presidents' decision on economic integration, and goes on to list the areas of activity considered of most importance. With this mandate, ECLA will continue to play a very important role in carrying forward a project which after years of basic study and promotional work by ECLA, has now reached the stage of a commitment by the countries concerned, requiring devinite action.

17. Resolution 265(XII) was discussed in Committee II and adopted in plenary session by twenty-one votes to none, with one abstention. (Cuba).

LATIN AMERICAN TRADE POLICY AND THE 2ND SESSION OF THE UNITED NATIONS  
CONFERENCE ON TRADE AND DEVELOPMENT

18. Discussions under this heading, partly in plenary session but mainly in the second Committee of the Conference, which dealt with this agenda item, were the principal preoccupation of the various Latin American delegations and could be said to be the main theme of this session of ECLA. Discussion centered around the document which had been

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prepared by the Secretariat, "Latin American International Trade Policy, E/CN.12/773". The report was prepared with the advice of high level officials from various Latin American countries. It is the preliminary version of a study for the 2nd session of UNCTAD, which is to be revised and brought up-to-date in the light of events including decisions of the Kennedy Round and others following upon the meeting of the American Presidents, the possible entry of the United Kingdom into the European Economic Community, and of discussions at this session of ECLA and in other bodies.

19. The Secretariat documents and statements of Latin American delegates laid emphasis on the discouraging prospects for trade, and the responsibility for this of the policies of the major individual countries. They urged once again the need for Latin American countries to coordinate their position to seek negotiations on specific aspects of trade policy during the 2nd UNCTAD. Considerable emphasis was laid in the report and in discussions on the alleged failure to implement recommendations and principals of 1st UNCTAD.

20. The need to stabilize prices for primary commodities on remunerative levels for the exporting countries, of ensuring their access to markets, the disparity in terms of trade between commodities and manufactures, principles for international financing, methods of financing buffer stocks and eliminating surpluses, the effects of internal taxation in limiting demand and of uneconomic production of competing commodities in developed countries, and the need to abolish discriminatory preferences and for a global system of preferences in manufactured and semi-manufactured products in favour of the less developed countries, were subjects raised in discussion by various delegations.

21. The delegations of the United States, United Kingdom, France and the Netherlands, and the observer from the European Economic Community, found it necessary to defend their countries from strong attacks on their foreign trade policies. Although the attempt was made by all to emphasize

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the positive aspects of foreign trade policy towards Latin America as well as to refute accusations of unfair treatment, the delegation of the United States which came under the heaviest attack was provoked to exchanges in which the alleged unreasonableness of one side and of the other was reasserted rather than toned down. The deputy head of the United States delegation, who carried the debates was not able to accept with equanimity the one-sided presentation of the case for the Latin American countries in their efforts to achieve concessions from the developed countries. To ourselves and the delegations of other developed countries, it was clear that the Latin American countries are already well committed to working as a closed group for the preparation of their claims to the 2nd UNCTAD and are entitled to the assistance of the ECLA Secretariat for this purpose. An attempt to fight this whole approach at an ECLA session could not succeed. Exaggerated positions taken for bargaining purposes would not be changed at an ECLA session. The risk is also incurred that the Latin American countries will be even more convinced of the need to apply pressure if the developed countries appear to place more emphasis on the reservations and loop holes which permit them to escape from the principals and recommendations of UNCTAD than on the need for an effort to give effect to them. Lectures by the United States representative on the need to be more co-operative and to do more by way of self-help also only caused irritation and provoked counterattacks. In his summing up of the Conference at the closing session, the Executive Secretary commented with regret that a more co-operative exchange between the developed and under-developed countries had not been possible, and rebuked the United States delegation, without naming it specifically, by saying that some of the developed group had apparently overlooked the fact that the sphere of action of ECLA was the Latin American area and members from outside the area belonged for the purpose of co-operating in Latin American development. The Executive Secretary also replied to the criticism of the United States delegate of inadequate attention to internal action to promote trade possibilities by reference to activities and programmes of ECLA and other organizations in this field, the importance and relevance of which was not overlooked merely because they were not always mentioned and emphasized within the context of a debate in which the subject of discussion was the external obstacles to trade.

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22. While we have thought it necessary to report in some detail on the United States attitude at this conference, we doubt that any particular conclusion can be drawn from it as to probable United States policy in matters of trade with Latin American countries in general, or at the forthcoming 2nd UNCTAD conference. The minimum of emphasis which the United States spokesman at this ECIA session placed on the need for the developed countries to go some way to meet the aspiration of the under-developed group may merely reflect the inability of the particular individual at his level in the United States government service to say anything which might be interpreted as a commitment, and to his fear of letting anything pass which seemed to him to be an unreasonable attack on the United States, and does not necessarily represent a considered United States policy to be developed at a higher level.

23. The resolutions passed under the agenda item Latin American Trade Policy and the 2nd session of UNCTAD, are set out in full in the annual report of the Commission to the Economic and Social Council (E/CN.12/784, copies of which have been transmitted to Ottawa), and are as follows:

- 264(XII) - Latin America and the 2nd United Nations Conference on Trade and Development - Page 117.
- 266(XII) - Objectives of the 2nd United Nations Conference on Trade and Development - Page 122.
- 267(XII) - Comparative Study of World Costs and Prices in Relation to Trade in Manufactures - Page 123.
- 268(XII) - Financing - Page 124.
- 269(XII) - United Nations Programme for the Promotion of Exports of Manufactures and Semi-manufactures from Developing Countries - Page 126.
- 270(XII) - Access to Markets - Page 127
- 271(XII) - Prices - Page 128.

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- 272(XII) - Trade Restrictions on Grounds of Market Disruptions - Page 129.  
273(XII) - Formulation of Programmes for Executing the Agreements on  
Foreign Trade in the Declaration of the Presidents of America -  
Page 131.  
274(XII) - Access to Markets in Relation to Integration Agreements among  
Developed countries - Page 132.  
275(XII) - Foreign Investment - Page 133.

24. Resolution (264(XII) in its operative sections authorizes the Secretariat of ECLA to revise and bring up-to-date its report on Latin America and International Trade Policy, in accord with its prior mandate to accord the Latin American countries co-operation and advice in the field of trade policy, and for presentation to the 2nd Conference on Trade and Development. When prepared the new study is to be transmitted to the States members of the Commission but consultation is limited to the governments of the developing countries. A meeting of the government experts is envisaged to consider the document before the 2nd session of UNCTAD. As will be noted from the terms of the resolution, the revised study will evaluate the resolutions of the Kennedy Round and will consider proposals for ensuring implementation of the principals and recommendations of UNCTAD in connection with a variety of subjects of particular concern to the Latin American countries as mentioned above. It will also consider questions of expansion of trade between the Latin American countries and countries with centrally planned economies as well as the expansion of trade and economic relations between the Latin American countries themselves and between them and other developing regions, and the contribution which the developed countries could make towards achieving these objectives.

25. Resolution 264(XII) was adopted by eighteen votes to none, with the United States, United Kingdom, France, the Netherlands, and Canada abstaining. Cuba voted in favour, expressing reservations on preambular paragraphs which made reference to the Declaration of the Presidents of America.

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26. Resolution 266(XII) makes recommendations with reference to the agenda for the 2nd UNCTAD. This resolution was adopted by eighteen votes to none, with the United States, France, the Netherlands and Brazil abstaining. The Canadian delegation followed the United Kingdom delegation in voting in favour.
27. Resolution 267(XII) for a study of costs and prices was adopted without dissent.
28. Resolution 268(XII), Financing, was adopted by twenty-six votes to none with abstention of the United States, United Kingdom, France, the Netherlands and Canada.
29. Resolution 269(XII) on Promotion of Exports, was adopted by twenty-one votes to none, with the United States, United Kingdom, France, the Netherlands and Canada abstaining. The resolution does not necessarily contain anything to object to, but we understood that the developed countries considered that if the recommendations of the Executive Secretaries of the Regional Economic Commissions were to be approved, this would be more appropriate elsewhere and not at this ECIA meeting.
30. Resolution 270(XII), Access to Markets, was adopted by twenty votes to none, with the United States, United Kingdom, France, the Netherlands and Canada abstaining.
31. Resolution 271(XII), Prices, was adopted by twenty-one votes to none, with the United States, United Kingdom, France, the Netherlands and Canada abstaining.
32. Resolution 272(XII), Trade Restrictions on Grounds of Market Disruptions, was adopted by twenty-one votes in favour, with the United States, United Kingdom, France and Netherlands voting against, and Canada abstaining. In this case, the Canadian delegation felt that it was not essential to go along with the other developed countries in opposing this resolution as it appeared to be more consistent with the general explanation of voting on all resolutions which we had previously given to abstain

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as an indication of a reservation of our position without pronouncing a judgement one way or another on the content of this resolution in the ECLA forum.

33. Resolution 273(XII) in relation to the Declaration of the Presidents on foreign trade was adopted by twenty-four votes to none, with one abstention. Cuba abstained, having regard to its attitude towards the meeting of the Presidents of America. It is to be noted that the ECLA Secretariat is to prepare specific suggestions and an action programme for implementing the agreements on foreign trade and to present an information document on the subject at the forthcoming session of the Inter-American Economic and Social Council at Viña del Mar in mid June of the present year.

34. Resolution 274(XII) on Access to Markets in Relation to Integration Agreements, is directed against the European Economic Community and Great Britain, if it should join. It was adopted by twenty-one votes to none, with the United States, United Kingdom, France, Netherlands and Canada abstaining.

35. Resolution 275(XII), Foreign Investment, was presented by Cuba. Carefully drafted in order to avoid giving any grounds to oppose it, it was passed (it would appear somewhat to the surprise of the Cuban delegation), with seven countries voting in favour and sixteen abstaining, including Canada and the other developed countries with the exception of the United States. The United States voted against on the grounds that it would duplicate other studies which had been completed or were in progress on the same subject.

36. There was some procedural confusion in the final plenary session which dealt with these resolutions. They were first presented by the President of the Conference as part of a committee report which was to be noted and approved in general. The impression was given that there might not be an opportunity for individual countries to express their views by a specific vote. At first the representatives of the developed countries decided to deal with the situation by statements expressing their reservations either in general or by including some specific references to particular resolutions, and spoke accordingly. The meeting then decided that general reservations were not appropriate under ECLA's rules of procedure and that resolutions passed without a specific vote against or abstention would be considered as unanimously approved. The resolutions

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were then voted upon separately. However, the various delegations which had made statements explaining their reservations did not then find it necessary to explain in each case the reason for their votes on the individual resolutions, although this was done in one or two cases.

37. The Canadian delegation made a general statement of its position as did other developed countries, when the approval of the Committee report was under discussion and before votes on resolutions were taken. Without going through the resolutions one by one, the Canadian delegate referred to his statement on matters of substance previously made in the Committee discussions and explained that a number of the resolutions were directly related to ECIA's task of preparing a Latin American position, that this was a matter of proper concern for the Latin American countries, but that Canada as a full member of the Commission but not within the geographical area of ECIA's operations, would take the position on certain resolutions in which the Latin American view was expressed that it was not necessary or appropriate for Canada to express a view one way or another at this stage, and that we would abstain, from which no implications as to Canada's attitude should be drawn but merely that we did not wish in this context to express any judgement. We added that in cases where resolutions were directed to all members of ECIA including Canada, on subject matters on which the Canadian position would be formed elsewhere, it was also not appropriate for Canada to give its favourable vote and would abstain.

38. The representatives of the United Kingdom, France and the Netherlands, expressed their reservations on resolutions which represented the views of the Latin American countries but on which their countries' positions would be taken at the UNCTAD conference but referred in different ways to their countries' sympathetic approach to the Latin American problems. The representative of the United States in his explanation of vote, repeated his criticism that the Secretariat and many of the resolutions took account only of the interests of the developing countries and in doing so exacerbated the differences of opinion among them.

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39. During the course of the general discussion in Committee II a statement was made by the Canadian representative, copies of which are attached. Following the lines of your instructions it was possible to take a positive approach to a number of specific matters which were discussed under the heading of Trade Policy, and to the contribution which Canada would wish to make to the success of the New Delhi negotiations. As the Committee also dealt with Latin American Integration, we included in the same statement comments on that subject, on our trade with Latin America, and Canada's aid to Latin America. This was our only intervention in the debates of this Committee except for an explanation of votes on resolutions, which was along the same lines as expressed when the votes were formally voted in the plenary session, as reported above. Canada was not specifically mentioned in any of the debates. In the Secretariat documents which came in for so much criticism from other countries, it is fortunate that all references to Canada are favourable. In the report on Latin America and International Trade Policy, reference is made to the rapid growth of trade with Canada, although it is said it has not yet reached a significant proportion of the total trade of Latin America. The comment is added that only a few Latin American countries have taken advantage of the prospects offered by the Canadian market which have become extremely promising in view of Canadian policies and its offers in the Kennedy Round negotiations. The Canadian financial contribution to Latin American development through the International Development Bank is also noted in the Secretariat report on the problems of the lesser developed members of Latin America. In addition there is a reference to the usefulness of the Central American Fund for Economic Integration and mention of the decision of the International Development Bank to supplement the Fund's capital using some Canadian funds.

40. A copy of the report to plenary of the discussions in Committee II is attached.

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COMMITTEE I -

DEVELOPMENT PLANNING

41. Item 5 of the agenda, "Development Planning in Latin America", was referred to Committee I for discussion. This Committee provided a forum for the exchange of views and experiences among the planning authorities of ECLA's member countries. Major participants in the discussions were Venezuela, Mexico, Honduras, and Colombia. Argentinian, Brazil, Chile, Peru and Cuba were lesser contributors, with statements from other delegates also being made. The discussion was very largely non-political, although the Cuban delegate did inject some political comment from time to time.

42. The Committee's discussions were informal and usually consisted of a delegate outlining the history of planning in his country and noting the problems met both during the planning and implementation stages. This was followed by questioning on specific points by other delegates.

43. In general, it was noted that planning in Latin America had begun only recently and that perhaps the end of the first stage had been reached. Some successes were evident and some of the problems had now become more evident. Among these were:

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- (1) The relationship between long term, and annual plans/as a corollary the methods needed to integrate the two, and to review and adjust annual targets within the overall plan.
  - (2) The relationship between the planners and the policy makers. Active co-operation was essential and the final result depended on the relationship between the two groups. Experiences from different countries were cited to illustrate this problem.
  - (3) Another problem noted was the fact that in some countries the traditional public administration was unsympathetic to, or incapable of administering development plans.

44. One of the major themes of the discussion was the realization that if the economic integration of Latin America (as called for by the Heads of State at Punto del Este) was to be achieved, then it would be necessary for the planners of Latin America to harmonize their efforts in order to make a positive contribution to the achievement of integration.

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45. A resolution requesting ECLA to call and service a meeting of Latin American planners with continental economic integration as the subject, was, however, withdrawn when some delegations (notably Brazil) were unwilling to support it.

46. The report of the Committee as formally approved by the plenary session is attached.

47. The Committee approved one resolution only which was later adopted without discussion or vote on approval of the Committee's report in the plenary session. The resolution, 263(XII), Planning and Development, will be found on Page 114 of the report to the Economic and Social Council. It makes recommendations to Latin American countries on the subject of their national planning systems and for the coordination of national plans by countries signatory of the Declaration of the Presidents of America at Punta del Este, with reference to particular problems in relation to planning and with recommendations to ECLA's Secretariat and the Latin American Institute for Economic and Social Planning for preparation of technical studies. A final paragraph introduces the subject of international credit, expressing the need for extending repayment periods and grace periods, reducing rates of interest and removing restrictions which tie the use of funds to certain sources or countries. As originally drafted, this paragraph of the resolution would have committed all the membership of ECLA to the views set down. On a suggestion of the Canadian representative that a more appropriate wording would limit it to an expression of views of the Latin American countries, this alteration was made which facilitated its passage without discussion. This was our only intervention in the discussions of this Committee.

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OTHER MATTERS RELATING TO THE ACTIVITIES OF ECLA -  
PROGRAMME OF WORK AND PRIORITIES

48. The programme of work and priorities was dealt with in detail outside of the Committee hearings by a work group set up for the purpose. A separate document, E/CN.12.784 ADD. has been issued under this heading.

49. Resolution 280(XII) which is to be found on Page 138 of the Report of the Economic and Social Council, draws the attention of the Committee for Programme and Coordination to the changes approved at the 12th session of the Commission in relation to the approved programme of work and priorities and recommended it for favourable consideration. This resolution which was presented by a group of countries including the United Kingdom, and the United States, as well as Latin American members, was adopted without dissent.

INTERNATIONAL SYMPOSIUM ON INDUSTRIAL DEVELOPMENT

50. Resolution 276(XII) on this subject was adopted without dissent and without discussion in the plenary meeting, although attention was directed to its importance in the working group on the programme of work and priorities. It invites the States members of the Commission to take the necessary steps to ensure the effective participation of the countries of the region in the International Symposium on Industrial Development, and requests the Secretariat to pursue its activities in preparation for the International Symposium and to continue its co-operation with the Secretariat of the United Nations Industrial Development Organization. In its preambular paragraphs reference is made to the Latin American Symposium on Industrialization held in Santiago in March 1966, the report of which has been circulated.

CO-OPERATION WITH OTHER ORGANIZATIONS

51. Resolution 277(XII) on co-operation with the International Labour Organization (Page 135 of the annual report); Resolution 279(XII), relations with the United Nations Industrial Development Organization (Page 137 of the report); and resolution 281(XII), co-operation with the Food and Agricultural Organization (Page 140 of the report), call for the

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co-operation of ECLA with these organizations in relation to man power planning and employment policy, industrial development in Latin America, and agricultural developing including the forests and pulp and paper industries. All of these resolutions were adopted without discussion or dissent.

POSTAGE STAMP TO COMMEMORATE THE TWENTIETH ANNIVERSARY OF THE ECONOMIC COMMISSION OF LATIN AMERICA

52. Resolution 278(XII) under the above heading was put forward by Chile and recommends to the Postal Administrations of each and all of the States members of the Commission that they should issue a postage stamp to commemorate the twentieth anniversary of ECLA which will fall on the 25th of February 1968, which might depict as its principal motif, the United Nations building at Santiago, Chile. Although certain delegations in private conversation intimated some doubts as to whether this was the best way of approaching Postal Administrations of the member States with this idea, none considered it necessary to speak up and oppose it when it came up for a vote. The representative of Venezuela did try to broaden the idea by suggesting that the twentieth anniversary of ECLA should be commemorated by a publicity campaign in each country in relation to the work which ECLA had done for Latin America since its conception. After the resolution had gone through and another resolution was being discussed, the United States delegation asked to have an abstention recorded, claiming that United States legislation prohibited that kind of commemoration. Having joined with all other members of the Commission in acceptance of the resolution without discussion, and by acclamation, the Canadian representative did not think it necessary to go on record to reserve Canada's position. Having been passed in this way, we do not think that the members of the Commission in general will consider their postal administrations in any way bound by the individual votes taken at ECLA. We presume that at some stage, either ECLA Secretariat or possibly the Chilean Postal Administration, will be writing to all country members of ECLA repeating this suggestion and asking that it be given consideration. If other countries do go along and the Canadian

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Postal Administration should see fit to do so, we believe it would be well worthwhile for Canada as a member of ECLA to give publicity to the organization in this way by a special stamp issued on its twentieth anniversary. We suggest therefore that the Department might wish to take up the matter with the Postmaster General with the object of warning of this initiative and encouraging a favourable response.

LATIN AMERICAN INSTITUTE FOR ECONOMIC AND SOCIAL PLANNING

53. A report on the activities of the Latin American Institute for Economic and Social Planning submitted in February last by its Director General to its Governing Council (Document E/CN.12/778), and a report to ECLA by the Governing Council of the Institute (Annex III of the report of ECLA to ECOSOC, Page 18), were the basis for discussion of this item of the agenda.

54. The report of the Governing Council submitted the results of action taken, pursuant to recommendations of ECLA Committee of the whole in 1966, to ensure the continuity and development of the Institute's activities. The United Nations Development Programme (Special Fund) and Inter-American Development Bank have approved funds for the maintenance and development of the Institute for four years, from July 1967.

55. The activities of the Institute as detailed in its report cover:

- (1) Its training programme for development experts and specialists in the national planning, under which a basic course of forty-one weeks was held in Santiago and seven intensive courses in Mexico, Central America, the Dominican Republic, Colombia and Brazil; (in its five years of operation, four thousand professionals throughout Latin America have been trained by the Institute.)
- (2) Its advisory services under which teams of Institute experts for long term programmes and other assistance in particular aspects of planning have been provided on request to a number of governments;
- (3) Research studies;

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(4) Co-operation in the preparation of specific projects in Ecuador, Paraguay, and Uruguay;

together with five other headings covering its activities in the fields of agricultural planning; industrial planning; joint ECLA/IDB/Institute programme on the integration of industrial development; human resources (joint programme with the ILO); and natural resources.

56. The reports were not discussed in detail but a number of delegations spoke in highly approving terms of the work of the Institute. It is clear that the Institute is providing services which are highly valuable and useful to the Latin American countries. Of the European countries, the Netherlands and France, whose governments give direct assistance to the Institute, also spoke. The United States delegate referred to its major indirect contribution to the Institute through the Social Progress Trust Fund. It also drew attention to the report of an Inter-American Bank mission which had looked into the Institute's operations when the financing arrangements for the Institute were being discussed. The United States delegates supported certain proposals of the mission for strengthening the Institute, and congratulated the Institute on its work.

#### ELECTION OF THE GOVERNING COUNCIL

57. The Governing Council consists of eleven members, eight of whom are to be nationals of eight different Latin American countries, elected by ECLA. An election to replace eight members took place accordingly at the 12th session of ECLA. It was held by secret ballot, but as a single slate had been agreed the choice was unanimous with no difficulty in voting. Colombia had presented one candidate, but when it appeared that the chances of his election were not sufficiently strong, withdrew the nomination. The members of the new Governing Council are listed in paragraph 442, Page 111 of the ECLA report to the Economic and Social Council.

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#### PARTICIPATION OF THE COMMUNIST COUNTRIES

58. Cuba's delegation of eight was headed by Dr. Carlos Rafael Rodriguez of Ministerial rank, seconded by Dr. Mario Garcia Inchaustegui, Director of International Organizations of the Cuban Ministry of External Commerce. At a number of recent ECLA meetings (we do not know if all) the Cuban delegation was headed by Garcia Inchaustegui who invariably followed a policy of restrained co-operation. He would state Cuba's special political position in Latin America with references to the obstacles to its economic progress created by the aggressive policies of the United States imperialists, without understatement but somewhat as a matter of necessary form and with no attempt to turn an economic conference into a forum for detailed political exchanges, and would show a co-operative attitude in discussions and voting on matters of economic interest to the Latin American area as a whole. The nomination of a political figure, well known economist and close collaborator of Fidel Castro to head the delegation gave rise to speculation as to whether Cuba would make this session the occasion for a very much more aggressive political attack. As it turned out, it was neither quite one thing nor the other. Rodriguez who is highly intelligent, smooth, and with considerable sense of humour launched an attack on the United States for its policies towards Cuba, towards Latin America as a whole, and in Viet Nam and elsewhere. He attacked as non-representative the governments of the various Latin American governments and quoted adroitly from the reports of ECLA Secretariat to show that their economic development under present conditions was due to internal conditions and relations with United States which would never be remedied under the existing system and that the only solution was for the countries to adopt a socialist system. He made clear that this could only be accomplished by violent revolutionary means and repeated Cuba's support for liberation movements in Latin America, Speaking in Venezuela to its government representatives and to those of other Latin American governments whose overthrow he appealed for, this is quite as aggressive as has ever been heard in an international conference. By interspersing it with humour and keeping the tone of his address on a professorial rather than demagogic revolutionary level, it did not seem designed to create an atmosphere of tension. Short replies from Venezuela

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and the United States which refuted the general arguments but refused to enter into political debate in an economic forum, and a short reply from Rodriguez terminated the exchange of political recriminations. Thereafter the Cuban delegation throughout the debates and in voting demonstrated its usual policy of a moderate statement of its own political position, praise of its own economic achievements, and of being as co-operative as possible. For example, when there was any reference whatsoever in any resolution or in any report of the meeting of the Presidents of America at Punta del Este, it drew attention to the fact that Cuba was not there but mildly suggested a form of words by which the resolution or the report could achieve its object without compromising the Cuban position. Cuba presented resolutions which would be difficult to accept but so carefully worded that they would be difficult to reject. However, they withdrew all but one calling for a study of the effects of foreign investment in Latin America, again worded so as to secure the maximum of support. This, as mentioned above, was approved with a handful of countries voting in favour and many abstentions.

59. During the course of the conference, there was a demonstration in front of the hotel with clouds of pamphlets thrown on the second floor terrace where the meetings were held, calling for the Cuban assassins to get out of the country. The need for precautions to avoid any incident involving the Cuban delegation was increased when, towards the end of the conference, the Venezuelan authorities intercepted a ship landing Cubans and Venezuelans to aid the guerilla movement. The Cuban delegation departed heavily protected by guards, a day before the termination of the conference, as to stay for the final ceremonies would have meant another week in Caracas. According to newspaper accounts, Rodriguez, the head of the Cuban delegation, when asked at the airport by a newspaperman about the ship landing guerilla reinforcements, replied that this was nothing extraordinary--everybody knew that Cuba supported such movements, which had been going on for some time. The Venezuelan President of the conference had obviously been co-operative in arranging for the Cuban delegation to leave before the final session, as a list of amendments to the report

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considered in the final session which the Cuban delegation would have put if present (for the most part relating to its special position with reference to the meeting of the Presidents at Punta del Este), were presented on behalf of the absent Cuban delegation by the President and incorporated in the report.

60. In very striking contrast to the theme of the Cuban delegation, that the only solution to Latin America's problems was the revolutionary overthrow of existing regimes, the statement of the observer from the Soviet Union laid emphasis on the development of trade with Latin America and the policy of his country of non-intervention in the internal affairs of other countries. Referring to development loans made to Brazil and Chile, he mentioned the readiness of the Soviet Union to expand its financial aid and technical assistance and the possibilities of expansion of trade with the socialist countries. He did divert from his main theme to attack the United States policy in Vietnam and gave passing approval to the Cuban thesis that the socialist form of government would be the better way to solve economic problems, but in a form which did not detract from his emphasis on the Soviet Union's policy of non-intervention and interest in trade development. Observers from Poland and Czechoslovakia also spoke shortly on development of trade possibilities. As will be seen from the list below, the Socialist countries were heavily represented. Resolutions adopted in relation to trade between Latin America and socialist countries, showed some response to their interest in encouraging trade relations.

#### PARTICIPATION OF OTHER COUNTRIES

61. All countries members of ECLA were represented at the meeting with the exception of Haiti. Observer delegations attended from Federal Republic of Germany and Spain, Japan and Soviet Union, Poland, Czechoslovakia, Hungary, Bulgaria, Yugoslavia and Rumania. Observers also attended from a number of the specialized agencies of the United Nations, from inter-governmental organizations (EEC, GATT, IDB, LAFTA, Oas, Central American Economic Integration Secretariat and others) and from non-governmental organizations representatives of Trade Union organizations, and of CIOYP and others.

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62. Venezuela as host country, had a very large delegation headed by two Cabinet Ministers, but the level of representation of most countries was below ministerial level. The delegations of Bolivia, Cuba and British Honduras were headed by Ministers, and those of Mexico and Argentina by Under-Secretaries of External Commerce. Most other delegations were headed by persons of Ambassadorial rank. The Central American countries were rather thinly represented in actual presence at the meetings. It will be noted that the total votes cast on resolutions never equals the total number of countries represented, which reflects the absence. The Central American countries have a unified position within ECLA and are therefore frequently content to arrange between themselves and have one of their countries' representatives speak for all. Argentina, Brazil, Colombia and Chile sent competent and experienced delegations of officials clearly well versed in their subjects. From the Caribbean, representatives from Barbados and Guyana attended for the first time, with Jamaica and Trinidad and Tobago all as full members and British Honduras/Belize as associate member. They are all well represented, intervening mainly where their special interests have to be explained. The new branch office of ECLA being set up in Port of Spain to study the problems of the area is welcomed.

63. France, the only country maintaining a full time permanent representative, M. Gabriel Lisette, sent a delegation of eight headed by him. It included an official from the French Foreign Ministry, a French economist who as an expert in the field of planning has provided technical assistance to the Latin American Planning Institute, and others.

64. The United Kingdom delegation of four was headed by the British Ambassador to Montevideo and included a representative from the Ministry of Overseas Development.

65. The Netherlands delegation (at this session consisting of six) was headed by a representative from the Netherlands Antilles, with others from Surinam, Netherlands Antilles, Netherlands Delegation to the United Nations, Embassy in Caracas and Embassy in Chile. The latter is the First Secretary at Santiago who maintains liaison with ECLA headquarters.



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66. The United States delegation of nine was headed by Mr. Sol Linowitz, Ambassador to the Organization of American States who, however, did not take an active part, with one address to the meeting and merely formal attendance. The active leader of the delegation was Mr. Milton Barall who is an Assistant Under-Secretary for Latin American Affairs in the organization AID, at Washington.

#### PARTICIPATION OF CANADA

67. Immediately after the formal addresses at the opening plenary session on the morning of May 2nd, the meeting adjourned for a half-hour and re-opened for the purpose of commencing the general debate. Colombia was the only delegation ready to make a statement and the meeting would have closed early with loss of time. To meet the Secretariat's appeal for speakers, the Canadian representative decided to take advantage of this opportunity to address the session without going into matters of substance, as a written statement had not by then been prepared. It is usual in this opening general debate for a number of delegations to make complimentary references which become rather stale after repetition, and it was decided that to get our own words in early would have advantages and would have more impact. The Canadian representative complimented the President upon his election to that office, and through him, the Government of Venezuela for its hospitality. The statement referred to the contributions to the work of ECLA which had been made by Mr. Mayobre who had just retired, and of his predecessor, Mr. Prebisch, and to the close co-operation which the Canadian delegation had maintained with them. It complimented Mr. Quintana on his appointment as Executive Secretary and looked forward to a continuance of this co-operation with him. It welcomed to ECLA the new members from Barbados and Guyana joining other Commonwealth members of the Commission with which Canada has close and friendly relations. It referred to the value which Canada attributed to its membership in ECLA and to joining with Latin American countries in debates, and to Canada's interest as a trading nation

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in the maintenance and development of good relations with Latin American countries and in their continued economic development and prosperity. It said that the opportunity would be taken to deal in detail with various points on the agenda in later statements to be made in Committee.

68. The foregoing statements of compliments and a broad general statement of interest served its purpose well, was well received, and got good local publicity. It left us free for several days to prepare the more detailed intervention which was later submitted.

69. The principal intervention of the Canadian delegation made in Committee II has been referred to above and is attached as an enclosure. Other minor interventions are also mentioned above.

70. The level of activity mentioned above is, we believe, in accord with our position in ECLA and was adequate. All of the delegation found the meeting most useful for the wealth of information as to developments in Latin America and policies of Latin American countries which it supplied. Opportunities were of course provided for numerous useful contacts with the Secretariat and other delegations.

71. The delegation was intended to consist of four and four were nominated, but by agreement with Ottawa, Mr. Grenon whose services could not be spared from Caracas attended the formal opening and closing meetings only. We believe that a full delegation of four is appropriate not only to cover the two committees which sat simultaneously, but to ensure outside contacts and in particular to provide time to study the very large amounts of documentation, a good proportion of which on this occasion as before is not available for study much before the actual meeting.

#### ADMINISTRATION

72. Documentation was well prepared and translations fairly promptly provided. It had been decided to limit the agenda to a

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restricted number of important points and to refer discussions of others for more informal treatment, taking these together under the programme of work and priorities, which was dealt with in a working group. This arrangement worked out very well and the meeting was business like and got through with its assigned tasks well on time, with only one late night session.

73. The Hotel Macuto-Sheraton is in itself well equipped for conference facilities, is a resort hotel and provided useful opportunities for swimming as recreation. It is less well equipped with dining room facilities and for entertainment. Some delegations entertained at their embassies in Caracas, which is at an inconvenient distance. Indeed, the difficulties of communication with Caracas itself caused considerable inconvenience.

#### NEW EXECUTIVE SECRETARY

74. The new Executive Secretary, Mr. Carlos Quintana, is highly regarded and gives evidence of ensuring continued efficiency of the ECLA Secretariat. Previously an official of the ECLA Secretariat and with business experience, his emphasis may differ somewhat from that of his predecessors. He mentioned in his speech his intent to pay more attention than heretofore to maintaining contact and working with private enterprises and trade unions, and not limiting ECLA activities to co-operation with governments and governmental organizations. More frequent exchange of views on matters of planning, industrial development, and in particular economic integration with industry and trade unions will be a new approach which should procure valuable results. The delegation to the 12th session and the Embassy at Santiago have already established good relations with Mr. Quintana.

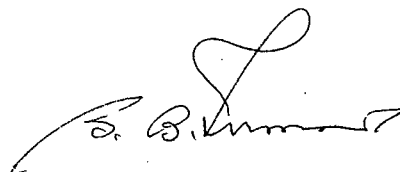
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PREPARATION OF REPORT

75. This report has been prepared at Santiago by the head of the delegation, without direct collaboration of its other members. However, the section on Planning was prepared by Mr. Knowles who covered that subject in Committee. Mr. Shapiro also prepared notes for the report which have been taken into account. The members of the delegation also discussed together in Caracas, the general lines of the report and agreed on the short assessment sent forward by telegram. When copies of the report are being distributed, we would be grateful if you would ensure that Venezuela and Montevideo are included in the list.



G. B. Summers.

*Enclosures:*

1. Statement Mr. Summers
2. Report Committee I
3. Report Committee II
4. Statement Mr. Quintana
5. Statement Mr. de Reges
6. Basic guide to SCLA

Santiago, Chile  
May 31st, 1967.

STATEMENT BY CANADIAN DELEGATE, MR. G. B. SUMMERS,  
IN SECOND COMMITTEE, MAY 8th, 1967.

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Mr. President:

I would like to express briefly the views of the Canadian Delegation on certain of the matters under discussion in this Committee under the headings of Trade Policy and Integration.

As to: The Second United Nations Conference for Trade and Development in New Delhi. In the time which remains for preparation we believe that every effort should be made to concentrate attention on a selection of major questions regarding which there is a basis for hope that tangible results can be achieved in the relatively near future. This is in close accord with views that have been expressed by other speakers in this Committee and by the Secretariat of ECIA. We would like to add our word of support to those who have commended ECIA for the role it is performing in examining matters which Latin American countries wish to be given high priority in UNCTAD's deliberations.

Canada has a positive attitude towards proposals for improved market access for the products of developing countries. We currently charge relatively low duties on such exports--the average rate of duty on dutiable imports being very low and a large proportion entering duty free. Offers we have made in the Kennedy Round would improve this access. We favour an arrangement for the free entry of tropical products into the more advanced economies. We are not seeking equivalent tariff concessions from the developing countries.

We consider that another area where Governmental action at the international level may be of considerable help is that of international commodity arrangements. In the past some of these agreements have been more successful than others--a notable success has been achieved in respect of wheat. On the other hand, the key provisions of the old International Sugar Agreement are inoperative. Canada gives active and positive support to the endeavours of the countries concerned to replace it by more effective arrangements. We consider that new

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concepts which are emerging in the current negotiations for international commodity arrangements hold promise, in particular the notion that in striking the balance on prices or price ranges that should be observed, account should be taken not only of pure supply demand factors, but also of the needs of producers for remunerative prices. Efforts are being made to add access commitments to the traditional elements of price and supply management. We consider that if this can be done such commodity arrangements will be even more valuable than in the past, All of which does not overlook the very great problems of the obstacles to be overcome. We consider that there is room for further non-discriminatory reduction of tariff and non-tariff barriers to trade, which can perhaps go further in certain commodity areas than in others. Proposals for new tariff preferences in favour of the developing countries have been under discussion for some time and we have noted with very special interest the views expressed by a number of delegations here on the desirability of seeing established a general and non-discriminatory system of preferences for the products of the developing countries in the markets of all developed countries. In common with other Commonwealth members of ECLA, Canada now participates in the Commonwealth preference system. The question of a global system will obviously raise very important matters for determination, and we have certain reservations about the value of the creation of new preferences in world trade. However we are objectively analysing the pros and cons of various approaches. Of high importance is the recent announcement of President Johnson on this subject and we look forward to participating in the consultations and shall study the proposals carefully, within the context of our continuing examination of various approaches to improving the trade opportunities of the developing countries.

With reference to the promotion of exports of manufactures from developing countries we are glad to note the co-operation between ECLA and other competent bodies within the UN system who have been

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active and have made reports in this field. The subject is being given increased prominence in the programs of UNCTAD, the Regional Commissions, the UN Industrial Development Organization and the Trade Development Centre of the GATT. We consider this a significant aspect of the international communities' efforts in the joint aim of enabling developing countries to expand and diversify their exports and we welcome ECLA's attention to it. Our discussions with reference to UNCTAD in this committee have been mainly concerned with the contribution which ECLA has and will continue to make to assist the Latin American countries in preparation for the coming Conference. Nevertheless, I hope that these references to Canada's position on specific points of international trade policy and the UNCTAD may be helpful.

With reference to the aims of UNCTAD my Government accepts the principle that the countries outside the developing areas of the world must be ready to absorb in increasing quantities the products, including manufactured products which the developing countries can produce. As to the measures to implement this principle, there can be honest differences of opinion between countries with different interests. Even if a particular government is agreed on the desirability of a particular measure or result to be achieved, there can be political or economic obstacles which are not within the power of a government to overcome. This statement as to the practical difficulties to achieving accord even when there is good will is perhaps so obvious as not to require mention, but in accord with these principles and considerations Canada will contribute to the best of its ability to the success of the New Delhi negotiations.

The other subject with which our Committee is dealing is Latin American integration. The historic decision of Punta del Este to proceed with the creation of a Latin American Common Market holds great promise for the economic advancement of the region and for world trade in general. As fellow members of the continent with the closest

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ties we have a common stake with the countries of Latin America in seeing this proposal become effective and bringing with it an overall increase in economic development and prosperity to the area.

Our present trade with Latin America and the Caribbean amounts to almost a thousand million dollars annually. The countries of LAFTA provide our fourth largest market. Venezuela is our third supplier after the United States and Britain. We provide to the area wide variety of products of our agriculture, mines, forests, fisheries, and manufacturing industries.

The development of a Latin American Common Market can no doubt be expected to affect this pattern of trade, but we are confident that the benefits of increased industrial development and economic activity and prosperity are not only desirable in themselves but will bring increased opportunities for mutually beneficial trade. In this connection I might mention that Canadian trade with the Central American Common Market, in total of exports and imports, has nearly doubled in the few years of its existence.

Greater participation of Latin America in world trade and economic integration of the area are both seen as prerequisites to its increased economic development. The development investment needs of Latin America will however continue for some time to be greater than can be domestically financed or covered by private capital inflows, and the supplement of international aid remains essential. Canada makes a significant contribution through international agencies such as the World Bank, the UN Special Fund and the F.A.O. In addition, special programs are in effect with the Commonwealth Caribbean countries. Canada is also making aid funds available through the agency of the Inter-American Development Bank. In this way forty million dollars of long term soft loan funds has been made available and fifteen million in long term funds at commercial rates of interest. From the Canadian funds with IBD projects have been approved in a number of countries covering port development, economic feasibility studies, supply of technical training equipment and for technical training itself. In addition, under our Export Credits Insurance Act, some one hundred and forty million dollars in medium and long term financing has been provided since 1960 for purchase of capital equipment for Latin American industry.



BEST ORIGINAL AVAILABLE  
MEILLEUR ORIGINAL

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Mr. Chairman, Your Excellencies, Ladies and Gentlemen,

It is a great pleasure for me to be with you this evening. As you well know, I feel very much at home in your company. More than thirty years ago, shortly after I first entered Parliament, I developed a keen interest in Latin America and I have maintained that interest ever since. Over the years I have had occasion to know and work with many outstanding Latin American statesmen, first at the historic meetings in San Francisco which gave birth to the United Nations and later at meetings of the United Nations in New York where I developed the greatest respect for the work of such Latin American leaders as Padilla Nervo of Mexico, the late Victor Belaunde of Peru and Sosa Rodriguez of Venezuela, to mention but a few. In meeting and working with these and other Latin American leaders I have always been struck by a fundamental similarity in our outlook on most of the basic issues which face the world community. I would like, in present circumstances, to pay particular tribute to Argentina, Brazil, Chile, Colombia and Ecuador for the very significant contributions which from time to time over a period of many years they have made to United Nations peacekeeping operations and to express the belief that, with the widest possible co-operation of like-minded members of the United Nations, countries like ours must continue to make such modest but vital contributions to the maintenance of world peace.

However, my interest in Latin America derives essentially from something more immediate than our common concern with international affairs. It derives from the fact that we are neighbours in the western hemisphere, that to a certain degree we have similar histories and that in many respects we have a common destiny.

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It is, I suppose, in recognition of this fact that the Canadian Inter-American Association was formed a few years ago. I take this opportunity once again to pay tribute to the Association, to its leaders and to its work which, I am sure, will steadily grow in importance. I am particularly struck by one characteristic of the Association - its membership represents a fairly wide cross-section of those in Canada who are interested in Latin America. I commend this approach and venture to hope that those who guide the Association will do their best as time goes on to ensure that it is always as broadly based as possible.

Since the members of the Association who are our hosts this evening are broadly representative of non-official Canadians who are interested in Latin America, since I am here with others to represent the Federal Government and since the Ambassadors are here to represent most Latin American countries with which Canada has diplomatic relations, it is a relatively easy task for me to speak to you for a few minutes about Canada and Latin America. There is much that I need not say about Canada's relations with Latin America simply because you already know how these relations have so far developed and what sort of activities are now more or less commonplace. You know, for example, that Canada has diplomatic relations with all the countries of Latin America; that we conduct a significant trade with many of them; that there is a substantial and growing Canadian investment in many parts of Latin America; that we are assisting Latin American development by export credit financing which runs to tens of millions of dollars annually and by an annual contribution to the Inter-American Development Bank which since 1964 has been \$10 million a year; and that Latin Americans and Canadians come together with increasing frequency in meetings of governmental bodies such as the Economic Commission for Latin America or of organizations which are part of the Inter-American

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system as well as at periodic conferences of professional, scientific and other learned societies organized on a hemispheric basis.

You know, too, that in Latin American countries knowledge of Canada is not as widespread as we would all like it to be and that in Canada, except in well-informed journalistic, academic and of course official circles, serious interest in Latin America is still embryonic. Yet I hope and believe that knowledge of Canada is increasing in Latin American countries, and I know that interest in Latin America is quietly growing in Canada for example, in institutes such as the host organization this evening and the Canadian Institute of International Affairs and in several universities, both French- and English-speaking. With the help of those of us, both Canadians and Latin Americans, who are in a position to increase knowledge and understanding of Latin America in Canada, interest in that part of the world should grow from coast to coast in the years ahead and, I would expect, will significantly increase in the immediate future.

I would like to look forward a little from here and to give you some perspective from the Canadian point of view on the future development of Canada's relations with Latin America.

First, a word about the question of Canada joining the OAS. The fact that the Canadian Government has not yet decided to apply for membership in the OAS may be puzzling to some interested observers in Latin America. I would nevertheless hope that our attitude may meet with a large measure of understanding on the part of our Latin American friends and that they will pay attention to what we are doing and seek to do even if it falls short of joining the OAS. We are impressed by the constructive manner in which the OAS and its agencies are addressing themselves to the basic issues which confront Latin American countries today. I think that the Canadian attitude in itself toward the OAS is deserving of respect, for it springs essentially from our desire to be sure that, in taking on new commitments, we are in a position to meet them fully and effectively. We do not

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easily assume new obligations and, once we have assumed them, we take them seriously. For my part I have no doubt whatsoever that membership in the OAS is part of the ultimate destiny of Canada as a country of the western hemisphere.

In the meantime we are adopting a pragmatic approach to the OAS and to our relations generally with Latin America. That our interest in the OAS and its work is growing is undeniable. Canada has for many years been a full member of three agencies linked with the OAS. Since 1961 we have sent observers to meetings of the Inter-American Economic and Social Council; during the past two years Canada has been represented at three high-level meetings of leaders of OAS countries; and, as I have already indicated, we are supporting the work of the Inter-American Development Bank. We are not content with this. We are constantly searching for additional ways in which we can co-operate in a practical manner with other countries in the hemisphere, not only through multilateral channels such as the OAS and its agencies but also, as appropriate, on a bilateral basis.

While on the subject of the OAS I would like to say a word in passing about the recent meeting of Heads of State at Punta del Este. We took a great interest in this meeting, at the open sessions of which there was a Canadian representative, and we were greatly impressed by its deliberations and by the possibilities of co-operative progress which it seems to open up. The main objective established by the meeting, the creation by 1985 of a Latin American Common Market, holds out great promise for the economic advancement of Latin America. We welcome Latin American efforts to further economic development and to increase the capacity of Latin American countries to participate in the growth of world trade through measures of regional co-operation and integration. While the precise implications for Canada of the proposed common market will become

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clear only as the project evolves, at this stage we take a positive attitude toward this emergent economic grouping which is of great potential importance both for world trade in general and for the future development of our own commercial relations with Latin America.

A more immediate plan for improving the trading position of developing countries, including the countries of Latin America, received support from President Johnson at Punta del Este. This is the plan, which has long been under discussion, to establish a globalized system of temporary preferences for the products of developing countries in the markets of all developed countries. We recognize the importance of President Johnson's decision to seek a consensus in favour of such a system, and we shall be studying the proposal carefully in the context of our continuing examination of various approaches to the problem of improving the trading opportunities of developing countries.

[ I am pleased this evening to be able to announce an additional step which Canada will shortly be taking to assist with the economic development of Latin American countries. The Government has decided to embark upon a ~~new~~ <sup>new</sup> ~~modest~~ programme of technical assistance for Latin America. This will be distinct from (and additional to) our development loan assistance programme. The details of the technical assistance programme have not yet been worked out. The amount available in the first year, which will be somewhat experimental, will not be large; and in all probability <sup>for the complementation of</sup> most <sup>we will take advantage of the facilities already available by</sup> if not all of the programme <sup>will be administered</sup> (will be administered) through one of the multi-lateral agencies already active in this field, <sup>that is</sup> in Latin America, either the OAS itself or the IDB. An official announcement will be made when all necessary arrangements have been completed; in the meantime I have thought it appropriate on this occasion to let you know what we are planning. ]

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BEST ORIGINAL AVAILABLE  
MILLEUR ORIGINAL

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You will have noticed that among the guests this evening are Mr. Gerard Pelletier and Madame Pelletier. There is a special reason for this. As you know, Mr. Pelletier has recently joined Mr. Donald Macdonald as one of my two Parliamentary Secretaries. I have divided our principal foreign policy interests between these two gentlemen, and one of the main areas with which Mr. Pelletier is concerned is Latin America. He has an excellent background of experience in Latin American affairs and, I know, will bring to bear on the conduct of our relations with Latin American countries a high degree of constructive insight. I am glad to be able to tell you that, at my request, Mr. Pelletier will be visiting Latin America some time this summer. Unfortunately, due to limitations on his time, he will not be able to visit all countries in which we have resident representatives but I am confident that his trip will give him, and the Government, a well-rounded perspective on our relations with all countries of the area.

In conclusion, Mr. Chairman, let me frankly assert one of the main reasons for my conviction that Canada must develop increasingly close relations with Latin America. This is the prospect that, between now and the end of the century, Latin America will become one of the most influential regions of the world. Of course no prospect is certain on this unpredictable planet. Sir Wilfred Laurier is said once to have asserted that "The twentieth century belongs to Canada." While we have certainly made progress in Canada since the turn of the century, I would be the first to admit that Sir Wilfred's statement, if taken literally, is sheer bombast. The statement I have just made about the future of Latin America is certainly better founded and more reasonable but even it cannot be made as a categorical assertion. The exact shape of things to come in Latin America is no more certain than in any other part of the world. The problems which already face Latin

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American leaders, and which may well be aggravated by a rapidly rising population as time goes on, are formidable and increasingly pressing. Yet a combination of constructive forces, already apparent, may well tip the balance toward success--sensible domestic policies designed to maintain economic momentum, readiness to adopt measures of regional economic cooperation which will give strength to all participants, insistence on non-intervention as the necessary counterpart of the conscientious acceptance of responsibility by governments for the good government of their peoples, and effective cooperation by outside countries and agencies in the economic development of the region.

Mr. Chairman, I am glad to be able to say with certainty and conviction that, while Canada's role in the future evolution of Latin America must necessarily be a relatively modest one, Canada may be counted upon to do her best to play her part in helping to ensure that the people of Latin America assume their rightful place in the world. As for the people and leaders of Latin America, on whom the main responsibility must inevitably fall, there comes to mind the words spoken more than a hundred years ago by the great liberator, Simon Bolivar, words which the people and leaders of any country anywhere in the world would do well to hang on their doorposts: "We have seen the light and it is not our desire to be thrust back into darkness." If this is still the spirit of Latin America and its leaders--and I have no doubt that it is--there is surely reason for all of us to be confident that before the end of this century through their own constructive efforts and that of their friends, the people of Latin America, will achieve a condition of life commensurate with their great spiritual and material resources.

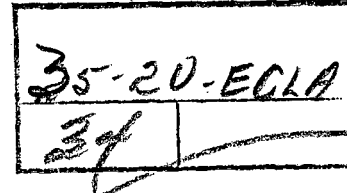
UNCLASSIFIED

June 16, 1967

SEEN BY THE MINISTER  
24/6/67

MEMORANDUM FOR THE MINISTER

Canada in ECLA



In a notation on a recent memorandum informing you of the admission of Barbados and Guyana to the United Nation's Economic Commission for Latin America (ECLA), you inquired whether Canada is a member of that organization.

Canada became a full member of ECLA in September 1961. As full membership in that organization is open to members of the United Nations in North, Central and South America, Canada's admission was automatic once we applied for membership. Since then Canada has been represented at all meetings of the organization, including the Twelfth Plenary Meeting held in Caracas from May 2 to 13 last.

A large, stylized handwritten signature, possibly "V. M.", written in dark ink.

M. C.

19.6.23(us)

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June

UNITED NATIONS

ECONOMIC COMMISSION FOR LATIN AMERICA



NATIONS UNIES

COMMISSION ECONOMIQUE POUR L'AMERIQUE LATINE

NACIONES UNIDAS

COMISION ECONOMICA PARA AMERICA LATINA

EDIFICIO NACIONES UNIDAS

AVENIDA DAG HAMMARSKJOLD

CASILLA 179 D

SANTIAGO, CHILE

REFERENCIA:

24 November 1967

Sir,

I have the honour to inform you that I am sending you under separate cover two copies of the report of the Meeting on the Problems of Regional Integration of the Economically Relatively Less Developed Countries, held at Guatemala City from 23 to 28 October 1967, under the auspices of this Commission.

You will see from the report that this Meeting, at which fourteen Governments and fifteen international and regional agencies were represented, was highly successful, and that a decision was adopted to the effect that a second meeting on the same topic should be convened in the course of 1969. The ECLA secretariat was requested to consult the Caribbean countries as to a suitable date and place. The purpose of this second meeting would be to review the progress of the studies that the ECLA secretariat and other international agencies have been requested to carry out, as well as the advances achieved in the economic integration process.

Accept, Sir, the assurances of my highest consideration.

*His Excellency  
The Hon Paul James Martin  
Sec of State for E.A.  
Ottawa*

*Carlos Quintana*

Carlos Quintana  
Under-Secretary of the United Nations  
Executive Secretary of ECLA

000860

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES DEC 14 1967

FROM REGISTRY

FILE CHARGED OUT

TO:

SECURITY RESTRICTED  
Sécurité

DATE December 6, 1967

NUMBER 436  
Numéro

FILE	DOSSIER
OTTAWA	35-20-ECLA-9
MISSION	31 35-LATAM-20-ECLA-1

to Under-Secretary of State for External Affairs,  
A Ottawa

FROM The Embassy, Santiago, Chile  
De

REFERENCE  
Référence

SUBJECT Economic Commission for Latin America:  
Sujet 20th Anniversary and Request for Voluntary Contributions

ENCLOSURES  
Annexes

DISTRIBUTION

The Executive Director of the Economic Commission for Latin America, Mr. Carlos Quintana, called on me recently to discuss a number of matters in connection with that Commission.

2. Mr. Quintana advised me that the next meeting of ECLA Committee of the Whole will be held in Santiago on dates not yet fixed but probably in April 1968. ECLA proposes that the 20th anniversary of its founding which falls on February 25, 1968 should be specially marked on the occasion of the next Committee Meeting. Mr. Quintana says an approach will be made by the Secretary-General of the UN to all ECLA members with an appeal to make this Committee Meeting a pledging conference for contributions from members to help finance expansion of the existing headquarters building in Santiago, which is evidently inadequate to accommodate ECLA and related services including the Latin American Institute for Economic and Social Planning, which is also housed there although this was not originally planned..

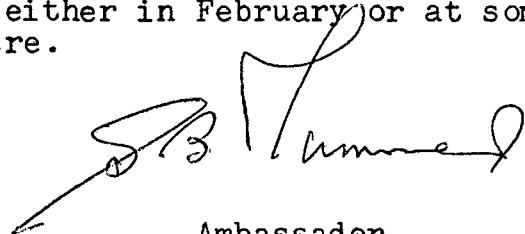
3. Mr. Quintana expects that provision for financing the needed expansion of the headquarters building from the UN budget will be limited. Although he did not give details it is apparently his hope that voluntary contributions from members will provide a substantial portion of the funds required. A proposal of this kind would differ from that made when the building was constructed when it was financed from the UN budget with supplementary gifts for specific facilities or decorative additions. Some countries contributed in this way and some including Canada gave cash contributions.

4. The approach to be made by the Secretary-General of the UN will no doubt provide much more detail than this preliminary advice from the Executive Secretary to me. You will no doubt consider the terms of the formal approach and also wish to have some information as to the response of other countries before a decision on a Canadian contribution can be taken. I would recommend, however, that preliminary

- 2 -

study of this matter be now undertaken so that the department will be prepared well in advance for the position to be taken by the Canadian delegation at the meeting in April next. A generous contribution pledged at an early stage without waiting too long to see what other members will do would clearly be a great advantage to the maintenance of Canada's prestige in the Economic Commission for Latin America and be an important demonstration of our interest in Latin America as a whole.

5. Apart from the matter of a pledge of funds for expansion of the headquarters building in honour of the 20th anniversary, the general question of the celebration of this anniversary might also be given consideration in the Department. The constitution of the delegation to the April meeting and the speeches to be made should bear in mind that ECLA wishes to regard this meeting as a special occasion. Perhaps some action in Canada to mark the anniversary might also be considered. You will have noted from our report on the 12th session of ECLA in Caracas that a suggestion was made in a resolution that member countries should issue a postage stamp to commemorate the 20th anniversary falling on February 25, 1968. Possibly UN organizations in Canada might also be encouraged to publicize this anniversary and Canada's participation in the organization either in February or at some time during the anniversary here.



Ambassador

TO Under-Secretary of State for External Affairs,  
A Ottawa

FROM De la Embassy, Santiago, Chile

REFERENCE  
Référence

SUBJECT Sujet Economic Commission for Latin America

SECURITY  
Sécurité

TO: RESTRICTED

DATE December 6, 1967

NUMBER 437  
Numéro

FILE	DOSSIER
OTTAWA 35-20-ECLA	
MISSION 31 35-LATAM-20-ECLA-1	

ENCLOSURES  
Annexes

DISTRIBUTION

Mr. Carlos Quintana, Executive Director of the Economic Commission of Latin America, has advised me in a preliminary way of a proposal which he is considering for submission to members of the Commission. No formal approach has been made to any member of the Commission and he said that I was the first whom he had informed of the proposal which he had under consideration.

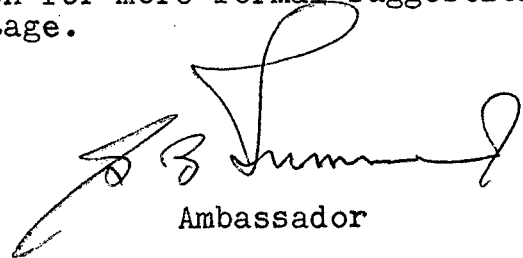
2. Mr. Quintana explained that in addition to its permanent staff the Economic Commission for Latin America has need of officials for special tasks on shorter contract. If officials for such special tasks are lent to the organization by an individual country without charge for their services the organization has the benefit of free technical assistance but the official is directly or indirectly responsible to his government and has not the standing of an impartial and independent international civil servant which would be more appropriate.

3. Mr. Quintana did not give details of existing or past cases of the kind to which he referred but we are aware from statements in ECLA meetings by representatives of Holland and of France that they have provided technical assistance to ECLA, or the related Latin American Institute for Economic and Social Planning, and that in one or more of these cases the official was on loan from the government.

4. As a solution to this problem Mr. Quintana is considering a proposal that the Economic Commission for Latin America set up a fund for the purposes of engaging experts to assist in its work. The fund would consist of voluntary contributions from any members who are interested. There would be no objection to the member laying down conditions as to the use of his contribution. As for example, that it could only be used for hiring of experts in the country giving the donation. A condition of this kind would bring the result that a country which is willing and able to provide experts would do so but salary and expenses would come from the fund and under their contracts they would be directly responsible to the ECLA organization and not to their own country.

5. It is our view that Canada would benefit from having more full time employees in ECLA service and we are aware that the ECLA Secretariat would welcome this but on the one or two occasions when we have been asked if a full time employee could be recruited from Canada for a special post it was not possible to secure an applicant. It might well be that experts for certain tasks could from time to time be made available and if so that Canada might be prepared to finance their services under the sort of arrangements which Mr. Quintana envisages.

6. In my conversation with Mr. Quintana I made no comment on his proposal or on a possible Canadian attitude towards it but said that I would report his observations to you. This preliminary and informal approach does not require any reply to him but you may wish to give the matter some preliminary study in preparation for more formal suggestions which may be made at a later stage.



Ambassador

EXTERNAL AFFAIRS



*Mr. Tait*  
*Mr. S. G. G. G.*  
*55*

TO: *Mr. G. G. G.*  
FROM: REGISTRY  
AFFAIRES EXTERIEURES  
DEC 19 1967  
FILE CHARGED OUT

TO: Under-Secretary of State for External Affairs,  
OTTAWA

FROM: The Embassy, Santiago, Chile

REFERENCE  
Référence

SUBJECT: Economic Commission for Latin America:  
Latin American Sub-regional Groupings

SECURITY  
Sécurité

TO: UNCLASSIFIED

DATE

December 12, 1967

NUMBER  
Numéro

438

FILE	DOSSIER
OTTAWA 35-20-ECLA	
MISSION 31 35-LATAM-20-ECLA-1	

*Attachment in 2 file packet*

ENCLOSURES  
Annexes

DISTRIBUTION

*Refer copy to:*  
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Bogota  
San Jose  
Guatemala City  
Buenos Aires  
Lima  
Montevideo  
Lima  
Rio de Janeiro  
Sao Paulo  
*to file "ECLA"*  
*VAS*

In a recent discussion with Mr. Carlos Quintana, Executive Director of ECLA he said that he wanted to bring to my particular attention a development at a recent meeting under ECLA's auspices in Guatemala which he had attended.

2. I enclose report of the meeting on the problems of regional integration of the economically relatively less developed countries held at Guatemala City, 23 - 28 October, 1967, Document No. E/CN.12/798.

3. Mr. Quintana brought to my particular attention the resolution which will be found on page 24 under the heading "Economic Co-operation between the countries of the Caribbean Basin." It will be noted that the ECLA Secretariat in consultation and co-operation with the Central American Common Market and other governments concerned will undertake a study of the possibilities of establishing more and closer economic co-operation between the countries of the Caribbean Basin and in due course convene a meeting to consider this study.

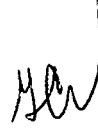
4. Mr. Quintana said that considerable interest in this proposal was expressed at the Guatemala meeting. It was thought that an economic grouping comprising the more powerful countries such as Mexico, Colombia, Venezuela, together with the group of countries of the Central American Common Market, the Caribbean countries and other countries of the region held promise for important economic co-operation.

5. Mr. Quintana was aware of Canada's special economic interests in the Caribbean and of our aid assistance. He thought therefore that proposals for combined planning and economic integration and development in that region would be of special interest to Canada and that we would be interested in following this development and perhaps at a

- 2 -

later stage taking some direct part. Canada's relations with the Caribbean countries, some of whom are members of ECLA could be a basis for increased activities of Canada in ECLA in relation to this program of regional integration.

6. We have asked for further copies of the enclosed document and will send them along when received. We will keep you informed of any further information in this connection which we can ascertain. In the meantime this preliminary project of Mr. Quintana will undoubtedly be of interest to you and worthy of study.

  
for G. B. Summers,  
Ambassador



UNITED NATIONS  
ECONOMIC COMMISSION FOR LATIN AMERICA



NATIONS UNIES  
COMMISSION ECONOMIQUE POUR L'AMERIQUE LATINE

NACIONES UNIDAS  
COMISION ECONOMICA PARA AMERICA LATINA  
EDIFICIO NACIONES UNIDAS  
AVENIDA DAG HAMMARSKJOLD  
CASILLA 179 D  
SANTIAGO, CHILE

REFERENCIA:

CABLE: UNATIONS

35-20-ECLA

20 December 1967

Sir,

I have the honour to inform you that at the Seminar on Small-Scale Industry in Latin America, held at Quito from 28 November to 3 December 1966, attention was drawn to the need to establish a Latin American agency for the development of small-scale industry, and the Economic Commission for Latin America (ECLA) and the United Nations Centre for Industrial Development were requested "to make a study of the form to be taken by such an organization and the procedures it should follow. The study might be carried out in co-operation with the Inter-American Development Bank, the International Labour Organisation, the United Nations Educational, Scientific and Cultural Organization and the Organization of American States".

Lastly, the Seminar asked the Economic Commission for Latin America "to take all the necessary steps to ensure that the Governments of the region had the information that would be necessary for the establishment of the proposed organization".

In compliance with these recommendations, ECLA and the United Nations Industrial Development Organization (UNIDO) prepared a document entitled Note on international co-operation in the development of small-scale industry in Latin America, which was submitted to the international agencies concerned for consideration and comment, and was subsequently presented at the Meeting on the Problems of Regional Integration of the Economically Relatively Less Developed Countries, held at Guatemala City, from 23 to 28 October 1967. On this occasion a resolution was adopted requesting ECLA and UNIDO "to take the necessary steps to prepare and present to the United Nations Development Programme (Special Fund) a project for the establishment of a regional centre to promote the development of small-scale industry, along the lines suggested at the Quito Seminar"; and, furthermore, "to enlist the co-operation of international and regional agencies, and of the industrialized countries

His Excellency  
The Hon. Paul James Martin  
Secretary of State for External Affairs  
Ottawa  
Canada

- 2 -

concerned, in the prompt implementation of this project".

I have pleasure in sending you, under separate cover, the following documents for your information:

1. Note on international co-operation in the development of small-scale industry in Latin America (ST/ECLA/Conf.29/L.5), prepared by ECLA and UNIDO; and
2. An annex to the foregoing document, containing the replies received from the international agencies consulted, and the text of resolution N° 8 adopted at the Guatemala Meeting, on the "establishment of a regional centre for the development of small-scale industry".

Accept, Sir, the assurances of my highest consideration.



Carlos Quintana  
Under-Secretary of the United Nations  
Executive Secretary of ECLA

UNITED NATIONS

ECONOMIC COMMISSION FOR LATIN AMERICA



NATIONS UNIES

COMMISSION ECONOMIQUE POUR L'AMERIQUE LATINE

NACIONES UNIDAS

COMISION ECONOMICA PARA AMERICA LATINA  
EDIFICIO NACIONES UNIDAS  
AVENIDA DAG HAMMARSKJOLD  
CASILLA 179 D  
SANTIAGO, CHILE

REFERENCIA:

CABLE: UNATIONS

8 January 1968

35-20-ECLA

16

Sir,

I have the honour to inform you that I am sending you today, under separate cover, two copies of the document entitled Latin America and the second session of UNCTAD (E/CN.12/803) which this secretariat is to present at the second session of UNCTAD (New Delhi, 1 February to 25 March 1968), in compliance with resolutions 264 (XII) of the Economic Commission for Latin America and 2206 (XXI) of the General Assembly of the United Nations.

This document was the subject of consultations with representatives of the Governments of developing countries members of the Commission at the Meeting of Government Experts recently held at Santiago, Chile (11 to 15 December 1967); and, pursuant to the terms of the ECLA resolution referred to above, the comments, statements and recommendations formulated by the experts have been taken into account in the version we are sending you.

Accept, Sir, the assurances of my highest consideration.

His Excellency  
The Hon. Paul James Martin  
Sec. of State for E.A.  
Ottawa

Carlos Quintana

Carlos Quintana  
Under-Secretary of the United Nations  
Executive Secretary of ECLA

000869

c.c. O/SSEA  
O/USSEA  
Mr. Macdonald  
Mr. Pelletier  
Press & Liaison Division  
Latin American Division  
U.N. Division  
Dept. of Trade & Commerce (Financing & Aid Division-Office of Trade Relations)  
Dept. of Industry (Boeking)

Economic/A.D. Small/MB

~~RETURN TO DCO - Economic - CIV~~

OTTAWA, January 9, 1965

35-20-ECLA
16

Dear Mr. Quintana,

I wish to thank you for your letter of December 20 concerning the efforts of the Economic Commission for Latin America in association with other United Nations' Agencies to develop small-scale industry in Latin America. I am grateful to you for the information on developments in this area outlined in your letter and I shall look forward to receiving the documentation you have dispatched under separate cover.

Yours sincerely,

PAUL MARTIN

Mr. Carlos Quintana,  
Under-Secretary of the United Nations,  
Executive Secretary of ECLA,  
Edificio Naciones Unidas,  
Avenida Dag Hammarskjöld,  
Casilla 179 D,  
SANTIAGO, Chile.

Economic/Miss A. Szlazak/elt

RESTRICTED

January 16, 1968

Director General  
External Aid Office  
Ottawa, Ontario

File: 35-20-ECLA

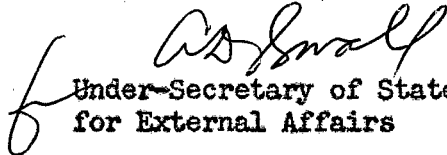
16

Attention: Mr. E. Drake

Economic Commission for Latin America

Attached is a letter from our Ambassador in Santiago concerning a proposal by Mr. Carlos Quintana, Executive Director of the Economic Commission for Latin America (ECLA), to establish a fund for the purpose of engaging experts to assist in ECLA's work. As you will note, the fund would consist of voluntary contributions from interested members who would be able to impose certain conditions on the use of their contributions.

We should be grateful for your views on this suggestion, in particular on whether Canada should react favourably whenever a formal proposal is put to members of ECLA.

  
Under-Secretary of State  
for External Affairs

Copy (with attachments) to:

Canadian Embassy,  
Washington, D.C.

Canadian Embassy,  
Mexico

Department of Trade and Commerce  
Department of Finance  
UN Division  
Latin American Division

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

*Handwritten initials: R, ADS*

MEMORANDUM

TO  
A  
Economic Division

FROM  
De  
United Nations Division

SECURITY  
Sécurité  
RESTRICTED

DATE  
February 1, 1968

REFERENCE  
Référence

Your letter of January 16 to Director General, EAO

NUMBER  
Numéro

SUBJECT  
Sujet

Economic Commission for Latin America

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	16

ENCLOSURES  
Annexes

DISTRIBUTION

Mr. D.C. Bignell  
D/Finance

EAO

Latin American

With your letter under reference, you sent to the Director General of the External Aid Office a copy of letter 437 of December 6, 1967 from our mission in Chile concerning a proposal of the Executive Director of ECLA for obtaining voluntary contributions to finance the employment of experts on short-term contracts in the Economic Commission.

2. This proposal is attractive on the surface, and it might seem to be a good way through which Canada could take a more active part in developments in Latin America. It appeared to be especially timely since, as you know, the Minister had expressed his wish that Canada should display more interest in Latin America, and our Mission in New York has outlined how this might, in part, be achieved (FermisNY letter December 28, 1967). We question, however, whether Canada should support this scheme in the way it has been proposed. In this Memorandum we discuss our doubts about this particular proposal but suggest alternatives which may be worth exploring.

3. For some years Canada has joined with a number of other countries in attempting to introduce more rational and systematic methods of administering various technical assistance programmes financed by the United Nations and the Specialized Agencies. In this approach we have taken the line that these programmes should be centralized to ensure that they will be properly coordinated and effectively administered. These efforts have been partially successful, but much still remains to be done. Against this background the proposal made by Mr. Quintana, the Executive Director of ECLA, seems to us to be a step backward in that he wishes to establish what, in effect, would be a small, separate, technical assistance programme. If Mr. Quintana is in serious need of expert assistance, we would expect that he would be given the authority and the money to employ them from existing sources.

4. Our second objection to this proposal is that it would also involve the establishment of another voluntary fund. For reasons comparable to those which we have mentioned above, we think it would be undesirable to support such new funds which tend to fragment our contributions, and make it difficult for us to administer them so as to ensure that the money is spent effectively for high priority purposes.

...2

-2-

In our view the introduction of this new voluntary fund would result in a further diffusion of Canada's contributions to UN programmes. While there might be sound justification for assistance to ECLA, we would not wish to make a contribution and establish a precedent in this case which might involve us in comparable commitments to other similar agencies.

5. With respect to the precise inquiry which Mr. Quintana has made, there are several practical questions which, we think, should be asked. Why, for example, is ECLA not able to employ experts on short-term contracts from its own resources and through its normal channels? Why, if it needs this extra assistance, is it unable to obtain staff from existing technical aid agencies (e.g. UNDP)? Does ECLA really need extra assistance? Or is Mr. Quintana, in appealing for special outside voluntary help, running the end, and evading the establishment and financial restrictions under which he is required to work? These are among the questions we think should be asked before any decision to proceed is made. Mr. Quintana may be able to make a very good case, but we would like to see and consider it thoroughly.

6. Mr. Quintana's proposal does raise one question of principle which, we think, should be examined, and that is our ability to respond to requests of this sort and to provide suitable personnel. In opening up this question we appreciate that there are several problems which may cause difficulty.

7. It is an established principle that the salary of a national of any country who is employed in the UN system, is paid entirely by the UN organization. Only in this way can he be regarded as an international civil servant who is independent, theoretically, of his own government. In these circumstances we doubt that ECLA would be able to take advantage of any offer of a Canadian expert whose salary would be paid directly by the Canadian Government.

8. It seems to us that the principle underlying the employment and payment of international civil servants by the UN is sound, and we consider that no exceptions could - or should - be made in it. If, therefore, there are special cases when we would want to assign a Canadian expert to a UN agency, and if we oppose the establishment of a special voluntary fund to finance such experts, we must explore other alternatives.

9. One idea that occurs to us is the device of establishing with the agency concerned a "funds-in-trust" which would be used to cover the exact costs to the agency of employing the Canadian expert. In reality it would be a bookkeeping exercise which would compromise neither the employment policy of the UN nor the policies of the Canadian Government regarding the establishment of new technical assistance programmes.

...3

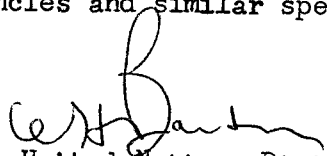
-3-

10. In making this suggestion we realize that it would apparently be impossible at the present time to carry out since it would appear that the financial practices followed by the External Aid Office would preclude any such arrangement. It might be helpful if we illustrate this difficulty with a recent case which bears directly on the proposal we are making. Last autumn the Economic Commission for Africa requested the services of a Canadian postal expert but it was unable to accept him if his salary and expenses were paid directly by the External Aid Office. To overcome this obstacle, the ECA asked the UPU to supply the services of the Canadian expert. The Post Office Department, External Affairs, and External Aid considered that Canada should provide a person, and a suitable expert was tentatively selected. Since we were unable to provide the services of the expert to the UPU by making a voluntary contribution in kind to the UPU's technical assistance fund, the UPU suggested that the External Aid Office set up a special trust fund in the UPU to cover the expenses of the Canadian expert for one year. After considering this proposal, the External Aid Office decided that it could not agree to this procedure, and the proposed arrangements fell through.

11. Since the idea of a "funds-in-trust" arrangement seems simple and offers a reasonable procedure through which Canadian experts could be employed in UN agencies such as the ECA and ECLA, we wonder whether it would be possible for the External Aid Office to obtain an amendment to its financial regulations which would enable it to allocate money to a UN agency for this purpose. We cannot see that there would be any loss of financial control nor that it would involve an additional heavy administrative responsibility. If it were possible, it would seem to us a workable way of assigning Canadian experts to high priority assignments in agencies which we consider important.

12. In the event that our financial regulations can be amended, and that the Departments concerned think it would be desirable to send experts on such assignments, one practical suggestion has occurred to us in connection with Mr. Quintana's proposal and that is that the External Office might find it possible to make CESO or CUSO volunteers available to ECLA. Whether this would be practical or not would depend, of course, upon whether those persons who would be available under these programmes would be competent for the type of assignment Mr. Quintana has in mind, and whether they would be sufficiently competent in Spanish, which, we assume, is the working language of ECLA, to be able to carry a reasonable load of work.

13. If you consider that these ideas are worth exploring, may we suggest that External Affairs, External Aid and Finance should meet in order to see whether we could find a solution which would enable us to assign Canadian experts to UN agencies and similar special assignments.

  
United Nations Division





EXTERNAL AID OFFICE  
BUREAU DE L'AIDE EXTERIEURE  
OTTAWA 4

February 9, 1968.

Under-Secretary of State for External Affairs,  
Ottawa.

Attention: Mr. A.D. *[Signature]*

Your letter of January 16 requested our views on the proposal by Mr. Carlos Quintana, Executive Director of the Economic Commission for Latin America, to establish a fund for the purpose of engaging experts to assist in the work of ECLA.

As you are aware, the Canadian Government has tended for some time now to resist the proliferation of ad hoc funds by various United Nations organizations for special purposes. In this particular case, we note that the purpose of the fund is to engage experts on a short-term contract for special tasks undertaken by the Economic Commission for Latin America. It would seem to us that if the services of these experts are for legitimate activities of ECLA which have been approved by its Governing Council, that Council should make provision in ECLA's budget for a fund to carry out these projects. The proposal to establish a separate fund would seem to suggest that, in fact, the Executive Director wishes to expand the scope of activities undertaken by ECLA beyond those approved by the Governing Council. We would therefore recommend that the Canadian Ambassador in Chile be advised that Canada would not be prepared to provide a contribution to any fund that might be established for this purpose.

*[Signature]*  
E.G. Drake,  
Acting Director,  
Planning Division.

c.c. Mr. Larry Brown,  
Dept. of Trade and Commerce.

Mr. Dudley Bignell,  
Dept. of Finance.

*Chaired Dept of Finance  
planned to say Finance  
agrees with EAO line  
approved (Lies)  
A. D. Small*

Latin American/GPCreighton/rb

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

*File*  
*AS*

MEMORANDUM

TO  
A Economic Division

FROM  
De Latin American Division

REFERENCE  
Référence Economic Commission for Latin America: 20th Anniversary  
and Request for Voluntary Contributions

SUBJECT  
Sujet

SECURITY  
Sécurité RESTRICTED

DATE February 9, 1968

NUMBER  
Numéro

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	16

ENCLOSURES  
Annexes

DISTRIBUTION

EAO (Mr. Drake)  
UN Div.  
T & C  
Dept. of Fin.  
Info Div.

We would agree with Mr. Summers that any contribution we might make to the proposed ECLA Headquarters Building Fund would be a factor in maintaining Canada's prestige in the Commission and would also, and perhaps more importantly, demonstrate our continuing interest in Latin America. We would, however, think it preferable for our contribution to be channelled, as before, through the regular UN budget, with perhaps, again as before, a small supplementary gift for minor additions to the building having some public relations value. We imagine the extent and nature of our contribution would depend, to a degree, on the action taken by other donor countries, although the limits within which we could operate would probably have to be set beforehand.

2. Mr. Quintana's suggestion that "voluntary" contributions might be found to meet the shortfall which he envisages would, in our opinion, require careful consideration. Any move on our part to provide such a contribution would have to be considered in the light of the action taken by others. To be odd man out might nullify much of the advantage gained through our "regular" contribution. On the other hand, to be one of a few "voluntary" donors, or to provide a donation not in keeping with the scale of others might well set an undesirable precedent should other organizations of which we are members embark on similar "voluntary" fund raising campaigns.

3. With respect to paragraph 5 of the letter under reference, we would be interested in learning what action is being contemplated with regard to an official Canadian initiative on ECLA's 20th Anniversary. Since it is one of the Inter-American organizations in which Canada enjoys full membership, we would see merit in some effort being made to suitably commemorate the event in Canada. While it is too late now to initiate any action with regard to a commemorative postage stamp, if such action has not already been taken, the suggestion that UN organizations in Canada be asked to publicize the event seems a good one. Additional publicity could be gained from press releases and perhaps, an article in the Monthly Bulletin.

*Atk to UN Div*  
*and*

*[Signature]*  
Latin American Division

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

File (35-20-ECLA)  
AS

MEMORANDUM

TO  
À Economic Division

FROM  
De Information Division

REFERENCE  
Référence Latin American Division Memorandum of February 9

SUBJECT  
Sujet External Affairs Bulletin - Article on Economic  
Commission for Latin America

SECURITY  
Sécurité RESTRICTED

DATE February 13, 1968.

NUMBER  
Numéro

FILE	DOSSIER
OTTAWA	35-20-ECLA 56-13-18
MISSION	7

ENCLOSURES  
Annexes

DISTRIBUTION

The final paragraph of the Latin American Division memorandum under reference, suggests that one of the ways in which Canada might publicize the 20th Anniversary of the Economic Commission for Latin America is by an article in the External Affairs Bulletin. The purpose of this memorandum is to record that we would be willing to publish such an article in the Bulletin, should one be forthcoming. We understand that the date of the 20th Anniversary is February 20. An appropriate issue of the Bulletin to publish an article to mark this occasion might be the April issue, for which we should receive the article for March 15.

2. Could your Divisional representative on the Editorial Committee of the Monthly Bulletin let us know your decision with regard to an article to mark the 20th Anniversary for ECLA at the next Editorial Committee meeting which will be early in March.

  
Information Division.

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO  
A The Canadian Embassy,  
SANTIAGO, Chile.

FROM  
De The Under-Secretary of State for External Affairs

REFERENCE  
Référence Your letter 437 of December 6, 1967.

SUBJECT  
Sujet Experts Fund for Economic Commission for Latin America

SECURITY  
Sécurité **RESTRICTED**

DATE February 29, 1968.

NUMBER  
Numéro E-855

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	16

ENCLOSURES  
Annexes

DISTRIBUTION

U.N. Division  
(G. Bruce)

Latin American  
Division

Dept. of Finance  
(D. Bignell)

EAO (E.G. Drake)

We have considered the informal suggestion of the Executive Director of ECLA about the establishment of a special fund to engage experts for the Commission. If Mr. Quintana raises this subject with you again you should draw on the following in making a reply. For some time now we have resisted the proliferation of voluntary funds for special purposes by various United Nations organizations since they tend to make more difficult effective administration of the organizations concerned. It would seem to us that if the services of experts for the activities of ECLA are required the governing council of the Commission should make provision in the Commission's regular budget for such services. Consequently we would not be prepared to provide a contribution to any fund that might be established for this purpose.

FOR

Under-Secretary of State  
for External Affairs

UNITED NATIONS  
ECONOMIC COMMISSION FOR LATIN AMERICA



NATIONS UNIES  
COMMISSION ECONOMIQUE POUR L'AMERIQUE LATINE

NACIONES UNIDAS  
COMISION ECONOMICA PARA AMERICA LATINA  
EDIFICIO NACIONES UNIDAS  
AVENIDA DAG HAMMARSKJOLD  
CASILLA 178 D  
SANTIAGO, CHILE

REFERENCIA: TEC. 327 (300-6)

CABLE: UNATIONS

Santiago, 29 February 1968

35-20-ECLA

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Sir,

The United Nations, through the Economic Commission for Latin America, the Statistical Office and the Office of Technical Co-operation, is sponsoring a Seminar on the Organization and Conduct of Population and Housing Censuses for Latin America which will be held at Santiago, Chile, from 20 to 31 May 1968.

The Seminar will provide the participants with an opportunity to discuss methodological, administrative and organizational problems relating to population and housing censuses, so that the officials who in their own countries will have specific functions in connexion with the population and housing censuses to be held in 1970 can exchange ideas and share the relevant experience gained in the past. Participants from twenty-five countries and territories of the ECLA region have been invited to attend.

I therefore have the honour to invite the Government of Canada to nominate one or two participants for this Seminar. Owing to the limitations of the funds available for the meeting, we regret that it will not be possible for the United Nations to defray the travel and subsistence costs for their participation.

In view of the highly technical nature of the Seminar, the participants must be high-level specialists and officials who are now or may in the future be directly responsible for planning and conducting population and housing censuses. The participants will attend the Seminar in a personal capacity and not as official representatives of their Governments, and the discussions will be kept at a strictly technical level.

I have pleasure in attaching and aide-mémoire providing general information about the Seminar, and its provisional agenda.

I would highly appreciate it if you could let us know, sufficiently long in advance, the names of any officials from your country who will be participating in the Seminar.

Accept, Sir, the assurances of my highest consideration,

Pedro I. Mendieta  
Assistant Executive Secretary

His Excellency  
The Hon. Paul James Martin  
Secretary of State for External Affairs  
Ottawa, Canada

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UNITED NATIONS

ECONOMIC COMMISSION FOR LATIN AMERICA



NATIONS UNIES

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EDIFICIO NACIONES UNIDAS  
AVENIDA DAG HAMMARSKJOLD  
CASILLA 179 D  
SANTIAGO, CHILE

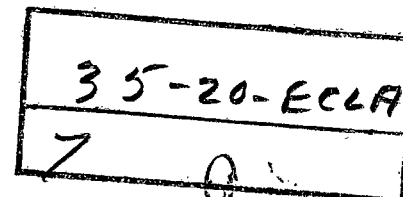
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MI ECLA meeting  
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REFERENCIA:

CABLE: UNATIONS

13 March 1968



Sir,

I have the honour to advise you that the twelfth session of the Committee of the Whole of the Economic Commission for Latin America will be held at the headquarters of the Commission, at Santiago, Chile, from 23 to 25 April 1968.

Advantage will be taken of this opportunity to celebrate the twentieth anniversary of ECLA, which was established in accordance with United Nations Economic and Social Council resolution 106 (VI).

I take pleasure in inviting your Government to send representatives to this session, and I should be very grateful if you would communicate to this secretariat at your earliest convenience the names of the members of your country's delegation.

...

I am sending you herewith the provisional agenda of the session and, under separate cover, the documents that will be submitted to the above-mentioned session of the Committee of the Whole.

Accept, Sir, the assurances of my highest consideration.

HIS EXCELLENCY  
THE HON. PAUL JAMES MARTIN  
SEC. OF STATE FOR EXT. AFF.  
OTTAWA

Carlos Quintana  
Assistant Secretary-General of the United Nations  
Executive Secretary of ECLA

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# MESSAGE

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TO/A STIAGO

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E-1147  
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SUB/SUJ ECLA: POPULATION AND HOUSING CENSUSES SEMINAR.

WE HAVE RECEIVED INVITATION FROM PEDRO MENDIVE, ASSISTANT EXECUTIVE SECRETARY OF ECLA, TO NOMINATE ONE OR TWO PARTICIPANTS FOR SEMINAR ON ORGANIZATION AND CONDUCT OF POPULATION AND HOUSING CENSUSES FOR LATIN AMERICA TO BE HELD IN STIAGO MAY 20-31. THERE IS CONTRADICTION IN INFO PROVIDED BY MENDIVE AS TO WHETHER UN WILL PAY TRAVEL AND SUBSISTENCE COSTS FOR ONE PARTICIPANT. GRATEFUL IF YOU COULD CLARIFY SOONEST.

DISTRIBUTION  
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ORIGINATOR/REDACTEUR

DIVISION

TELEPHONE

APPROVED/AUTORISE

SIG.....  
.....Miss A. Salazar/GJ.....

Economic

6-3291

SIG.....  
.....A. DOUGLAS SMITH.....  
.....D.H.W. KIRKWOOD.....

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# MESSAGE

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## REF

SUB/SUJ ECLA/

WE HAVE JUST RECEIVED LET DATED MAR13 FROM EXECUTIVE SEC EXTENDING FORMAL INVITATION TO 12TH SESSION OF ECLA CTTEE OF WHOLE TO BE HELD IN SANTIAGO APR23-25. IN VIEW OF YOUR EXPERIENCE AS HEAD OF CDN DELS TO PREVIOUS ECLA MTGS WE SHOULD BE GRATEFUL IF YOU COULD ASSUME THIS TASK AGAIN. SINCE WE DO NOT RPT NOT INTEND TO SEND REP FROM OTT IT WILL BE NECESSARY TO DRAW UPON EMB STAFF EXCLUSIVELY FOR DEL. WE WOULD HOPE THAT ONE OR TWO MEMBERS OF *your* STAFF COULD PROVIDE SUFFICIENT SUPPORT TO COVER VARIOUS MTGS. WE WOULD BE GRATEFUL FOR YOUR REACTION AND IF YOU AGREE FOR NAME(S) OF EMB OFFICER(S) WHO WOULD FORM DEL. WE SHALL SEND FORMAL REPLY THROUGH YOU TO QUINTANA'S LET BUT IN MEANTIME YOU MAY WISH TO INFORM ECLA THAT CDN GOVT WILL BE REPRESENTED AT FORTHCOMING SESSION AND THAT NAMES OF PERSONS CONSTITUTING CANDEL WILL BE FORWARDED SHORTLY.

2. OUR PRELIMINARY REACTION TO PROVISIONAL AGENDA DOC E/CN.12/AC.61/1 OF MAR14 (COPY OF WHICH WE ASSUME YOU HAVE) IS THAT ITEMS TO WHICH WE MIGHT BE EXPECTED TO CONTRIBUTE ARE RELATIVELY FEW. IN VIEW OF THIS AND YOUR

...../2

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LA DIVISION COMWEL DIV (RICHARDSON)  
*U.N. Division*

MR. GAGNE  
*Mr. Kinsman*

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SIG  
A. SZLAZAK/mbs

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V. C. MOORE  
D. H. KIRKWOOD



PAGE TWO

EXTENSIVE KNOWLEDGE OF ECLA AND PAST SESSIONS BRIEFING YOU WOULD REQUIRE FROM OTT WOULD BE LIMITED. WE THOUGHT YOU MIGHT LIKE SOME NOTES ON CDN POSITION ON AGENDA ITEMS 4 (APPLICATION OF WEST INDIES ASSOCIATED STATES FOR ADMISSION AS ASSOCIATE MEMBER OF COMMISSION), 6 (COMMISSION ACTIVITIES IN RELATION TO SECOND SESSION OF UNCTAD) AND 10 (TECHNICAL ASSISTANCE ACTIVITIES IN LATIN AMERICA), AND ALSO PERHAPS SOME INFO ON LATEST DEVELOPMENTS IN OUR RELATIONS WITH IDB. WE WOULD APPRECIATE YOUR COMMENTS.

3. IN YOURLET 436 OF DEC6/67 YOU DREW ATTENTION TO FACT THAT APPROACH WOULD BE MADE TO ALL ECLA MEMBERS BY UN SECGEN TO MAKE THIS SESSION PLEDGING CONF FOR CONTRIBUTIONS TO HELP FINANCE EXPANSION OF EXISTING HQ BLDG IN SANTIAGO. TO DATE NO RPT NO FORMAL APPROACH HAS BEEN MADE TO CDN GOVT AND CONSEQUENTLY WE ASSUME THIS MATTER WILL NOT RPT NOT BE DISCUSSED AT FORTHCOMING MTG.

c.c.: Latin American Div.  
Commonwealth Div.  
U.N. Div.

Economic/Miles A. Szlarsak/CB

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CONFIDENTIAL

OTTAWA, March 23, 1968

The Deputy Minister,  
Department of Trade and Commerce,  
Ottawa,  
Attention: Mr. J.H.T. Thomas.

ECIAS's 12th Session of the Committee of the Whole  
Santiago, April 23-25, 1968.

Attached, for your information, is a list showing the composition of Canadian delegations to recent meetings of the United Nations Economic Commission for Latin America (ECLA) and a copy of the provisional agenda (E/CN.12/AC.61/1 - March 14, 1968). We thought it would be useful for Mr. Summers, if he agrees to head the delegation again this year, to have some briefing notes on items four, six, and ten, together with some information bringing him up to date on our development loan programs in Latin America administered by the Inter-American Development Bank.

We should be grateful for your comments if in your opinion Mr. Summers should be provided with briefing on any of the other agenda items.

A. DOUGLAS SMALL

Under-Secretary of State  
for External Affairs.

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Meetings of United Nations  
Economic Commission for Latin America (ECLA)

10th Session of the Committee of the Whole of ECLA - Santiago -  
February 1964.

Mr. G.B. Summers, Ambassador to Chile

Mr. J.R. Nidinter, Commercial Counsellor, Embassy in Santiago.

11th Plenary Session of ECLA - Mexico City - May 1965

Mr. H.F.B. Perver, Ambassador to Mexico

Mr. R.E. Gravel, Commercial Counsellor, Embassy in Santiago

Mr. B.S. Shapiro, Chief, Latin American Division, Department of  
Trade and Commerce, Ottawa

Mr. D.W. Fulford, First Secretary, Embassy in Mexico City.

12th Session of the Committee of the Whole of ECLA - Santiago - May 1966

Mr. G.B. Summers, Ambassador to Chile

Mr. R.E. Gravel, Commercial Counsellor, Embassy in Santiago

Mr. B.S. Shapiro, Commercial Counsellor, Embassy in Montevideo

Mr. Z.W. Burianyt, Third Secretary, Embassy in Santiago.

12th Plenary Session of ECLA - Caracas - May 1967

Mr. G.B. Summers, Ambassador to Chile

Mr. B.S. Shapiro, Commercial Counsellor, Embassy in Montevideo

Mr. J.Y. Grenon, First Secretary and Consul, Embassy in Caracas

Mr. D.C. Knowles, Latin American Division, Department of Trade  
and Commerce, Ottawa.

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WILL BE PLEASED TO HEAD DEL TO 12TH SESSION AND PROPOSE  
THAT IT SHOULD INCLUDE GRAVEL AND VERNON AND MULLINS.  
2. EMB STAFF COMPRISED FOREGOING LIST WILL NOT/NOT BE  
ABLE TO ATTEND ALL SESSIONS BUT THEIR INCLUSION IN DEL WILL  
BE USEFUL. PLEASE NOTE THAT GRAVEL LEAVES FOR CDA IMMEDIATELY  
AFTER CONFERENCE AND VERNON SHORTLY AFTER. THIS WILL  
PREVENT THEIR PARTICIPATION IN PREPARATION OF DEL REPORT  
BUT WE WILL TRY AND AVOID UNDUE DELAY IN FORWARDING IT.  
3. WILL INFORM ECLA THAT CDA WILL BE REPRESENTED. WE  
SHOULD WELCOME NOTES ON CDN POSITION ON AGENDA ITEMS YOU  
MENTION AND WITH REF TO CDAS RELATIONS WITH IDB.  
4. WILL SEEK FURTHER INSTRUCTIONS IF NECESSARY WHEN WE  
HAVE STUDIED DOCUS

SUMMERS

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FM STAGO MAR29/68 RESTR

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REF YOURTEL E1147 MAR27

POPULATION AND HOUSING CENSUSES SEMINAR

PEDRO MENDIVE ADVISES THAT TRAVEL AND SUBSISTANCE

APPLY ONLY TO LATIN AMERICAN PARTICIPANTS AND NOT/NOT

TO PARTICIPANTS OUTSIDE THE AREA.

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Feb - March 1968

EXPOSICION DEL SR. CARLOS QUINTANA, SECRETARIO EJECUTIVO  
DE LA COMISION ECONOMICA PARA AMERICA LATINA, EN EL  
SEGUNDO PERIODO DE SESIONES DE LA UNCTAD

Señor Presidente:

Este segundo período de sesiones de la Conferencia de las Naciones Unidas sobre Comercio y Desarrollo representa un hecho de trascendental importancia en la acción que la comunidad internacional ha comprendido para acelerar el progreso económico y social y para asegurar mejores condiciones de vida al mundo en desarrollo. Nos encontramos ya hacia el final de esta década y aparece claro que los cambios fundamentales que debieran operarse en la política económica internacional para facilitar el desarrollo de los países económicamente menos avanzados, están lejos de traducirse en realidades, y nuevos obstáculos se insinúan para restringir sus posibilidades. Para América Latina esta Conferencia se reúne cuando recrudecen hechos que tienden a perpetuar y acentuar factores externos que secularmente han perturbado y frenado su desarrollo.

La debilidad del crecimiento económico en América Latina

Si se considera a la región latinoamericana en su conjunto, se advierte que el crecimiento económico ha continuado con la misma lentitud o inestabilidad que se hace sentir desde mediados de la década pasada. En efecto, en estos últimos siete años, el producto interno se elevó según un ritmo anual que apenas alcanza al 4.5 por ciento, poniendo de manifiesto un menor dinamismo que el que tuvo América Latina en la posguerra, hasta 1955. Esta evolución es marcadamente insatisfactoria, pues la población se multiplica a la alta tasa anual de 3 por ciento, por lo cual es exiguo el mejoramiento de las condiciones de vida y no se logra incorporar productivamente la población activa derivada del fuerte dinamismo demográfico.

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Es verdad que ciertos países, entre ellos México y varios países de menor tamaño geográfico y económico, han alcanzado tasas de crecimiento más favorables que el promedio. Sin embargo, cabe tomar en cuenta, que en estos países pequeños el crecimiento de la población es relativamente más alto, el nivel medio de ingreso más bajo, sus economías se encuentran en las primeras etapas de la diversificación y más pronunciado fue el estancamiento relativo en años anteriores.

Exportaciones, financiamiento externo y ritmo de crecimiento durante esta década

Es sabido que las limitaciones en la expansión y diversificación de las exportaciones, la inestabilidad de los ingresos derivados de ellas, el deterioro de la relación de intercambio y la falta de una verdadera política de cooperación técnica y financiera sobresalen entre los factores principales de la inestabilidad y de la debilidad dinámica que domina el proceso económico en nuestra región. Debe hacerse notar, en relación con este aspecto del proceso económico, que en los seis primeros años de la década que corre, los ingresos de exportación de América Latina lograron un dinamismo de relativa significación. Las cifras en dólares revelan un aumento anual superior al 5 por ciento, mientras que en la segunda mitad de la década pasada ese ritmo era escasamente del 1.5 por ciento. Asimismo es de advertir que esta evolución más favorable se extendió a casi todos los países mientras que en la segunda mitad de la década anterior los aumentos se registraban principalmente en las exportaciones de petróleo.

Fue este hecho - junto con ciertas facilidades de financiamiento externo promovidas mediante programas de cooperación regional, la mejor predisposición para abordar problemas institucionales y estructurales del desarrollo, los avances del proceso de integración y la implantación de prácticas de planificación - lo que influyó en varios países para elevar el ritmo de crecimiento económico.

Se puso así en evidencia la capacidad de nuestras economías para acrecentar las inversiones y la producción cuando se relaja el estrangulamiento del sector externo.

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Me parece de gran interés, en relación con los temas que se debatirán en esta Conferencia, destacar algunos aspectos de la experiencia latinoamericana. Quisiera aludir al hecho aparentemente contradictorio de que, pese a la expansión de los ingresos de exportación y a la afluencia del financiamiento externo, el crecimiento económico de la región en su conjunto haya sido todavía inferior al de años anteriores. Ello se explica por cuatro hechos fundamentales: el deterioro de la relación externa de precios, el acrecentamiento de los servicios financieros del exterior, la necesidad de reponer reservas monetarias y la corta duración del auge de los ingresos de exportación. Por otra parte también han gravitado los efectos depresivos de políticas antinflacionarias. Estos distintos factores influyeron, en mayor o menor medida, en varios países, entre los cuales se cuentan algunos de gran ponderación en el conjunto regional, contrayendo la actividad económica o limitando su crecimiento con frecuencia a tasas más bajas que el promedio general.

Permítaseme examinar la evolución de esos factores.

La relación de intercambio de América Latina con el exterior se deterioró persistentemente desde mediados de la década pasada, llegando a su nivel más bajo en 1962, cuando el índice global reflejaba un deterioro de 22 por ciento con respecto al nivel medio del período 1950-54. El mejoramiento posterior no se extendió a todos los productos, y la baja continuó para el petróleo y ciertos rubros agropecuarios. De esta manera, en algunos países de la región se ha acentuado el efecto de ese deterioro, perjudicando el poder adquisitivo de sus exportaciones, y en magnitudes cuantiosas en el caso de Venezuela.

La afluencia global de fondos extranjeros, por préstamos e inversiones aumentó apreciablemente durante esta década. Las entradas brutas alcanzaron un promedio de 2 950 millones de dólares anuales entre 1960 y 1966, sin computar a Venezuela que ha tenido una importante salida de capital vinculado con la explotación petrolera. Esta cifra es mucho más alta que el promedio de unos 2 000 millones de dólares registrado en la segunda mitad de la década anterior. Sin embargo, al descontar las amortizaciones, resulta una entrada neta de fondos de 1 560 millones de dólares, que es similar a la de aquel período. Comparando estas entradas netas con el monto de los



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intereses y utilidades correspondientes a los préstamos e inversiones, se comprueba que la contribución del saldo neto de todos esos movimientos en el balance de pagos global sólo representó unos 610 millones de dólares anuales, en promedio, cuando en la segunda mitad de la década pasada esos recursos adicionales promediaban los 730 millones de dólares.

Si se computa a Venezuela, se encontrará que América Latina ha estado transfiriendo hacia el exterior, por concepto de amortizaciones, intereses y utilidades, una suma superior a las entradas brutas de fondos que ha recibido.

Tal es el resultado para la región en su conjunto. Pero en algunos países el movimiento de fondos extranjeros ha sido todavía más desfavorable y las entradas netas de fondos de capital tendieron a disminuir en los últimos años hasta transformarse en ciertos casos en corrientes negativas, y los balances de pagos se agravaron más aún por las transferencias de las utilidades y el acrecentamiento de los intereses derivados del endeudamiento acumulado. Este fenómeno se dio con frecuencia en situaciones sumamente críticas para las reservas monetarias, y se conjugó con efectos depresivos originados en las políticas fiscales y antinflacionarias que se aplicaron. Todo esto explica las dificultades con que tropezaron esos países para acrecentar su ritmo de crecimiento, no obstante el aumento que pudo registrarse en sus ingresos de exportación.

Por el contrario, en otro grupo de países, que comprende México y numerosos países pequeños, que intensificaron la utilización de financiamiento externo en años más recientes, las disponibilidades de fondos externos resultantes pudo tener efectos positivos para acrecentar la capacidad externa de compra e incidir en el ritmo de crecimiento.

En suma, debo insistir en la precaria situación de los balances de pagos en América Latina. No obstante algunas diferencias, estas cifras globales son muy ilustrativas de esa situación. Entre 1960 y 1966, mientras los ingresos de exportación crecieron en 35 por ciento, las utilidades e intereses de las inversiones y préstamos externos se elevaron casi en 70 por ciento y las amortizaciones de los préstamos autónomos en más de 40 por ciento. Así, en 1966 el total de los servicios financieros representó una tercera parte de los ingresos derivados de la exportación de bienes.

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Esta realidad está poniendo de manifiesto que si no se ponen en marcha programas de cooperación financiera en los que la cuantía, los costos, las modalidades de reembolso y otros aspectos del aporte de los recursos externos, se determinen en función de los requerimientos de la política y del proceso de desarrollo, y si no se coordina eficazmente la acción externa con las medidas internas, será imposible lograr las condiciones adecuadas, para que los recursos externos puedan contribuir a acrecentar las inversiones y a promover el ahorro nacional.

Las limitaciones del crecimiento económico y el déficit potencial de balance de pagos

Cabe preguntarse, por lo tanto, acerca de las perspectivas que presenta el sector externo en relación con un proceso de crecimiento duradero y más satisfactorio para América Latina. A este respecto, acaso se piense que el aumento de los ingresos de exportación de estos últimos años pudo ser el indicio promisorio de una evolución más favorable que en el pasado. Sin embargo, el examen de los factores que determinaron esas exportaciones y de las orientaciones y modalidades que prevalecen en la política comercial y financiera internacional lleva a la conclusión de que esas perspectivas no son satisfactorias.,

En efecto, si bien es cierto que la mayor demanda originada en el crecimiento económico de los países industrializados influyó en las exportaciones latinoamericanas, también lo es que factores transitorios o accidentales, propensos a rectificarse a corto plazo, han actuado significativamente en ese movimiento de los ingresos de exportación. Así, por ejemplo, deficiencias de abastecimiento en la Unión Soviética y en la China Continental elevaron temporalmente las exportaciones de cereales; una contracción en la oferta de carnes en Europa y en Argentina incidió en sus precios; conflictos sindicales y de otra índole y la demanda para fines militares, se reflejaron en las cotizaciones de los metales y particularmente en la del cobre; y una merma en la producción de café por condiciones climáticas adversas elevó transitoriamente sus cotizaciones.

No es de extrañar, pues, que al dejar de actuar estos factores, los precios de los productos primarios, que ya en 1966 venían insinuando un movimiento declinante, descendieran en 1967 en numerosos renglones agropecuarios y mineros. Si a ello se añade la debilidad registrada en

- 6 -

demanda de los países industrializados por la reciente declinación de su tasa de crecimiento, se explicará en gran medida el hecho de que en este último año se haya interrumpido aquel proceso de crecimiento de los ingresos de exportación de América Latina. Estos se han mantenido en el nivel de 1966 y la baja de precios también gravitará en las disponibilidades de divisas de este año.

La relación de precios de intercambio con el exterior, que - como dije - insinuaba cierta recuperación de los deprimidos niveles a que había llegado, vuelve a evolucionar desfavorablemente para América Latina. Y el efecto de este deterioro se dejará sentir en la inversión y en el ingreso, como en el pasado, disminuyendo la contribución efectiva que es dable esperar de los aportes de recursos externos.

Otros factores restrictivos de la expansión y diversificación de las exportaciones latinoamericanas acentuarán esos efectos desfavorables. Me refiero a las políticas de protección y fomento de los países industrializados, que se proponen elevar el grado de autoabastecimiento, no obstante sus mayores costos, en importantes productos de exportación tradicional de los países en vías de desarrollo y alentar exportaciones que requieren de subsidios; a las restricciones, cuotas, impuestos y otras medidas que limitan el consumo de productos exportados exclusivamente por los países en desarrollo; a los continuos avances en la sustitución de productos naturales; a las preferencias especiales de carácter discriminatorio concedidas por algunos países desarrollados en favor de otros países en desarrollo, las cuales tienden a ampliarse en su área geográfica y en la variedad de productos a que se aplican; a las prácticas y políticas en materia de transporte marítimo que dañan el comercio de nuestros países, y a las crecientes dificultades y al tratamiento no equitativo con que se tropieza para diversificar nuestras exportaciones mediante nuevas corrientes de productos industrializados. Pienso, también en las políticas de los países desarrollados que llevan a reducir la cooperación financiera, contraer la ayuda, elevar las tasas de interés y mantener condiciones ligadas a la utilización del financiamiento externo.

Todos estos aspectos que caracterizan el funcionamiento de la economía mundial no permitirán que los países en vías de desarrollo consigan una expansión de su comercio y una cooperación financiera y

- 7 -

técnica que, en consonancia con las reformas institucionales internas y con la movilización de sus recursos nacionales, hagan posible el acrecentamiento de las inversiones, la incorporación del progreso técnico, el aumento de la producción y la ocupación de su fuerza de trabajo, en la medida que se requiere.

Los estudios técnicos que se han venido realizando a partir del primer período de sesiones de esta Conferencia y los nuevos estudios presentados a este período de sesiones demuestran que existe un cuantioso déficit potencial, comercial o de balance de pagos, y que ese déficit impediría lograr un ritmo satisfactorio de crecimiento en la próxima década.

Esta situación, señor Presidente, es muy sensible para América Latina. En nuestra región, el proceso de sustitución de importaciones ha avanzado considerablemente en los países grandes y medianos y continúa en los demás, según las pautas tradicionales. En los primeros no cabe esperar nuevos impulsos dinámicos de importancia de esa fuente, y en los otros, por razones obvias, las posibilidades aparecen seriamente limitadas. Es claro que el proceso de integración regional abre nuevos horizontes. Sin embargo, también aquí se tropezará con dificultades si no se expande el comercio con el resto del mundo ni se cuenta con una adecuada cooperación financiera y técnica.

La necesidad de una nueva organización del comercio internacional y de cambios sustanciales en la política económica de los países desarrollados

Hace cuatro años, en el primer período de sesiones de esta Conferencia, se aprobaron principios y recomendaciones que, de haberse llevado a efecto hubieran promovido una nueva organización del comercio internacional e impulsado el crecimiento económico de los países en vías de desarrollo. Desafortunadamente, aquellos compromisos no se tradujeron en decisiones concretas, y otras medidas y restricciones vinieron a agravar los obstáculos a la expansión de las exportaciones de nuestros países. Recomendaciones adoptadas sin disenso, como las relacionadas con la reducción y eliminación de barreras al comercio de productos de interés para los países en vías de desarrollo y con la negociación de convenios u otros arreglos internacionales sobre productos básicos, todavía no han logrado instrumentarse. La experiencia es desalentadora, pues si

esto ocurre en un campo en el que existe consenso general sobre las modalidades de la acción que debe emprender la comunidad internacional, mayor aún es la incertidumbre en torno al cumplimiento de otras recomendaciones condicionadas con cláusulas de escape o de salvaguardia que pueden aplicar unilateralmente los países desarrollados.

Estas cláusulas u otras condicionantes han servido en cierto modo para justificar la inacción frente a los grandes problemas por resolver. Será necesario, por lo tanto, establecer criterios objetivos y determinar las circunstancias en que pueda recurrirse a tales cláusulas. Su aplicación no debiera quedar librada a la decisión unilateral de los países, sino ir precedida de consultas o negociaciones entre las partes interesadas.

Los resultados de las negociaciones arancelarias de la Rueda Kennedy son motivo de profunda satisfacción para los países desarrollados por el gran paso que se ha dado hacia la liberalización del comercio internacional. Desafortunadamente, los países en vías de desarrollo no pueden compartir plenamente ese sentimiento, porque sus intereses sólo marginalmente fueron considerados.

Las reducciones arancelarias de mayor importancia se refirieron a productos de alto grado de industrialización, compleja tecnología y elevada densidad de capital, el comercio de los cuales está limitado a los países desarrollados. En el campo de los productos primarios y en el de las manufacturas y semimanufacturas, de interés más inmediato para los países en desarrollo, las concesiones fueron mínimas y en ciertos casos sólo representaron la consolidación de rebajas de derechos que esta estaban en vigencia temporalmente. Por otra parte, la aplicación de la cláusula de la nación más favorecida hará probable que muchas concesiones brinden al comercio entre los países desarrollados mayor estímulo que al de los países en desarrollo. No se ha logrado la aplicación anticipada de las reducciones tarifarias en favor de estos últimos. Tampoco se hicieron progresos en la atenuación de las medidas proteccionistas de los países desarrollados y en la reducción o eliminación de gravámenes y trabas a importantes rubros agrícolas de interés para nuestros países.

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Si bien es cierto que las naciones en vías de desarrollo consiguieron reducciones tarifarias de cierta significación para algunos de sus productos, debe hacerse notar que quedaron sin resolver los problemas sustanciales que afectan a sus exportaciones tradicionales en relación con el acceso a los mercados de los países industrializados, y con la estabilidad de los precios a niveles remuneradores, así como los que impiden la creación de nuevas corrientes de exportaciones en manufacturas y semimanufacturas.

De esta manera la posición relativa de nuestros países en el comercio y en el desarrollo mundial continuará deteriorándose como hasta ahora. La comunidad internacional no puede permanecer insensible frente a este proceso contradictorio que estamos contemplando: los países industrializados han coincidido en decisiones de gran trascendencia para la liberalización de su comercio, llamadas a promover una nueva etapa de vertiginoso progreso técnico y de crecimiento económico en las áreas del mundo desarrollado; pero no se logra igual coincidencia para adoptar medidas y establecer arreglos institucionales que permitan ese mismo progreso en el mundo en desarrollo.

Señor Presidente, si los países desarrollados han decidido liberalizar su comercio, afrontando la competencia y los ajustes que ese proceso trae consigo en las actividades industriales, ¿por qué no comprender una acción semejante en favor de los países menos avanzados, reconociéndoles un tratamiento equitativo a la luz de su incipiente desarrollo, para que ellos puedan participar también del progreso tecnológico y desenvolver sus economías con el dinamismo que se requiere?

Al plantear esta pregunta tengo presente dos hechos de especial significación que se derivan de la experiencia latinoamericana: primero, que es posible elevar sin demora el ritmo de las inversiones y el ingreso si se resuelve el problema de la deficiencia dinámica del sector externo; segundo, que es necesario aumentar ese ritmo de crecimiento para facilitar las reformas institucionales y la movilización de los recursos nacionales, tal como lo reclaman con urgencia las tensiones sociales que dominan el escenario latinoamericano.

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### La CEPAL y el segundo período de sesiones de la UNCTAD

Esta reunión brinda la oportunidad para adoptar decisiones que lloven a estructurar esas nuevas bases del comercio internacional y el financiamiento de los países en vías de desarrollo. Debieran acordarse programas específicos de acción y procedimientos prácticos, a fin de que las recomendaciones del primer período de sesiones y las que se formulen en éste se traduzcan en medidas concretas por parte de los gobiernos. Esta acción debería desenvolverse resueltamente pensando que los países en vías de desarrollo ya no pueden limitar sus aspiraciones a un modesto mejoramiento del ritmo de crecimiento actual, pues para promover las condiciones de un progreso duradero en la próxima década hay que coordinar y redoblar los esfuerzos de los próximos años, a la luz de objetivos más ambiciosos. En el caso de América Latina, los problemas de ocupación y la necesidad de mejorar las condiciones materiales y culturales de vida están urgido un ritmo promedio de crecimiento superior al 3 por ciento por año y por habitante para la región.

La CEPAL ha trabajado desde su creación en estos problemas prácticos y en el estudio del comercio internacional en relación con el desarrollo. Durante los últimos años, por mandato expreso de la Comisión, nuestra secretaría ha intensificado sus actividades en relación con la preparación de esta Conferencia. El documento "América Latina y el segundo período de sesiones de la UNCTAD" presentado ante ustedes, es el fruto de un proceso de investigación, intercambio de opiniones y consultas que se iniciaron a mediados de 1966, en la tercera reunión de expertos de la Comisión Especial de Coordinación Latinoamericana (CECLA); que representó el tema fundamental en las deliberaciones del duodécimo período de sesiones de la CEPAL, celebrado en mayo de 1967 y que se siguió considerando después, en la cuarta reunión de expertos de la CECLA, para culminar en la reunión de expertos gubernamentales de los países en desarrollo miembros de la CEPAL, efectuada en diciembre último.

La secretaría de la CEPAL ha presentado en esas reuniones ideas y propuestas sobre los temas de esta Conferencia y una versión preliminar de este informe fue considerada en la citada duodécima conferencia de nuestra Comisión. En la primera parte de nuestro documento son examinados

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la evolución reciente del comercio exterior latinoamericano y la política económica y financiera de los países industrializados. Hemos dedicado especial atención a los problemas relacionados con el cumplimiento de los compromisos contraídos en el primer período de sesiones de esta Conferencia y en el seno del GATT; así como a las modalidades de aplicación de las cláusulas de salvaguardia. También se analizan en él los resultados de las negociaciones Kennedy en cuanto a los países en vías de desarrollo y para los latinoamericanos en particular. En la segunda parte, se tratan los distintos puntos del temario de esta reunión y se formulan ideas y sugerencias concretas acerca de las decisiones que a nuestro juicio debieran adoptarse, en concordancia con los planteamientos que me he permitido presentar.

Quisiera anticipar que nuestro documento, por el curso que se ha seguido en su elaboración, no presenta, en lo sustancial de la política comercial y del financiamiento, proposiciones distintas a las que los países latinoamericanos formularon en la Carta del Tequendama, y lo mismo debiera decir de las propuestas económicas que recoge la Carta de Argel. Estimo conveniente destacar, sin embargo, algunos aspectos que me parecen de particular importancia para el éxito de esta Conferencia.

Todos estamos persuadidos de que para enfrentar los problemas de los países en vías de desarrollo es imprescindible adoptar medidas eficaces que determinen una ampliación inmediata y una evolución creciente en los ingresos de exportación y que instrumenten el funcionamiento de un programa de cooperación financiera y técnica con modalidades adecuadas a las necesidades del proceso de desarrollo. Creo que la comunidad internacional tendría que establecer procedimientos prácticos y alguna clase de mecanismo institucional que coordine los aspectos esenciales de la acción externa en función de programas o metas nacionales de desarrollo, de tal manera que los países estén seguros de contar con ese apoyo coordinado - no contradictorio como acontece en la realidad - para que les sea posible realizar sus programas nacionales.

Ahora bien, es comprensible que en esta Conferencia no sea posible llegar a decisiones concretas para todos los puntos que recoge su temario, ya sea por apremio de tiempo o por la necesidad de avanzar en algunos



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estudios técnicos fundamentales. En todo caso, debemos tener conciencia de que sería sumamente desalentador que este período de sesiones terminase con declaraciones o recomendaciones generales que de una u otra manera repetirían lo acordado hace ya casi cuatro años. Ese desaliento sería en una honda y peligrosa frustración para el mundo en desarrollo, porque tal fracaso ocurriría inmediatamente después que los países desarrollados concluyeron negociaciones de especial trascendencia para sus intereses.

Sería necesario por lo tanto definir previamente algunas líneas de acción. En este sentido comparto plenamente la decisión de la Junta de concentrar las deliberaciones en aquellos aspectos fundamentales en los cuales el esclarecimiento de los problemas y la información disponible hacen prever que puede llegarse a decisiones positivas y que, con respecto a otros puntos importantes, se aprueban directivas básicas para apresurar los estudios y las discusiones, con indicaciones y plazos precisos acerca de las reuniones de expertos, que se considere útil establecer y de las distintas etapas del trabajo hasta la aplicación efectiva de las decisiones por parte de los gobiernos.

Con el único propósito de aclarar mis pensamientos acerca de la naturaleza y el alcance de las decisiones que debieran adoptarse en este segundo período de sesiones, quisiera aludir brevemente a algunos puntos de nuestro temario.

#### Productos básicos

En materia de productos básicos parece haber coincidencia en que los problemas deben enfocarse producto por producto. Respecto a aquellos que se producen tanto en los países en desarrollo como en los industrializados, sería necesario garantizar a los primeros una participación mínima en los abastecimientos del consumo de los países desarrollados. Debería convenirse además un plan específico de acción, por productos o por mercados, para llegar a decisiones respaldadas por los gobiernos, que eliminen el cúmulo de obstáculos de toda naturaleza que entorpecen al comercio de estos productos. En cuanto a aquellos otros rubros primarios que son principalmente originarios de los países en desarrollo, tendría que lograrse la reducción o eliminación de los gravámenes aduaneros, tasas, impuestos internos y otras restricciones que limitan su importación en los países desarrollados. Se plantea aquí la ineludible necesidad de encontrar fórmulas adecuadas para eliminar las

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preferencias especiales existentes. También sería necesario avanzar en la preparación de un programa de acción concreto para mejorar la posición competitiva de los productos naturales frente a los sucedáneos y sintéticos. Tampoco puede dejar de mencionarse la urgencia de decisiones oficiales que tiendan a una mayor cooperación para concertar convenios por productos u otros arreglos de organización de mercados que aseguren el aumento de las exportaciones y la estabilización de los precios a niveles remuneradores.

#### Manufacturas y semimanufacturas

Confío en que en este período de sesiones se han de acordar los principios esenciales de un sistema de preferencias generales en favor de las manufacturas y semimanufacturas de los países en desarrollo. Las sugerencias que se formulan en nuestro documento coinciden en gran medida con las proposiciones de las Cartas del Tercer Mundo y de Argel. Se refieren al carácter general, no discriminatorio ni recíproco; al libre acceso a los mercados de los países industrializados sin perjuicio de establecer cuotas para algunos productos; y a la extensión, ilimitada, del tratamiento preferencial a todos los productos manufacturados y semimanufacturados de los países en vías de desarrollo. En este caso, podrían proveerse excepciones, siempre y cuando se sometan a un proceso de consulta y de negociación con los países en desarrollo.

Sería conveniente evitar en este período de sesiones ingorrosas discusiones de detalle que pueden demorar la puesta en marcha del sistema. Lo más indicado sería lograr un acuerdo acerca de sus principios básicos y establecer directivas sobre el esquema de las negociaciones que deban emprenderse a fin de que estas preferencias puedan comenzar a aplicarse a principios del año próximo.

#### Comercio con los países de economías centralmente planificadas

En América Latina se aprecia la importancia que puede adquirir el comercio con los países de economía centralmente planificada. Recientemente se han introducido algunas modalidades que facilitan la expansión de ese comercio. Sin embargo, las dificultades ya conocidas continúan limitando a cifras pequeñas el comercio con esos países. Es conveniente, por ello, examinar nuevas modalidades y llegar a compromisos y decisiones más concretas a fin de que esos países, entre otras cosas, incorporen en sus

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programas de compra, volúmenes crecientes de productos de los países en vías de desarrollo, reduzcan los excesivos márgenes entre los precios de importación y los del mercado interno y procedan con mayor flexibilidad en los acuerdos de pagos para facilitar la multilateralidad dentro y fuera del área socialista.

#### Financiamiento del desarrollo

Sólo quisiera llamar la atención, finalmente, acerca del problema del financiamiento, tema sobre el cual existe cabal conocimiento y estudios técnicos adecuados para llegar a decisiones que creen el marco institucional y resuelvan de una vez problemas que crecen agudizándose. Entre las distintas proposiciones, debería destacarse las que se refieren a la transformación del BIRP en un banco de los países en desarrollo y al acrecentamiento de la corriente de recursos externos netos hacia estos países hasta alcanzar las metas propuestas. Pienso, sobre todo, que ya se ha avanzado lo suficiente como para adoptar en este período de sesiones una decisión estableciendo el sistema de financiamiento complementario. Por otra parte, todos percibimos la urgencia de tomar medidas que modifiquen las condiciones y modalidades del financiamiento externo y en particular de crear un fondo que pueda reducir sustancialmente los intereses de los préstamos a los países en desarrollo.

#### Palabras finales

La mención de estos puntos no significa que asigna menor importancia a otros que están en el temario de la Conferencia; sólo he tratado con ello de insistir en que considero imprescindible que en este período de sesiones se adopten decisiones en temas de especial importancia y se establezcan los bases para alcanzar otros acuerdos mediante programas de acción que también deben decidirse con mucha precisión.

Por incapacidad o por falta de una acción eficaz, hasta ahora no se ha logrado instrumentar una organización económica y financiera internacional que responda a principios de racionalidad económica y de justicia para la inmensa mayoría de la humanidad.

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Nos encontramos hoy ante una coyuntura histórica propicia para empezar a dar soluciones efectivas a los vitales problemas de los países en desarrollo. Confío en que la acción coordinada de estos países y la colaboración constructiva de los países desarrollados, reclamada por razones de equidad y por la responsabilidad que asumen en el seno de la comunidad internacional, han de contribuir a que esta reunión sea un acontecimiento trascendental por la obra efectiva que realice. Esperamos que gracias a esa obra, señor Presidente, el mundo en desarrollo salga al fin de su estancamiento y participe del progreso técnico, económico y social que hoy parece privilegio de unos pocos.

C.C.: UN Div,  
Latin American Div,  
EAO

Economic/Miss A. Szlaxak/CB

FILE COPY

OTTAWA, April 2, 1968

Population and Housing Censuses Seminar

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We have received an invitation from Mr. Pedro I. Mundive, Assistant Executive Secretary of the United Nations Economic Commission for Latin America (ECLA), to participate in a Seminar on the Organization and Conduct of Population and Housing Censuses for Latin America being sponsored by the United Nations (through ECLA, the UN Statistical Office and the Office of Technical Cooperation). The seminar is to be held in Santiago, Chile, from May 20-31, 1968. Participants from 25 countries and territories of the ECLA region have been invited to attend.

The object of the seminar is to provide participants with an opportunity to discuss methodological, administrative and organizational problems relating to population and housing censuses, so that Latin American officials who will have specific functions in connection with the population and housing censuses to be held in 1970 in their own countries can exchange ideas and share relevant experience gained in the past.

We are attaching copies of the aide-mémoire and the provisional agenda sent to us by Mr. Mundive. In order to avoid any misunderstanding we should point out that paragraph 9 of the aide-mémoire (III Organization and Participation) applies only to Latin American participants. Owing to the limitations of the funds available for the meeting, it will not be possible for the UN to defray the travel and subsistence costs for the participation of ECLA member countries from outside Latin America.

In view of the highly technical nature of the seminar, Mr. Mundive requests that participants be high-level specialists and officers who are or will be in future directly responsible for planning and conducting population and housing censuses. The participants will attend the seminar in personal capacity and not as official representatives of their government, and the discussions will be kept at a strictly technical level.

We should be grateful if you would let us know whether you wish to nominate one or two participants for this seminar.

A. DOUGLAS SMALL

Under-Secretary of State  
for External Affairs.

Letter sent to:

Dominion Bureau of Statistics (Mr. W.D. Porter)  
Central Mortgage Housing Corp. (Mr. O. Maynard)

## SEMINAR ON THE ORGANIZATION AND CONDUCT OF POPULATION AND HOUSING CENSUSES FOR LATIN AMERICA

### Aide-memoire

#### I. Background

1. Population censuses are considered to be the primary source of the basic national population data required for administrative purposes and for many aspects of economic and social research and planning. Besides serving specific administrative purposes, the population census provides data which are essential for the scientific analysis and appraisal of the composition, distribution, and past and prospective growth of the population. The demographic, economic and social characteristics of the population are of interest to the public authorities, research workers and the private sector.

2. Housing censuses are the principal means of collecting basic housing statistics and a comprehensive source of statistical information for development planning, commercial use and research. Housing censuses are usually carried out in conjunction with censuses of population.

3. The first attempt by groups of countries to carry out a simultaneous census on a world-wide basis was made in 1872 by the International Statistical Institute. Although this attempt failed to achieve its purpose, the advisability of carrying out decennial censuses was realized by all concerned and it subsequently met world-wide support. The first world population census programme was established for the censuses taken around 1950. In the American region, the Inter-American Statistical Institute was active in promoting the Census of the Americas (COTA) for the years around 1950 and 1960, and it is participating once again in the 1970 World Population and Housing Census Programmes with COTA 1970.

4. After discussions which started in 1964 and included consultations with regional organizations and national statistical authorities, the United Nations Statistical Commission adopted, at its fourteenth session, the principles and recommendations for the 1970 population and housing /censuses. The

- 2 -

censuses. The operative part of the pertinent resolution (1215 (XLII)), subsequently adopted by the United Nations Economic and Social Council reads as follows:

- "1. Requests the Secretary-General to publish his reports entitled 'Principles and Recommendations for a Population Census' (E/CN.3/342) and 'Principles and Recommendations for a Housing Census' (E/CN.3/343), as modified, and to distribute copies to State Members of the United Nations, to States members of the specialized agencies, to appropriate regional bodies and to specialized agencies;
2. Further requests the Secretary-General to give assistance to Governments in the implementation of these principles and recommendations by mobilizing all available resources to help in the very large task of meeting the needs of countries in this area, and by the revision of the Handbook of Population Census Methods, the preparation of a handbook of housing census methods, the preparation of a technical manual on methods of evaluating population and housing census results, and the provision of technical advice and fellowships under the United Nations Development Programme."
5. The regional recommendations on topics, definitions, classifications and tabulations are variants of the world-wide recommendations and make special provision for regional needs. For the American region, the Inter-American Statistical Institute prepared the programme of the 1970 census of the Americas which was adopted by the Commission on the Improvement of National Statistics (COINS) of the Institute at its ninth session (Caracas, October 1967). According to preliminary information, the majority of the American countries will participate in or around 1970 in the new world population and housing census programme.

## II. Objectives

6. The Seminar will provide those who will be responsible for conducting the 1970 population and housing censuses in each country with an opportunity for a discussion of census methodology and for an exchange of ideas and experience. The Seminar should also prove valuable in encouraging the countries of the region to initiate and develop planning for their next census round. As can be seen from the provisional agenda, emphasis will be laid on the major operational and administrative aspects of the collection, processing and publication of data. Although "Selection  
/of census

- 3 -

of census topics and preparation of a census tabulation programme" is one of the items on the agenda, these points have already been discussed at the world and the regional level.

### III. Organization and participation

7. The Seminar is being organized by the United Nations (Economic Commission for Latin America, Statistical Office and Office of Technical Co-operation) under the regional technical assistance programme, with the collaboration of the Inter-American Statistical Institute, the Latin American Demographic Centre and the United States Bureau of the Census. The International Labour Office, the United Nations Education, Scientific and Cultural Organization, the United Nations Children's Fund and the Pan-American Sanitary Bureau will be invited to send observers.

8. The Seminar will be held from Monday 20 May through Friday 31 May 1968, in the ECLA Conference Room, United Nations Building, Santiago, Chile.

9. All ECLA member countries have been invited to participate. The United Nations will pay the travel by air tourist class from the country capital to Santiago, Chile and back and the daily subsistence allowance (which, according to the United Nations rules and regulations, will be paid in local currency (Chilean escudos) for the duration of the meeting) of one participant from each member and associate-member country in the ECLA region. If financing is available from national or other sources, a second participant from any country will be welcome. Participants should be high-level statistical officials who are or will be responsible for planning and conducting population and housing censuses.

10. The official languages of the Seminar will be Spanish and English. Simultaneous interpretation from each language into the other will be provided, and the working documents will be available in both languages. Reference documents will not be translated.



## PROVISIONAL AGENDA

1. Opening addresses.
2. Election of officers.
3. Adoption of the agenda.
4. Main problems related to the organization and conduct of population and housing censuses in Latin America:
  - (a) Planning of population and housing censuses;
  - (b) Co-ordination between censuses of population and housing, and of these censuses with other related censuses and surveys;
  - (c) Census tests and the experience of American countries in carrying out pilot censuses and surveys in connexion with the 1970 censuses;
  - (d) Geographic work for the census, and preparation of census control lists;
  - (e) Selection of census topics and preparation of a census tabulation programme;
  - (f) Preparation of census questionnaires and of other forms and instructions for enumerators;
  - (g) Procedure to be used for the enumeration; recruitment and training of field staff;
  - (h) Checking, editing and coding of census questionnaires;
  - (i) Electronic processing of census data;
  - (j) Design and execution of a census publication programme;
  - (k) Evaluation of census results;
  - (l) Use of sampling in the population and housing censuses.
5. Consideration and adoption of the report.
6. Closure of the session.



EXTERNAL AFFAIRS



Economic/Miss A. Szlazak/CB  
AFFAIRES EXTÉRIEURES

TO Under-Secretary *one* *h*

FROM Economic Division  
De

REFERENCE  
Référence

SUBJECT Canadian Delegation to 12th Session of ECLA Committee  
Sujet of the Whole.

SECURITY UNCLASSIFIED  
Sécurité

DATE April 2, 1968

NUMBER  
Numéro

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OTTAWA	35-20-ECLA
MISSION	7

ENCLOSURES  
Annexes

1

DISTRIBUTION

LA Div,  
UN Div,  
Commw. Div.

-- Attached for your signature, if you agree, is a Note to Mr. Quintana, Executive Secretary of the United Nations Economic Commission for Latin America (ECLA), informing him of the composition of the Canadian delegation to ECLA's 12th session of the Committee of the Whole which will be held in Santiago, Chile from April 23-25. In view of his experience as head of Canadian delegations to previous ECLA meetings, we propose that our Ambassador in Santiago lead our delegation to this session. Mr. Summers has suggested that it would be useful to include in the delegation three other members of the Embassy staff who will attend the various sessions on a part-time basis as their other duties permit. This is in line with the level and size of our representation at ECLA sessions in past years.

Economic Division

*P.S. The list has been  
cleared with Santiago,  
T & C and Latin American Div'n.*

*DK*

c.c.: Santiago,  
Washdc,  
TandC,  
Finance,  
EAO.

Economic/Miss A. Szlazak/CB

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D/K

in E&AF file OTTAWA, April 3, 1968

No. E-1237

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35-20-ECLA
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Sir,

I have the honour to refer to your letter of March 13 inviting the Canadian Government to send representatives to attend the 12th session of the Committee of the Whole of the Economic Commission for Latin America to be held in Santiago from April 23-25, 1968.

I should like to inform you that the Canadian delegation to this session will be headed by Mr. G.B. Summers, Canadian Ambassador to Chile. The other members of the delegation will be the following officers of the Canadian Embassy in Santiago:

R.E. Gravel - Commercial Counsellor

G.C. Vernon - Second Secretary and Consul

G.E. Mullins - Third Secretary and Vice-Consul

Accept, Sir, the assurances of my highest consideration.

M. CADIEUX

Under-Secretary of State  
for External Affairs.

Mr. Carlos Quintana,  
Executive Secretary,  
UN Economic Commission for Latin America,  
Santiago, Chile.

**ACTION COPY**

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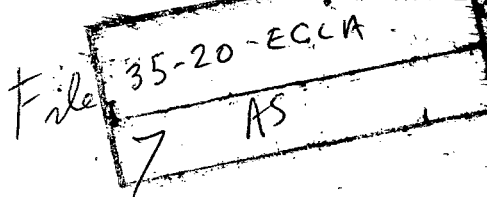
THIS DOCU WAS SENT YESTERDAY BY AIR TO ECONOMIC DIV

TOGETHER WITH OTHER ECLA DOCUS RELATED TO THE 12TH SESSION OF THE  
CTTEE OF THE WHOLE WHICH WILL TAKE PLACE IN STAGO APR23-25.

A SECOND PUBLICATION MORE CONDENSED THAN DOCU MENTIONED ABOVE WILL  
BE RELEASED APR15 WHEN A COPY WILL BE FORWARDED TO YOU BY AIR.

MEANWHILE WE ARE AIRMAILING PHOTOS OF ECLA HEAD OFFICE BUILDING IN  
STAGO.

LA Div.  
BEST ORIGINAL AVAILABLE  
MEILLEUR ORIGINAL



Economic/Miss A. Salasak/CB

April 5/68

UNITED NATIONS ECONOMIC COMMISSION FOR LATIN AMERICA

The United Nations Economic Commission for Latin America (ECLA) was established in February 1948 with the aim of helping Latin American governments promote the economic development of their countries and improve the standards of living of their peoples. In so doing, ECLA also endeavours to strengthen economic relations both among countries in the region and with other nations. Its activities have been reinforced since 1962 by the creation, under its aegis, of the Latin American Institute for Economic and Social Planning. (ILPES)

In carrying out its work, ECLA co-operates closely with the appropriate substantive divisions of the United Nations Secretariat in New York, with other organs and regional commissions of the United Nations as well as with the Specialized Agencies. Moreover, every effort has been made to co-ordinate activities with those of other international organizations operating in the region. A tripartite agreement to that effect was concluded in 1961 by the Executive Secretary of ECLA, the Secretary-General of the Organization of American States (OAS), and the President of the Inter-American Development Bank (IDB) whereby a number of joint programmes and activities were to be undertaken to ensure the best use of available resources. Agreements have also been reached with the IDB concerning joint activities in relation to integration, with particular reference to agriculture and industry. Moreover, ECLA works closely with the Latin American Free Trade Association and with the organs of the General Treaty on Central American Economic Integration. ECLA also has consultative arrangements with numerous international non-governmental organizations duly accredited to its parent body, the Economic and Social Council of the United Nations.

The basic pattern of work and activities for ECLA and its secretariat was established by member governments during the initial meetings of the Commission. This programme has evolved and has been greatly expanded but the central concepts motivating the work have remained essentially the same: first, that dynamic development policies and programmes are required in order to accelerate Latin America's growth from within; and second, that to be really effective, these policies, plans and programmes must be based on systematic and factual analyses of national economies and prospects of growth. Thus the early fact-finding studies on individual countries and on the region as a whole and, similarly, the often pioneering and increasingly comprehensive studies on the different sectors of the economy have led by logical steps to a programme geared more and more to the rendering of practical assistance to governments. Recently, for instance, ECLA was concerned with preparatory work for the second session of the United Nations Conference on Trade and Development.

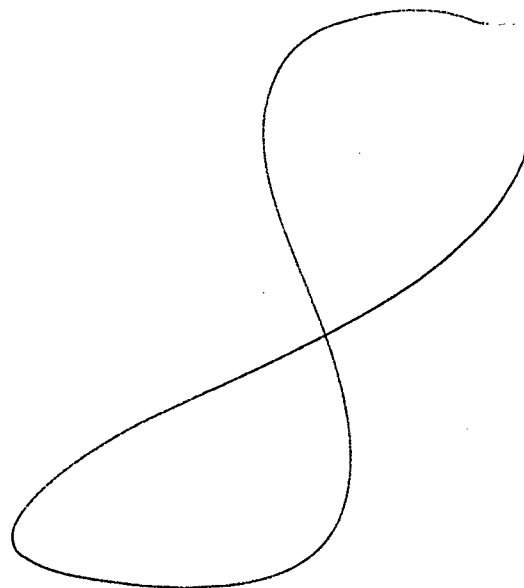
Membership in ECLA is open to members of the United Nations in North, Central and South America; all countries in the Western Hemisphere are

Covering letter to T & C (with all attachments) .....2  
is on file no. 38-6-1 "Canadian International  
Co-ordination with Other Countries"

- 2 -

now members. In addition, France, United Kingdom and the Netherlands, which have dependent territories in the Americas, and some West Indies states are members of the Commission. The headquarters of the Commission are located in Santiago, Chile, and there are branch offices in Washington, Mexico City, Rio-de-Janeiro, Montevideo, Bogota and Port of Spain.

Canada became a full member of ECLA in 1961. Since then we have been represented at all meetings of the organization.



35-20-ECLA

16

9

DOMINION BUREAU OF STATISTICS

Census Division  
No. 8 Temporary Building



Ottawa, Canada

BUREAU FÉDÉRAL DE LA STATISTIQUE

Division du recensement  
Édifice temporaire n° 8

*File 35-20-ECLA  
also 35-1-6-2  
AS Done by 1*

April 8, 1968.

TO: <i>Mrs. Szyjak</i>
FROM REGISTRY
APR 10 1968
FILE CHARGED OUT
TO:

E

Under-Secretary of State  
for External Affairs,  
Department of External Affairs,  
Ottawa, Ontario.

Attention: Mr. A. Douglas Small

Dear Sir:

Thank you for your letter of April 2 re the Population and Housing Censuses Seminar in Santiago, Chile, May 20-31, 1968.

Normally we would be pleased to nominate one or two participants for a seminar of this nature, but we must decline regretfully on this occasion. The dates of the seminar conflict with an important census test we are undertaking in the Toronto area, and others of our qualified population and housing census staffs are committed to attend another UN sponsored conference in Washington from May 15-24.

Yours faithfully,

W.D. Porter,  
Director,  
Census Division.

WDP/dep

E



*File 35-20-ECLA*  
*also 35-1-6-2*  
*AS Done for*

35-20-ECLA	
16	—

# CENTRAL MORTGAGE AND HOUSING CORPORATION

Head Office • Ottawa 7, Canada.

April 9, 1968

Mr. A. Douglas Small,  
Under-Secretary of State for External Affairs,  
Department of External Affairs,  
East Block,  
Wellington Street,  
Ottawa, Ontario

TO: <i>Mr. L. L. L. L.</i>
FROM: REGISTRY
APR 10 1968
FILE CHARGED OUT
TO:

*16*

Dear Mr. Small:

Thank you for forwarding to us the invitation of the United Nations Economic Commission for Latin America to participate in a Seminar on the Organization and Conduct of Population and Housing Censuses.

Having considered the matter, the Corporation decided not to nominate participants for the Seminar.

Yours very truly

*O. H. Wayand*

O. Wayand, Economist  
Economics & Statistics Division

OW/jh

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

FROM REGISTRY

APR 17 1968

FILE CHARGED OUT

TO:

TO Under-Secretary of State for External Affairs

SECURITY RESTRICTED  
Sécurité

DATE April 10, 1968

FROM THE CANADIAN EMBASSY, SANTO DOMINGO, D.R.

NUMBER 173  
Numéro

REFERENCE  
Référence

SUBJECT ECLA MINISTERIAL MEETING  
Sujet

FILE	DOSSIER
OTTAWA	
35-20-ECLA	
MISSION	35-1-LA

ENCLOSURES  
Annexes

DISTRIBUTION

Caracas

The Secretary of State for External Relations, Fernando Amiama Tio, announced during a televised speech last week that the next ministerial meeting of ECLA will be held in Santo Domingo during the last two weeks of June. The purpose of the meeting, he said, was to "evaluate the final results of the recent meeting of UNCTAD", and to try to adopt a common regional policy toward the problem of world trade. Barbados, Guyana, Jamaica and Trinidad and Tobago would be invited to send observers, he added.

2. He announced the appointment of Dr. Julio Cesar Estrella to head the administrative organization to prepare for the conference.

Refer copies to:

T & C (Thomas)

Finance (Clayton)

EAC (Pineau)

LA Div

Economic Div (Richardson)

UN Div

April 19/68

ADS

To see: Mr. Small

Mr. Bagné

& file

AS

The Embassy

# MESSAGE

FILE COPY

FM/DE	EXTERNAL OTT	DATE	FILE/DOSSIER	SECURITY SECURITE
		APR 17/68	35-20-ECLA 7	RESTRICTED
TO/A	SANTIAGO	NO		PRECEDENCE
		E-1377		PRIORITY
INFO				

**REF** YOURTEL 79 MAR29

**SUB/SUJ** BOLIA: APRIL SESSION

ON BASIS OF YOUR REPTL, LET FROM SSEA WAS SENT AIRMAIL APR3 DIRECTLY TO  
QUINTANA (WITH COPY TO YOU) INFORMING HIM CON DEL TO 12TH SESSION OF BOLIA  
CTTEE OF WHOLE WOULD BE COMPOSED OF SUMMERS, GRAVEL, VERNON AND MULLINS.  
SINCE POSTAL STRIKE MAY DELAY RECEIPT OF THIS LET YOU MAY WISH TO PASS  
INFO DIRECTLY TO QUINTANA.

DISTRIBUTION  
LOCAL/LOCALE

NO STD

ORIGINATOR/REDACTEUR	DIVISION	TELEPHONE	APPROVED/AUTORISE
SIG..... A. LAZAR/eh	ECONOMIC	6-2391	SIG..... A. LAZAR/eh

# MESSAGE

FILE COPY

FM/DE EXTERIOR OPT

DATE	FILE/DOSSIER	SECURITY SECURITE
APRIL 17/68	35-20-ECLA	RESTD

TO/A SANTIAGO

NO	PRECEDENCE
E-1386	ROUTINE

INFO EXTRAID CLIE (MAYARD) DES (ROSTER)

**REF** OUBTEL E-1117 OF MAR 27

**SUB/SUJ** ECLA: POPULATION AND HOUSING CENSUS SEMINAR, SANTIAGO, MAY 20-31

IN VIEW OF POORAL STRIKE GRATEFUL IF YOU WOULD INFORM PETER MEMBINE,  
ASSISTANT EXECUTIVE SEC OF ECLA, IN REPLY TO HIS LET TO CSBA OF FEB 29,  
1968, THAT WHILE WE WOULD HAVE BEEN PLEASED TO MINIMIZE ONE OR TWO  
PARTICIPANTS FOR SEMINAR OF THIS NATURE, WE MUST REGRETFULLY DECLINE  
ON THIS OCCASION DUE TO PRIOR COMMITMENTS FOR SAME PERIOD.

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LOCAL/LOCALE

NO STD

ORIGINATOR/REDACTEUR	DIVISION	TELEPHONE	APPROVED/AUTORISE
SIG..... A. SZLAZAK/obs	Economic	6-2391	SIG..... A. SZLAZAK/obs

Cwlth./H.W.Richardson/bd

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

TO  
A Economic Division

FROM  
De Commonwealth Division

REFERENCE  
Référence U.N. E.C.L.A. document E/CN.12/AC.61/4

SUBJECT  
Sujet Application of West Indies Associated States  
for admission as a Collective Associate Member  
of the Economic Commission for Latin America

SECURITY  
Sécurité

CONFIDENTIAL

DATE April 18, 1968

NUMBER  
Numéro

FILE	DOSSIER
OTTAWA	35-20-ECLA
MISSION	7

ENCLOSURES  
Annexes

DISTRIBUTION

UN Division  
LA Division

If the Commission Secretariat has received proper applications from the other four states involved (St. Lucia, St. Kitts-Nevis-Anguilla, Antigua and Dominica), this joint application will be considered at the ECLA session in Santiago next week. As the document under reference points out, the West Indian Associated States have the capacity to apply for and to assume associate membership in their own right, separately or as a group. It also seems clear that Britain may apply for such membership on behalf of the dependent territories involved - Montserrat and St. Vincent. There seems to be no good reason why the seven should not be lumped together in one group membership. This joint collective associate membership clearly has the blessing of Britain, the power with ultimate responsibility for international relations of all seven territories.

2. Canada's policy towards the Commonwealth Caribbean requires that we support the West Indian Associated States in a reasonable venture of this sort. In the past, the islands have been in much closer contact with Canada, the U.S.A. and especially the U.K., than with their Latin American neighbours, and their desire for closer economic contacts, as a unit, with other nations of the Western Hemisphere deserves our support. We have no reason to believe that any Latin American nations will oppose this application.

3. We would accordingly recommend that the Canadian delegation to the Santiago meeting be instructed to vote in favour of the admission of the West Indian Associated States, St. Vincent, and Montserrat as a collective associate member of E.C.L.A. Apart from the voting, Canadian support should be plain, but low-key, to avoid any suspicion that we are trying to foist a group of English-speaking territories into this haven of Spanish.

Commonwealth Division.

# MESSAGE

FILE COPY

FM/DE EXTERN OTT		DATE	FILE/DOSSIER	SECURITY SECURITE
		1968 APR 22	35-20-ECLA 7	CONF
TO/A STIAGO			NO	PRECEDENCE
			E-1437	IMMED
INFO TANDC FIN EAO				COMCENTRE STIAGO
				PLS ENSURE DELIVERY
ALL LA POSTS WASHDC KINGSTON PSPAIN GEORGETOWN				BY 9AM APR 23
				BY BAG

REF YOURTEL 79 MAR 29

SUB/SUJ ECLA: 12TH SESSION OF COMMITTEE OF WHOLE, APR 23-25, STIAGO;  
BRIEFING.

YOU WILL BY NOW HAVE RECEIVED EAO'S QUARTERLY REPORT OF APR 1 FORWARDED IN APR 9 BAG WHICH WILL BRING YOU UP TO DATE ON LATEST DEVELOPMENTS IN CDN LOAN PROGRAMME FOR LATIN AMERICA. BRIEFING MATERIAL CONTAINED IN THIS AND FOLLOWING TELS IS INTENDED AS BACKGROUND INFO ONLY AND IS NOT RPT NOT MEANT TO BE USED AS TALKING POINTS OR SPEECH MATERIAL UNLESS OTHERWISE INDICATED.

2. FOLLOWING PARAS CONTAIN COMMENTS ON ITEMS FOUR AND TEN. SEPARATE TEL ON ITEM SIX WILL FOLLOW IMMEDIATELY.

3. ITEM <sup>FOUR</sup> 4: UNDER THIS ITEM CTTEE OF WHOLE WILL CONSIDER APPLICATION OF WEST INDIES ASSOCIATED STATES AS WELL AS ST. VINCENT AND MONTSERRAT FOR ADMISSION AS SINGLE COLLECTIVE ASSOCIATE MEMBER OF ECLA. RELEVANT DOCUMENT (E/CN.12/AC.61/4) STATES THAT APPLICATIONS SHOULD BE SUBMITTED SEPARATELY BY INDIVIDUAL STATES RATHER THAN COLLECTIVELY BY COUNCIL OF MINISTERS OF ASSOCIATED STATES. AS OF MAR 14 WHEN ABOVE MENTIONED DOC

...2

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LOCAL/LOCALE COMWEL DIV MR GAGNE'

ORIGINATOR/REDACTEUR

DIVISION

TELEPHONE

APPROVED/AUTORISE

SIG.....  
Miss A. Szlajak/CB.....

Economic

6-2391

SIG.....  
D.H.W. KIRKWOOD

- 2 -

WAS ISSUED ECLA SECRETARIAT HAD RECEIVED APPLICATIONS ONLY FROM GRENADA AND FROM UK ON BEHALF OF MONTserrat AND ST. VINCENT. SECRETARIAT WAS HOPING TO RECEIVE BEFORE OPENING OF CURRENT ECLA SESSION APPLICATIONS FROM FOUR ASSOCIATED STATES (ANTIGUA, DOMINICA, ST. KITTS - NEVIS - ANGUILLA<sup>OTHER</sup> AND ST. LUCIA) WHICH WE UNDERSTAND HAD BEEN SENT AIRMAIL BY EACH GOVT CONCERNED. IF APPLICATIONS IN PROPER FORM ARE SUBMITTED IN TIME WE WOULD RECOMMEND YOU VOTE IN FAVOUR OF ADMISSION. APART FROM VOTING, CDN SUPPORT FOR ADMISSION SHOULD BE MADE CLEAR BUT EXPRESSED IN LOW KEY TO AVOID SUSPICION THAT WE ARE ATTEMPTING TO PRESS FOR ENTRY OF ENGLISH-SPEAKING TERRITORIES INTO LATIN AMERICAN ORGANIZATION. CDN SUPPORT FOR MEMBERSHIP OF THESE STATES IN ECLA IS IN LINE WITH OUR POLICY TOWARDS COMMONWEALTH CARIBBEAN. IN PAST WEST INDIA<sup>AS</sup> ISLANDS HAVE BEEN IN MUCH CLOSER CONTACT WITH CDA, USA AND ESPECIALLY UK THAN WITH LATIN AMERICAN COUNTRIES AND THEIR DESIRE FOR CLOSER ECONOMIC CONTACTS AS A UNIT WITH OTHER NATIONS OF WESTERN HEMISPHERE SHOULD BE ENCOURAGED. WE HAVE NO RPT NO REASON TO BELIEVE THAT ANY LATIN AMERICAN COUNTRY WILL OPPOSE THIS APPLICATION.

4. ITEM TEN: TECHNICAL ASSISTANCE ACTIVITIES IN LATIN AMERICA - AS YOU KNOW NO RPT NO CDN GRANT FUNDS HAVE YET BEEN MADE AVAILABLE FOR LATIN AMERICA AND AS A RESULT NO RPT NO BILATERAL TECHNICAL ASSISTANCE OTHER THAN THAT INVOLVED IN LOAN-FINANCED CAPITAL PROJECTS UNDER<sup>OUR</sup> PRESENT IDB PROGRAMME HAS BEEN CHANNELLED TO AREA. HOWEVER CONSIDERATION IS CURRENTLY BEING GIVEN TO MODEST CDN PROGRAMME OF TECHNICAL ASSISTANCE FOR LATIN AMERICA SPECIFIC DETAILS OF WHICH HAVE YET TO BE WORKED OUT. IN VIEW OF OUR INTEREST IN THIS QUESTION WE WOULD APPRECIATE RECEIVING BY TEL BRIEF REPORT ON DISCUSSIONS ON THIS ITEM.

FILE COPY

## MESSAGE

FM/DE	EXTERN OTT	DATE	FILE/DOSSIER	SECURITY
		1968	35-20-ECLA	SECURITE
TO/A	STIAGO	APR 23	7	CONFID
		NO	PRECEDENCE	
INFO	TANDC FIN EAO	E-1454	IMMED	COMCENTRE: PLS
		STIAGO	ENSURE IMMEDIATE	
				DELIVERY
ANK LA POSTS WASHDC KINGSTON PSPAIN GEORGETOWN				BY BAG

REF OUR TEL E-1437 APR 22

SUB/SUJ ECLA: APRIL SESSION; ITEM 6: UNCTAD II

WE ASSUME THAT YOU WILL NOT RPT NOT FIND IT NECESSARY TO INTERVENE DURING CONSIDERATION OF IMPLICATIONS OF UNCTAD II FOR ECLA <sup>WORK</sup> ~~WASHDC~~ PROGRAMME ON PREFERENCE-<sup>TO WHICH</sup> RENCES. NEVERTHELESS, YOU WILL WISH TO BE AWARE OF EXTENT <sup>CDN</sup> POSITION DIVERGES FROM THAT OF OTHER DEVELOPED COUNTRIES AS WELL AS FROM THAT OF LATIN AMERICAN COUNTRIES.

2. WITH BRAZIL CHAIRING GROUP OF 77 COUNTRIES AT DELHI CONFERENCE ECLA MEMBERS PLAYED IMPORTANT ROLE AMONG LDC'S LATIN AMERICAN COUNTRIES ATTACHED PARTICULAR IMPORTANCE TO ISSUES OF PREFERENCES AND COMMODITY AGREEMENTS. ON QUESTION OF PREFERENTIAL ACCESS TO DEVELOPED COUNTRIES MARKETS CHILE AND BRAZIL IN PARTICULAR AMONG LATIN AMERICAN COUNTRIES STRONGLY ADVOCATED GENERALIZED SCHEME. HOWEVER, MAINLY FOR PURPOSE OF MAINTAINING GROUP 77 SOLIDARITY LATIN AMERICANS SUPPORTED SOME AFRICAN DEMANDS CONCERNING INCLUSION IN SCHEME OF PROCESSED AND SEMI-PROCESSED AGRICULTURAL PRODUCTS AND OF SPECIAL PROVISIONS TO ASSIST LEAST DEVELOPED LDC'S. IN ACCORDANCE WITH LINE TAKEN AT PUNTA DEL ESTE MTG LAST YEAR MOST LATIN AMERICAN COUNTRIES ARGUED THAT TARIFF PREFE-

DISTRIBUTION  
LOCAL/LOCALELA Div  
Commwv DivUN Div  
Mr. Gagné

MR SMALL

...2

ORIGINATOR/REDACTEUR

DIVISION

TELEPHONE

APPROVED/AUTORISE

SIG..... R. Monk  
..... Miss A. Szlajak/CBFinance  
Economic

6-2391

SIG..... D.S. Mc PHAIL  
..... D.H.W. KIRKWOOD



- 2 -

RENCES NOW EXTENDED BY SOME LDC'S TO PRODUCTS OF SOME DEVELOPED COUNTRIES SHOULD BE ELIMINATED.

3. CONFERENCE ADOPTED RESOLUTION CALLING FOR ESTABLISHMENT OF SPECIAL CTTEE ON PREFERENCES WITHIN UNCTAD MACHINERY TO EXAMINE MEANS BY WHICH OBJECTIVES OF GENERALIZED SYSTEM OF PREFERENCES FOR LDC'S COULD BE ACHIEVED. WITH FIRST <sup>THIS</sup> MTG OF CTTEE SCHEDULED FOR NOV THIS YEAR IT IS HOPED DETAILS OF ARRANGEMENTS CAN BE WORKED OUT IN COURSE OF 1969 WITH VIEW TO SEEKING LEGISLATIVE AUTHORITY AND REQUIRED WAIVER IN GATT AS SOON AS POSSIBLE THEREAFTER. PREFERENCE RESOLUTION LEAVES UNRESOLVED NUMBER OF IMPORTANT ISSUES ON <sup>DISCUSSION</sup> WHICH WILL BE RESUMED ~~AT THE MEETING~~ IN NOV 1968. FOLLOWING ARE ~~SEVERAL SUCH~~ ISSUES WHICH SEEM OF PARTICULAR CONCERN TO LATIN AMERICANS, TOGETHER WITH POSITION TAKEN ON THEM AT UNCTAD II BY CDA:

(A) PRODUCT COVERAGE: LDC POSITION WAS THAT ALL MANUFACTURED PRODUCTS, INCLUDING SEMI-PROCESSED AND PROCESSED AGRICULTURAL PRODUCTS SHOULD BE COVERED BY SCHEME WITH ONLY MINIMUM OF EXCEPTIONS. CDA'S VIEW WAS THAT ONLY MANUFACTURED (INDUSTRIAL) PRODUCTS SHOULD BE INCLUDED, SUBJECT TO EXCEPTIONS. WE ARGUED THAT ONE OF THESE EXCEPTIONS SHOULD BE PRIMARY INDUSTRIAL RAW MATERIALS, UP TO AND INCLUDING THOSE IN INGOT OR EQUIVALENT FORMS, ON GROUNDS THAT FREE TRADE IN THESE MATERIALS WOULD BENEFIT ALL COUNTRIES. WE ADDED WE WOULD CONTINUE TO WORK FOR FREE TRADE IN PRODUCTS OF PARTICULAR INDUSTRIAL SECTORS MANUFACTURED BEYOND INGOT STAGE. AS TO SEMI-PROCESSED AND PROCESSED AGRICULTURAL PRODUCTS, WE CONSIDER<sup>ED</sup> THESE POSED SPECIAL PROBLEMS AND THAT IT WOULDNOT BE REALISTIC TO INCLUDE THEM, EXCEPT POSSIBLY ON CASE BY CASE BASIS. <sup>RPT NOT</sup> DURING COURSE OF CONFERENCE LDC'S PRESSED EXTREMELY HARD FOR INCLUSION OF THESE PRODUCTS AND AT ONE STAGE IT APPEARED THAT REFUSAL OF DEVELOPED COUNTRIES TO CONCEDE THIS POINT WOULD LEAD TO COMPLETE BREAKDOWN OF DISCUSSIONS. ( FURTHER INSTRUCTIONS WERE PREPARED WHICH WOULD HAVE PERMITTED OUR DELEGATION TO TAKE MORE FORTHCOMING POSITION. IN THE EVENT, HOWEVER, IT WAS NOT RPT NOT NECESSARY TO ADOPT SUCH A POSITION. THESE INSTRUCTIONS ARE BEING

- 3 -

COPIED TO YOU FOR BACKGROUND INFORMATION ONLY. {OUR TEL\$ TO UNCTAD DEL,  
~~DEL~~ ~~OF~~ ~~13~~ ~~1980~~ E1080 OF MAR 21}. IT WILL BE NOTED FROM THOSE INS-  
TRUCTIONS THAT PROTECTION OF CDA'S EXPORT INTERESTS WILL BE PRIMARY CONCERN  
IN CONSIDERING DETAILED POSITIONS CDA WILL TAKE IN FURTHER DISCUSSIONS ON  
PRODUCT COVERAGE, {BOTH INDUSTRIAL AND AGRICULTURAL}.)

(B) SUPERVISION OF SAFEGUARDS: OUR POSITION WAS THAT RESORT TO SAFEGUARDS BY  
DEVELOPED COUNTRY {I.E. BY WITHDRAWAL OF PREFERENTIAL ACCESS} MUST BE SUBJECT  
TO INTERNATIONAL CONSULTATIONS PRIOR TO PROPOSED WITHDRAWAL OR, IF THIS  
WERE NOT RPT NOT POSSIBLE, <sup>TO</sup>CONSULTATIONS IMMEDIATELY AFTERWARDS. WE STATED  
THAT CDA'S PARTICIPATION IN GENERAL PREFERENTIAL SCHEME WOULD DEPEND UPON

E-1080. WHETHER THERE WAS EFFECTIVE INTERNATIONAL SCRUTINY ALONG THESE LINES (AND FROM OUR TEL  
YOU WILL NOTE THAT WE LOOK TO LDCS TO HELP BRING OTHER DEVELOPED COUNTRIES AROUND).

(C) EXISTING PREFERENCES: IN CONSIDERING PARTICIPATION IN GENERAL SCHEME, WE  
SAID CDA ENVISAGED ~~THE~~ PREFERENTIAL ACCESS TO CDN MARKET FOR ALL LDC'S WOULD  
BE NON-DISCRIMINATORY. THIS WOULD MEAN ~~THE~~ OUR COMMONWEALTH SUPPLIERS WOULD  
SHARE THEIR EXISTING PREFERENTIAL ACCESS WITH OTHERS. WHETHER WE DECIDED TO  
ADOPT THIS COURSE OR TO IMPLEMENT A DIFFERENT ARRANGEMENT WOULD DEPEND TO ~~THE~~  
IMPORTANT DEGREE ON ~~THE~~ EXTENT TO WHICH ~~THE~~ PROPOSED SCHEME COMPENSATED OUR  
PREFERENTIAL SUPPLIERS BY AFFORDING THEM BETTER ACCESS TO OTHER DEVELOPED  
COUNTRY MARKETS. AS TO PREFERENCES CDA RECEIVES FROM CERTAIN DEVELOPING  
COUNTRIES, WE STATED SOME OF THESE WERE GRANTED VOLUNTARILY AND IT WOULD BE  
FOR COUNTRIES WHO GRANT THEM TO DECIDE WHETHER TH HEY WISH THEM RETAINED.  
HOWEVER, OTHERS WERE CONTRACTUAL, (I.E. PREFERENCES GRANTED BY COMMONWEALTH  
CARIBBEAN). WE SAID THAT ANY CHANGES IN THESE ARRANGEMENTS SHOULD BE MATTER,  
IN FIRST INSTANCE, FOR BILATERAL DISCUSSIONS.

4. WITH REGARD TO COMMODITY ARRANGEMENTS OF MAJOR INTEREST TO LATIN AMERICANS  
SOME PROGRESS HAS BEEN RECORDED BY AGREEMENT ON NEW INTERNATIONAL COFFEE  
AGREEMENT AND CURRENT SUGAR AND PLANNED COCOA CONFERENCES. CDA STRONGLY  
SUPPORTED NEED FOR APPROPRIATE ACTION IN THESE COMMODITIES AS WELL AS TRADE

....4

000924

- 4 -

LIBERALIZATION IN OTHER PRIMARY PRODUCTS. IT WAS ALSO AGREED AT CONFERENCE  
THAT SOME INTERNATIONAL ACTION WAS REQUIRED ON NATURAL RUBBER.

AN ECLA REVIEW OF UNCTAD RESULTS WILL BE SUBMITTED TO NEXT  
MTG OF TRADE CTTEE. CHAIRMANS (PERSONAL) CONTENTION  
THAT CONSIDERABLE BASIC THINKING ON PRINCIPLES AND  
PRACTICE OF JOINT LATAM AND JOINT LDC ACTION IN TRADE  
MATTERS REMAINED TO BE DONE BEFORE MEMBERS WOULD BE  
READY TO EXCHANGE VIEWS IN A FORMAL MTG RECEIVED TACIT APPROVAL.

6. OFFICER OF SECRETARIAT FOR TECHNICAL ASSISTANCE REPORTED ON  
ECLAS ACTIVITIES AND PROGRAMS IN THIS FIELD. HE MENTIONED  
THAT UNGA WILL CONSIDER AN OVERALL INCREASE IN FUNDS ASSIGNED  
TO TECHNICAL ASSISTANCE. WITHIN THIS GLOBAL INCREASE,  
ECLA HOPES TO GET PROPORTIONATE SHARE, PERMITTING THEM TO  
UNDERTAKE 8 OR 9 ADDITIONAL PROJECTS ENGAGING  
EXPERTS. HE APPEALED TO ECLA MEMBERS TO GIVE SUPPORT  
TO AN INCREASED APPROPRIATION AT UN. IN CONSIDERING  
THIS APPEAL YOU MAY WISH TO TAKE INTO ACCOUNT VARIOUS PROJECTS  
OF VALUE IN LATAM AREA AND ALSO THAT AMONG NEW PROJECTS  
PRESSING FOR ATTN IN ECLA ARE EXPANSION OF SERVICES TO  
ECLAS PSPAIN OFFICE TO WHICH CARIBBEAN MEMBERS ATTAIN IMPORTANCE.

7. DISCUSSION OF OTHER ITEMS IN AGENDA, ALONG WITH  
RELEVANT PAPERS WILL BE PROVIDED IN A FULL REPORT.

T + Q (Thomas)  
Finance (Chapin)  
EAO  
Industry May 31/68

Georgetown  
Port of Spain  
Geneva

ACTION COPY

FM STAGO MAY 2/68 CONFID

TO EXTER 122 IMMED

ECLA 12TH SESSION

35-20-ECLA	
16	9

Tolson: Mr. Malone

Mr. Malone  
return to me  
AS

*M. J. [unclear]*

DISCUSSION OF AGENDA ITEMS AT ECLA 12TH SESSION WAS  
LTD TO PROGRESS REPORT FROM SECRETARIAT AND EXCHANGE OF VIEWS.

THERE WAS NO/NO CONTROVERSIAL DISCUSSION AND NO/NO  
NEW DECISIONS TAKEN NOR ALTERATIONS IN EXISTING PROGRAMME.

2. CELEBRATION OF 20TH ANNIVERSARY PROVIDED OPPORTUNITY FOR  
REVIEW OF ACTIVITIES AND BROUGHT FORWARD SUGGESTIONS FROM  
VALDES (MINISTER FOR FOREIGN AFFAIRS, CHILE) AND  
MAYOBE FORMER EXECUTIVE SECRETARY FOR A BASIC REAPPRAISAL OF  
ECLAS ESTABLISHED CONCEPTS AND ROLE.

3. MTG BROUGHT OUT THAT CONSIDERABLE ATTN IS PAID BY SECRETARIAT  
TO ECLA ACTIVITIES IN CARIBBEAN AREA AND THAT MEMBERS  
FROM THIS AREA PLACE HIGH VALUE ON EXISTING ECLA ASSISTANCE AND  
ARE ANXIOUS TO EXPAND THIS COOPERATION. THERE IS  
NO/NO INDICATION FROM OTHER MEMBERS THAT THIS EXTENSION IS  
NOT/NOT WELL RECEIVED ON THE CONTRARY CARIBBEAN  
PARTICIPATION IN ECLA APPEARS TO BE ESTABLISHED AND NORMAL.

4. UK RESLN TO ADMIT WEST INDIES ASSOCIATED STATES WAS  
UNANIMOUSLY ACCEPTED BY CTTEE OF THE WHOLE. DEL OF ARGENTINA  
BARBADOS CDA CHILE FRANCE JAMAICA NETHERLANDS PANAMA  
PARAGUAY AND TRINIDAD AND TOBAGO RESPONDED TO CHAIRMANS  
APPEAL FOR COSPONSORSHIP OF RESLN. DELS OF UK JAMAICA AND  
BARBADOS SPOKE IN SUPPORT OF RESLN.

5. UNCTAD DISCUSSIONS REFLECTED DISAPPOINTMENT WITH RESULTS BUT  
NO/NO DECISIONS WERE TAKEN OR RESLNS PASSED ON THIS SUBJ.

Caracas  
Lima  
Montevideo  
Port-au-Prince  
Bogota  
Mexico  
Buenos Aires  
Santo Domingo  
San Jose  
Guatemala  
Rio de J.  
Lima  
Buenos Aires  
Sao Paulo  
Havana  
+ photocopy

FILE CHANGED 001

TO Under-Secretary of State for External Affairs,  
A OTT

SECURITY CONFIDENTIAL  
Sécurité

FROM The Embassy, Santiago, Chile  
De

DATE May 30, 1968

REFERENCE Our telegram 122 of May 2, 1968  
Référence

NUMBER 165  
Numéro

SUBJECT ECLA Committee of the Whole 12th Session, Santiago, Chile,  
Sujet April 23 - 25/68

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MISSION 35-LATAM-20-ECLA-46	

ENCLOSURES  
Annexes

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The 12th meeting of ECLA's Committee of the Whole was held in the Commission's Santiago Headquarters 23 - 25 April, 1968. The biennial meetings of the Committee of the Whole held between formal sessions of the full Commission are normally routine reviews of progress in which no major policy changes are undertaken or considered. The 12th Session did not vary from this pattern except that this meeting was chosen to commemorate the 20th anniversary of the establishment of the Commission.

2. In addition to the celebration of the 20th anniversary the main items on the agenda were:

- (1) Application for Admission to the West Indian Associated States by members of the Commission
- (2) Economic and Social Situation of Latin America
- (3) The Commission's Activities in Relation to Second Session of UN Conference on Trade and Development
- (4) Latin American Regional Integration
- (5) Report of the Secretariat on the Activities of the Commission
- (6) Latin American Institute for Economic and Social Planning
- (7) Technical Assistance Activities in Latin America
- (8) Consideration and Adoption of the Annual Report of the Commission to the Economic and Social Council

3. Commemoration of the 20th Anniversary of the Commission

The Commission invited special guests for this occasion who were the three executive Secretaries who have served since the Commission was formed, namely, Mr. Martinez Cabañas, Mr. Raul Prebisch and Mr. Jose Antonio Mayobre, and in addition, Mr. Hernan Santa Cruz, formerly Chilean

To see: Mr. McNeil (pp 3-4)

~~Mr. Small~~  
~~Mr. Mayobre~~  
 Mr. Fraser

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Ambassador to the UN and later Regional Director for South America of the Food and Agricultural Organization, in recognition of the part that he played in the founding of ECLA. All of the specially invited guests attended with the exception of Mr. Prebisch who was prevented by a commitment to another meeting in Geneva. The Chilean Minister of Foreign Affairs, Mr. Gabriel Valdés, the present Executive Secretary Mr. Carlos Quintana, the invited guests mentioned above and practically all the members of the Commission present spoke to compliment ECLA on its twenty years of activities. In addition to purely formal compliments, references were made by a number of speakers to the part which ECLA had played in the development in Latin America of new attitudes and ideas in relation to Latin American integration, terms of trade, industrial development and economic planning, amounting in certain instances to a revolution in economic thinking. These were coupled with encouragement to ECLA to continue with dynamic policies and by certain speakers, to continue in breaking new paths in economic thinking. To mark the occasion a Declaration was presented to the Commission sponsored by a number of countries which referred to the important contribution of the Commission to the process of economic and social development in Latin America, its support in the scientific analysis of economic reality, the promotion of mechanisms of integration and planning, and in concerted action for economic and international cooperation, and in addition to the work of training of technical personnel in economic development and planning and the evaluation and distribution of economic, technical and statistical studies carried out in cooperation with the Latin American Institute of Economic and Social Planning. The Declaration affirmed the intention of member governments to collaborate through the Commission in tasks directed to accelerate economic and social development of the region, raising the material and spiritual standards of the Latin American peoples, and strengthening the economic relations of those countries as between themselves and with other countries of the world, and through these means contributing to strengthen the process of economic regional integration. The Declaration also expressed recognition of the technical support of the Secretariat of ECLA in benefit of the development of Latin American countries. Minor amendments were made to the first draft declaration submitted, designed to make clear that these references to ECLA and its work should not be construed to indicate that the countries of the region would renounce their own role in promoting the economic and social development of their peoples or that the channels of international cooperation represented by other bodies should not be used. The amended declaration was passed unanimously.

4. The Secretariat presented in relation to this agenda item the Document "ECLA and the Analysis of Latin American Development," Document E/CN.12/AC.61/10 (copies of which have been forwarded to the Department). This document was prepared to mark the 20th anniversary of the establishment of the Economic Commission for Latin America. It is composed of a number of studies and parts of others dealing with the main question with which the Commission has been concerned throughout the twenty years of its existence. Although compiled for the foregoing purposes in particular relation to the 20th anniversary it forms part of a long standing project of ECLA, which is to have on record a compendium of ECLA studies and an outline of its thinking.

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5. Application of the West Indies Associated States for Admission as an Associated Member of the Commission.

This application was presented by the U.K. In response to an appeal by the Chairman, the delegates of Argentina, Barbados, Canada, Chile, France, Jamaica, the Netherlands, Panama, Paraguay, Trinidad and Tobago, accepted this request and were included as co-sponsors. Canada joined this broad group of sponsors as it seemed to us appropriate to express in this way Canada's support for the admission of a fellow member of the Commonwealth. We did not however speak to the Resolution. After introduction by the delegate of the U.K. and supporting comments by Jamaica and Barbados the draft resolution was unanimously adopted. The Chairman welcomed the new member. The addition of one more member from the Caribbean area appears to us to have been accepted as a routine and natural matter by all members of the Commission and there is no evidence at all of reluctance or reservations from any quarters to the expansion of the work of the Commission beyond the Latin American area into the Caribbean. The interest of the Secretariat in providing continued assistance in this area and the value to which the countries of the area attach to ECLA's assistance was made clearly evident during the course of the session.

6. Economic and Social Situation in Latin America

Doc. E/CN.12/806; E/CN.12/AC.61/2, entitled The Latin American Economy in 1967, Exerpt from ECLA survey, has previously been despatched to the Department. As this is merely a preliminary version and an excerpt from a more detailed survey to be later submitted it was not analysed in detail at the meeting. Representatives of a number of countries referred to the fact that they would not wish to comment at this stage, and said that in relation to certain specific references to their own countries, they had reservations and would submit comments to be taken into account in the final survey.

7. The survey deals with economic growth of the Latin American area in 1967 which is referred to as unsatisfactory resulting in a per capita growth rate of the product of a little over 1.5%. It is noted that for two consecutive years the economic expansion achieved has been so slight as to cancel out the relatively significant progress made in the years 1964-65.

8. The final economic survey of Latin America for 1967 under preparation by the Commission is expected to be completed in May, 1968 and will be forwarded to governments for their comments.

9. The Commission's Activities in Relation to the Second Session of the UN Conference on Trade and Development

The Secretariat note, Doc.E/CN.12/AC.6/13, (which has been despatched to the Department) reported very briefly on studies undertaken within this context and referred to the attendance of ECLA officials at the Ministerial Meeting of the Group of 77 held in Algiers and of the Executive Secretariat to the 2nd Session of UNCTAD.



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10. Members of the Secretariat staff continue to collaborate with the Latin American countries and with the UNCTAD Secretariat. The Secretariat propose to convene a session on the Trade Committee of ECLA in order to analyze and evaluate the results obtained at the Second Session of UNCTAD and to decide in the light of that evaluation on the program of foreign trade activities that <sup>deserve</sup> ~~obtain~~ priority. However, the Chairman of the session pointed out that an evaluation of the Second UNCTAD session could not be made immediately.

11. Mr. Valenzuela, who had attended the UNCTAD meeting of the Chilean delegation spoke in a balanced way of the difficulties both from the point of view of the industrial countries and of others in reaching common ground and considered that a more realistic approach should be taken to overall economic development strategy and future tactics for discussion and negotiation.

12. As no immediate decision was required to be taken on convening the Trade Committee and with general agreement that it was too early and not appropriate at this particular session to analyze the results of UNCTAD Conference the discussion was short and not very detailed. A summary of the comments contained in the few speeches made will be found in Document E/CN.12/AC.61/SR.3, copies of which are enclosed.

13. Latin American Regional Integration

Under this heading there was presented to the Commission for consideration a Report of the Meeting on Problems of Regional Integration to the Economically Relatively Less Developed Areas. (E/CN.12/798 - E/CN.12/AC.61/3) held in Guatemala City October 23 - 28, 1967 together with a Report of the Secretariat on the Central American Integration Program May 1967, April 1968 (Doc. E/CN.12/AC.61/12). Copies of these documents have already been transmitted to the Department.

14. The first document reports a meeting of representatives of Bolivia, Ecuador, Paraguay, and Uruguay, the six Central American countries - Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama, and the Dominican Republic - Jamaica, Trinidad and Tobago and British Honduras, which was called pursuant to a prior ECLA resolution for the purpose of evaluation of a secretarial study dealing with special problems of the relatively less developed countries in connection with their own development efforts and the integration process. This group of countries look to receive special treatment within plans for regional economic integration having regard to the state of their economies which places them at a possible disadvantage in such schemes. A further meeting is to be called in 1969. For a summary of the report see Page 62 of the Draft Annual Report of the Commission of the Economic and Social Council, Doc. E/CN.12/AC.61/14. Among the matters discussed at the Guatemala meeting was the possibility of establishing closer economic co-operation among the countries of the Caribbean to which it was decided to give further study.

15. A Secretariat representative in presenting the report on Central American economic integration commented that the program had not made quite so much headway as in the previous five year period, attributing this to a decline

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in exports. There had been an expansion of intra-area trade. Reference was made to the radically different position among the five Central American countries twenty years ago and at the present time and credit given to the assistance of ECLA's Mexico Office.

16. The Argentine delegate referred to the problems of the economically relatively less developed countries and the need for special treatment in tackling them. He stated that although the sub-regional integration movements launched by some of these countries were significant in themselves their incorporation in the overall Latin American integration system was of still greater importance. He considered that meetings of heads of planning offices and the relatively less developed countries should also be attended by heads of planning offices of other Latin American countries with the aim of recognizing the interests of the two groups in regard to regional integration.

17. The U.S. delegate expressed the importance attached by his government to the progressive economic integration of Latin America and took the opportunity to place on record the speech made by President Johnson during the ceremony held in Washington on April 23 to ratify the amendments to the Charter of the Organization of American States which proposed a high level task force to prepare a five year plan to speed up physical integration of the hemisphere.

18. Other speakers under this item heading were representatives of Barbados, Jamaica, and Trinidad and Tobago who outlined the importance of the Caribbean region to Latin America and their own regional co-operation and integration plans. Reference was made to the establishment of the Caribbean free trade area to become effective May 1, 1968, the Caribbean Regional Development Bank (with subscriptions from Canada, U.K., and U.S.). Other co-operative efforts by the Caribbean governments were referred to as well as the decision to co-ordinate such efforts through the establishment of a Caribbean regional Secretariat in Guyana. All three countries praised ECLA's accomplishments to date and the benefits they had received from ECLA and in particular its regional office at Port of Spain and pleaded for a rapid expansion of its services.

19. The Mexican delegate referred to Mexico's great and sympathetic interest in the Central American economic integration program, its satisfaction at the formation by Central America of a joint trade policy and of the increasing co-ordination of the economic policies of those countries.

20. The intervention of the English speaking Caribbean countries and of speakers of the Secretariat in relation to them formed the major portion of the discussion under this item. It is evident that ECLA Secretariat is committed to expanding its services in this area, and that good use is made of them and that they are highly appreciated. These countries now appear as fully accepted regional members of ECLA and there is no indication of their being treated by the rest of ECLA as a special English speaking bloc of lesser interest to the directly Latin American region.

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21. Report of the Secretariat on the Activities of the Commission

A short factual report calling for no action was submitted. Doc. E/CN.12/AC.61/5, copies of which are enclosed.

22. Latin American Institute for Economic and Social Planning

Mr. Iglesias (Chairman of the Governing Council of the Latin American Institute for Economic and Social Planning) presented a full annual report to the Commission. He outlined the Institute's role vis-a-vis ECLA, the United Nations Development Program and the United Nations as a whole. It was recalled that IDB had pledged to finance the Institute's activities until July 1971, and also that the Plan of Operation for that period was approved.

23. The delegates of Argentina, Paraguay, Mexico, Brazil and Uruguay expressed overwhelming approval for the work and accomplishments of the Institute and expressed their delegation's support for the next 4 years.

24. Further details of the discussion may be found in Document E/CN.12/AC.61/SR.4 - "Summary Record of the Fourth Meeting" - attached.

25. Technical Assistance Activities in Latin America

Mr. Arditi of the Secretariat explained in considerable depth the magnitude and scope of ECLA technical assistance, and outlined the program for the following years - including a substantial expansion of services in the Caribbean area.

26. The delegate for the United Kingdom outlined his country's rapid growth in technical service to Latin America and expressed his country's commitment to it, even though other British domestic and foreign commitments had been cut back.

27. The Brazilian delegate expressed the wish that technical assistance resources should be used for internal (national) rather than for Latin American integration per se.

28. Consideration and Adoption of the Draft Annual Report of the Commission to the Economic and Social Council

We attach two copies of the Draft Annual Report of the Commission for the Economic and Social Council, E/CN.12/AC.61/14. This report was adopted by the Commission subject to certain minor amendments which are to be incorporated as a result of observations made by members. We shall forward copies of the final report as soon as available.

29. Participants

All members and associate members of ECLA were represented at the session with the exception of Nicaragua, Guyana, British Honduras (Belize),

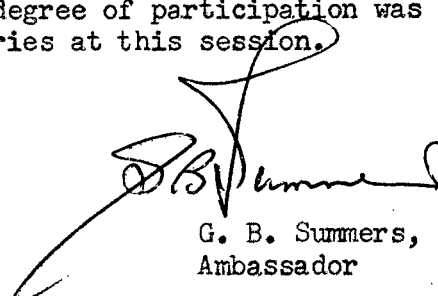
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and notably Cuba. Belgium and the Federal Republic of Germany were represented by observers as was Japan. The Socialist countries were more extensively represented with observers from Bulgaria, Czechoslovakia, Hungary, Poland and the USSR. Observer representatives also attended from specialized agencies, other UN bodies and inter-governmental and non-governmental organizations.

30. Canadian Participation

The Canadian delegation was composed of the officer staff of the Canadian Embassy, Santiago as follows: (1) G.B. Summers, Ambassador, Head of Delegation, (2) Mr. Ray Gravel, Commercial Counsellor, (3) Mr. G.C. Vernon, Second Secretary, and Mr. G.E. Mullins, Third Secretary (Commercial).

31. As appears from the report above discussion at this session was limited and no decisions taken which were not unanimously adopted. The Canadian delegation joined in these decisions and made one short speech. This complimented ECLA on its 20th anniversary, referred to Canada's interests in the work of the organization and in the area with a short reference to UNCTAD and Canadian assistance programs in and trade with the area. (Copies attached). This degree of participation was fully in line with that of other member countries at this session.



G. B. Summers,  
Ambassador

ENCLOSURES:

- (1) DRAFT ANNUAL REPORT OF THE COMMISSION TO THE ECONOMIC AND  
SOCIAL COUNCIL - Document E/CN.12/AC.61/14
- (2) SUMMARY RECORDS OF MEETINGS - Documents E/CN.12/AC.61/SR.1  
" " /SR.2  
" " /SR.3  
" /SR.4  
" /SR.5 (2 copies)
- (3) SPEECH BY HEAD OF CANADIAN DELEGATION, MR. G.B. SUMMERS (2 copies)

SPEECH BY HEAD OF CANADIAN DELEGATION, MR. G. B. SUMMERS

April 25, 1968

Mr. President:

As the representative of a country which has the honor of Membership in this Commission, but which forms part of that small minority of members whose geographical location is outside the area of activities of the Commission -- that is to say of the Latin American Region in the economic development of which the Commission is directly concerned, the Canadian Delegation participates in these deliberations, and speaks on this occasion, with an emphasis and from a viewpoint, which necessarily differs somewhat from the great majority of our fellow members here present.

May I say at the outset however, that Canada's geographical location, as part of the Americas, and much more its close and friendly relations and its historical, cultural and commercial ties, with the region as a whole, and with individual countries within it, make us deeply conscious of the degree to which our own interests and aspirations are linked with those of the region, and that the achievement of the aims of this Commission, and economic and social advances throughout the hemisphere are of paramount interest to Canada, not as an outside observer, but as a fellow member of a community of nations on this continent, striving together for economic betterment and social progress.

In the name of the Government of Canada I have the honor to convey to the Commission, comprising therein all of the Member Countries and the Secretariat, congratulations on this occasion of the twentieth anniversary of the Commission's establishment. Congratulations which represent a homage to its very important achievements throughout these two decades and personally to its founders and to the successive Executive Secretaries and personnel of the Secretariat, whose foresight and intelligence and dedication have implemented and motivated decisions of Governments.

Canada's participation in this Commission, has during the course of the present session as heretofore, given us the opportunity to study with you various aspects of the development of the Latin American economy, to note the advances made towards regional economic integration with the evident advantages which success of these efforts will bring, and, of no small importance -- to be directly confronted with joint and individual statements from nations and groups of nations here represented, reflecting their anxieties and outlining difficulties encountered in matters of economic cooperation, commercial relations and otherwise, as between this area and other nations. To cite a particular example the Canadian Delegation has not felt it appropriate in this forum to propound in any detail the position Canada has taken in discussions in the United Nations Commission for Trade and Development. However, the special interests of the Latin American countries in UNCTAD as expressed here are referred to and studied with sympathy and good will in the Canadian Government, and because we do agree with the broad aims, the joint effort to overcome obstacles and achieve a common ground is thereby notably assisted.

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Canada's direct collaboration in the fields of capital and technical assistance with countries here represented, is effected through a fund administered by the Interamerican Development Bank and certain bilateral agreements. This program which is not a static one envisages further expansion in the coming years. There is we believe room for further expansion in the field of trade but we are happy to note that our imports from the region showed a further substantial increase in 1967 reaching an estimated 487 million dollars.

At the outset of a new period of activity, may I express the good wishes of the Canadian Government for the success of the Economic Commission for Latin America in its various fields of endeavour, with our full assurance of the continued collaboration of the Canadian Delegation and of the Canadian Government, and our deep appreciation of the benefits derived from our Membership.

SPEECH BY HEAD OF CANADIAN DELEGATION, MR. G. B. SUMMERS

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-- Attached is a draft article prepared in this division  
for inclusion in the next issue of the External Affairs Bulletin.  
We should be grateful for any comments (Anita Salazak, tel:6-2391)  
by the end of this week.

A. DOUGLAS SMALL

Economic Division

DRAFT

Economic/Anita Szlezak/CB

ECLA CELEBRATES TWENTIETH ANNIVERSARY

The twentieth anniversary of the founding of the United Nations' Economic Commission for Latin America (ECLA), which fell on February 28th, 1968, was specially marked on the occasion of the Commission's 12th Session of the Committee of the Whole held in Santiago, Chile, from April 23-25. The Canadian delegation at the session was headed by Mr. G.B. Summers, the Ambassador to Chile, who has led several Canadian delegations to other ECLA meetings during the past few years.

Canada became a full member of ECLA in September 1961. Membership in the Commission is open to members of the United Nations in North, Central and South America and in the Caribbean area; all countries in the Western hemisphere, including Jamaica, Barbados, Trinidad and Tobago and the West Indies Associated States are now members. In addition, France, the United Kingdom and the Netherlands, which have dependent territories in the area, are members of the Commission. British Honduras is an associate member of the Commission, and other members of the United Nations may participate in a consultative capacity in discussions of matters of particular concern to them. The Commission's headquarters are located in Santiago, Chile, and there are branch offices in Washington, Mexico City, Rio de Janeiro, Montevideo, Bogota and Port of Spain.

ECLA was established in February 1948 as one of the regional commissions of the Economic and Social Council of the United Nations for the purpose of assisting Latin American countries in the promotion of their economic development and the improvement of their living standards. In so doing, ECLA also endeavours to strengthen economic relations both among countries in the region and with other nations of the world. Its activities in this connection have been

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reinforced since 1962 by the creation, under its aegis, of the Latin American Institute for Economic and Social Planning which carries out research in planning techniques and provides training facilities and advisory services to the area.

In carrying out its work, ECLA cooperates closely with the United Nations Secretariat in New York, and with the Specialized Agencies. Moreover, its activities are co-ordinated with those of other international organizations operating in the region. A tripartite agreement to that effect was concluded in 1961 by the Executive Secretary of ECLA, the Secretary-General of the Organization of American States, and the President of the Inter American Development Bank (IDB) whereby a number of joint programmes and activities were to be undertaken to ensure the best use of available resources. Agreements have also been reached with the IDB concerning joint activities in relation to integration, with particular reference to agriculture and industry. In addition, ECLA works closely with the Latin American Free Trade Association and with the organs of the General Treaty on Central American Economic Integration, both of which were established primarily as a result of the Commission's efforts. Finally, ECLA has consultative arrangements with numerous international non-governmental organizations duly accredited to its parent body, the Economic and Social Council of the United Nations.

The basic pattern of work and activities for ECLA and its secretariat was established by member governments during the initial meetings of the Commission. This programme has evolved and has been greatly extended but the central concepts motivating the work have remained essentially the same: first, that dynamic development policies and programmes are required in order to accelerate Latin America's growth from within; and second, that to be really

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effective these policies, plans and programmes must be based on systematic and factual analyses of national economies and prospects of growth. Thus, early fact-finding studies on individual countries and on the region as a whole and comprehensive studies on different sectors of the economy have led to a programme geared increasingly to rendering practical assistance to governments.

In addition to undertaking studies in such fundamental areas, ~~as~~ international trade policy, industrial development, basic resources and the transport system, usually in the context of Latin America integration, ECLA has been paying increasing attention to research on social problems and policies, the experience of planning alternative development strategies, income distribution in different countries and the improvement of administrative institutions and machinery. It is expected that the Commission's concerns and sphere of work in the immediate future will have a broad approach and will constantly stress the major structural changes and obstacles in the development process. ~~All these activities are directed towards~~ This broad approach to development problems in Latin America and the structural changes needed to ensure more dynamic development and a more equitable distribution of its benefits will continue to be stressed in ECLA's future work.

Economic/Anita Szlazak/CB

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— Attached for inclusion in the July issue of the External Affairs Bulletin is an article on the United Nations Economic Commission for Latin America, which recently celebrated its twentieth anniversary. The article has been cleared with both Latin American and Commonwealth Divisions.

2. We are also attaching three photos of the ECLA headquarters building in Santiago, Chile. If you choose to include one or more of these photos in publishing the article it would be appropriate to make some sort of reference in the caption to include all or part of the following information: "Construction of the building was financed from the United Nations' budget. Some member countries contributed towards specific facilities or decorative additions. Canada's contribution, made on December 10, 1963 amounted to US\$10,000 in cash."

H.W. KIRKWOOD  
Economic Division

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In carrying out its work, ECLA cooperates closely with the United Nations Secretariat in New York and with the Specialized Agencies. Moreover, its activities are co-ordinated with those of other international organizations operating in the region. A tripartite agreement to that effect was concluded in 1961 by the Executive Secretary of ECLA, the Secretary-General of the Organization of American States, and the President of the Inter American Development Bank (IDB) whereby a number of joint programmes and activities were to be undertaken to ensure the best use of available resources. Agreements have also been reached with the IDB concerning joint activities in relation to integration, with particular reference to agriculture and industry. In addition, ECLA works closely with the Latin American Free Trade Association and with the organs of the General Treaty on Central American Economic Integration, both of which were established primarily as a result of the Commission's efforts. Finally, ECLA has consultative arrangements with numerous international non-governmental organizations duly accredited to its parent body, the Economic and Social Council of the United Nations.

The basic pattern of work and activities for ECLA and its Secretariat was established by member governments during the initial meetings of the Commission. In earlier years, ECLA's efforts were devoted largely to producing fact-finding studies on individual countries and the region as a whole and to comprehensive studies on different sectors of the economy. As the programme evolved and expanded it became geared increasingly to rendering practical assistance to

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governments. Nevertheless, the central concepts motivating the Commission's work have remained essentially the same: first, that dynamic development policies and programmes are required in order to accelerate Latin America's growth from within; and second, that to be really effective these policies and programmes must be based on systematic and factual analyses of national economies and prospects of growth.

In addition to undertaking studies in such areas as international trade policy, industrial development, basic resources and the transport system, usually in the context of Latin America integration, ECLA has been paying increasing attention to research on social problems and policies, the experience of planning alternative development strategies, income distribution in different countries and the improvement of administrative institutions and machinery. ECLA's future work will continue to stress this broad approach to development problems in Latin America and the structural changes needed to ensure more dynamic development and a more equitable distribution of its benefits.

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July 5/68

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United Nations Latin American Institute  
for Economic and Social Planning (ILPES).

ILPES was established in 1962 in Santiago, Chile, by the United Nations Economic Commission for Latin America (ECLA) as an autonomous body which would provide training facilities and advisory services on request to the member countries and areas within the geographic scope of ECLA and would carry out research in planning techniques. The Institute was founded with financial assistance from the United Nations Special Fund, the Inter-American Development Bank (IDB) and the Chilean Government; it later enlisted the co-operation of the Organization of American States (OAS), the United Nations Food and Agricultural Organization, the United Nations Economic and Social Council, the International Labour Organization, the United Nations Bureau of Technical Operations, the Pan American Sanitary Bureau and other international organizations.

The Governing Council of the Institute consists of eleven members named for a term of two years at regular ECLA sessions. Eight members are chosen from eight Latin American countries; one member is designated by the President of the IDB, one by the Secretary General of the OAS and one by the Executive Secretary of ECLA. The Council meets at least twice a year and elects a Chairman from amongst the eight members mentioned above. The functions of the Council include the determination of policy, the establishment of guidelines to govern the activities of the Institute, the review of work programmes and budgets and the submission of an annual progress report to ECLA.

ILPES is assisted by a permanent Advisory Committee formed by representatives of the IDB, ECLA and other organizations which contribute to the Institute's activities or are invited by the Governing Council to be members.

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Covering memo to LA Div (with all attachments)  
is on file no. 38-6-1 "Canadian International  
Co-ordination with Other Countries"

EXTERNAL AFFAIRS



AFFAIRES EXTÉRIEURES

FILE COPY

U.N. Division

TO  
A

Economic Division

FROM  
De

Latin American Division's Memorandum of June 10

REFERENCE  
Référence

SUBJECT  
Sujet

ECLA: Expanded Technical Assistance Funds

CONFIDENTIAL

SECURITY  
Sécurité

July 16, 1968

DATE

NUMBER  
Numéro

FILE	DOSSIER
OTTAWA	
35-20-ECLA	
MISSION	7

ENCLOSURES  
Annexes

In the memorandum under reference, Latin American Division expresses the hope that the Canadian delegation to the next session of the United Nations General Assembly will be able to vote in favour of an increase in funds assigned to technical assistance, an appropriate share of which would go to the United Nations Economic Commission for Latin America (ECLA). While we would not wish to differ with this, there are a few points which we would like to raise.

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2. Taking into account what is being done in the area by such multilateral organizations as the International Bank for Reconstruction and Development, the Inter-American Development Bank, and the Organization of American States and its subsidiary organs, we do not think that it is correct to describe ECLA as "one of the most effective organizations working in the Latin American aid field." First of all, there seems to be general agreement among those close to Latin American economic affairs that in the last few years the importance of ECLA has been diminishing. Secondly, were one to look at its practical achievements in the past, one would be more inclined to refer to the role the Commission has played in the development of new attitudes and ideas in relation to integration (more particularly, its efforts which led to the establishment of the Latin American Free Trade Association and the organs of the General Treaty on Central American Economic Integration), terms of trade, industrial development, and economic planning.

3. Some Caribbean countries have been members of ECLA for a few years now and, according to Santiago telegram No. 122 of May 2, the April session of ECLA's Committee of the Whole brought out that "considerable attention is paid by the Secretariat to ECLA activities in the Caribbean area." However, as can be seen from a perusal of "ECLA and the Analysis of Economic Development" (the compendium of studies produced by ECLA over the past twenty years), the Commission has yet to produce anything of any significance on the Caribbean area. The telegram further states that "among new projects pressing for attention in ECLA is the expansion of services to the Port of Spain office to which Caribbean members attach importance." It remains to be seen whether the Caribbean countries will in fact obtain much concrete benefit from these expanded services.

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and the improvement of their living standards. It has traditionally undertaken studies in such areas as international trade policy, industrial development, basic resources and the transport system, usually in the context of Latin American integration, and in the past few years has been paying increasing attention to research on social problems and policies, the experience of planning alternative development strategies, income distribution in different countries and the improvement of administrative institutions and machinery. It is expected that ECLA's future work will continue to stress this broad approach to development problems in Latin America and the structural changes needed to ensure more dynamic development and a more equitable distribution of its benefits.

You are, no doubt, aware of the assistance being rendered to developing countries by the Canadian University Service Overseas (CUSO). Although CUSO is a non-governmental organization, it is largely financed with Canadian Government funds. Since 1965 CUSO has sent about 150 - 160 volunteers (nurses, medical technicians, science teachers, social workers, foresters, etc.) on two-year assignments to Colombia, Peru, Chile, Ecuador and Bolivia.

We trust that you will find the above information useful.

Yours sincerely,

V. C. MOORE  
FOR

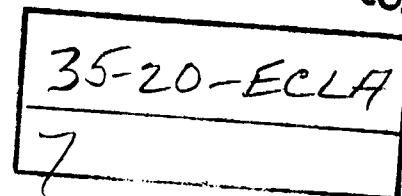
Under-Secretary of State  
for External Affairs

Mr. D. A. Perry,  
685 Dunn Avenue,  
Hamilton, Ontario.

Economic/A. Szlazak/add

FILE COPY

cc: External Aid Office (Mr. H.D. Madden)  
Latin American Division  
Mr. Langley O/USSEA  
Mr. Moore.  
Minister's Office.



OTTAWA, July 16, 1968

Dear Mr. Perry,

This is in reply to your letter of June 7, in which you requested information regarding the programmes undertaken by the Canadian Government to aid Latin America. The following account will give you some idea of the scope and character of Canadian aid to the area.

Canadian development loans are channelled to Latin American countries through a programme administered on our behalf by the Inter-American Development Bank (IDB). This programme was established in 1964 when a decision was made to allocate to Latin America \$10 million from a newly created development loan fund. Since that time, our total contribution to the Bank under this programme has risen to \$40 million. These funds for economic, social and technical assistance are made available on terms at least as favourable as those offered by the International Development Association, i.e. the loans may have maturities of up to fifty years, including grace periods of up to ten years, and may be free of interest or bear such concessional rates of interest as are agreed to by the Bank and Canada.

To date, proposals have been approved for the following projects amounting to a total commitment of more than \$22 million: pre-investment studies in Argentina, Colombia, Ecuador, Mexico, Paraguay and Peru; the development of port facilities at Acajutla, El Salvador; the supply of mining equipment in Bolivia; the development of long-range communications and the expansion of the State Technical University in Chile; and provision of grain storage facilities through the Central American Bank for Economic Integration.

Canada has also contributed to Latin American development through its assessment and pledges to the regular budgets of the United Nations and its Specialized Agencies, which deal with the specific types of assistance you mentioned in your letter.

In October 1961 Canada became a full member of the United Nations Economic Commission for Latin America (ECLA) - the only regional commission of the United Nations to which we belong. ECLA has as its main purpose the promotion of economic development in Latin American countries

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4. It would be appropriate to recall here that last December Mr. Carlos Quintana, Executive Secretary of ECLA, informally suggested to our Ambassador in Santiago that a special fund be established to engage experts for the Commission. At that time, you pointed out that for some years now we have resisted the proliferation of voluntary funds for special purposes by various United Nations organizations since they tend to make more difficult effective administration of the organizations concerned. The External Aid Office thought that if the services of experts for the activities of ECLA were required, the Governing Council of the Commission should make provision in the Commission's regular budget for such services. Consequently, were we to support increased funds for technical assistance, part of which would benefit ECLA, we would then be in a position to effectively counter any requests for additional funds of this sort which may come forward from the Commission in the future.

V. C. MOORE  
FOR

Economic Division

FM MEXICO SEP26/68 PESTR NO/NO STANDARD

TO EXTER S17

**ACTION**

**COPY**

INFO TT TANECOTT EVANDROTT DE OTT

THIRD LATINAMERICAN CONFERENCE ON RURAL ELECTRIFICATION

THIRD LATINAMERICAN CONFERENCE ON RURAL ELECTRIFICATION IS BEING

ORGANIZED BY FEDERAL ELECTRICITY COMMISSION, MEXICO'S GOVT-OWNED

ELECTRICITY UTILITY, UNDER AUSPICES OF ECLA AND WILL BE HELD IN

MEXICO CITY APR22-30/69. FIRST CONFERENCE WAS HELD IN BAIRIS IN 1964

AND SECOND IN STAGO CHILE 1967.

2. MEXICAN ORGANIZERS ARE ANXIOUS TO ENLIST CDN PARTICIPATION, WHICH

COULD BE BOTH FROM FEDERAL GOVT AS SUCH AND FROM APPROPRIATE

ORGANIZATIONS WITHIN CDA. IF WE RECOMMEND THAT IT WOULD BE USEFUL,

FEDERAL ELECTRICITY COMMISSION IS PREPARED TO SEND OFFICER TO CDA

TO SPEAK WITH APPROPRIATE CDN AGENCIES. WHILE COUNTRIES FROM ALL

OVER WORLD ARE BEING INVITED TO SEND OBSERVERS, CDN REPS WOULD BE

FULL PARTICIPANTS BECAUSE OF OUR MEMBERSHIP IN ECLA.

3. PAPERS MUST BE SUBMITTED TO ORGANIZERS BY FEB2/69. WE ARE SENDING

INFO MATERIAL ABOUT CONFERENCE BY AIR TO DEPTS OF EXTER, ENERGY MINES

AND RESOURCES, AND TANEC.

4. THIS IS FIELD IN WHICH CDN EXPERIENCE COULD BE OF VALUE TO OUR

LATINAMERICAN FRIENDS AND INFO CONCERNING CDN CAPABILITIES OF

POTENTIAL LONG-TERM COMMERCIAL SIGNIFICANCE. WE WOULD RECOMMEND

THAT EVERY EFFORT BE MADE TO ENSURE SOME FORM OF CDN PARTICIPATION.

5. GROUND RULES OF CONFERENCE <sup>CO</sup> ~~SHOULD~~ <sub>AA</sub> PRESENT POTENTIAL POLITICAL

PROBLEMS FOR CDA. PROVINCES COULD BE DIRECTLY REPRESENTED THROUGH

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PAGE TWO 917 RESTR NO/NO STANDARD

HYDROELECTRIC COMMISSIONS QUITE APART FROM REP FROM FEDERAL GOVT  
ITSELF. WE ARE SURE MXCAN ORGANIZERS WOULD NOT/NOT WISH TO  
EMBARRASS US IN THIS WAY. THERE WOULD SEEM LITTLE RISK OF SUCH A  
DEVELOPMENT IF WE ARE ABLE TO GIVE EARLY POSITIVE RESPONSE TO  
THEIR INVITATION.

*EM: R interested but want to  
wait for airmail material  
- Mr. McNaB. - DM/*



# MESSAGE

FILE

FM/DE **EXTERNAL OTT**

DATE	FILE/DOSSIER	SECURITY SECURITE
JAN16/69	3-11-50-9	RE STR

TO/A **MEXICO**

NO  
EE-125  
PRECEDENCE  
PRIORITY

INFO **DEPT OF IND T AND C (CAPPER)**

REF **YOURTEL 917 OF SEPT26**

SUB/SUJ **THIRD LATIN AMERICAN CONFERENCE  
ON RURAL ELECTRIFICATION**

IND T AND C HAS EXPRESSED INTEREST IN THE POSSIBILITIES OF PARTICIPATION OR ATTENDANCE AT THE CONFERENCE BY REPRESENTATIVES OF INDUSTRY IN CDA. THIS INTEREST STEMS PARTLY FROM DESIRE TO FOLLOW UP INTEREST IN TRADE FOLLOWING MINISTERIAL MISSION TO LATIN AMERICA. THE INDUSTRIES BEING CONSULTED BY IND T AND C ARE BROADLY CONSULTING ENGINEERING, EQUIPMENT MANUFACTURERS, AND THE UTILITIES ASSOCIATIONS.

2. GRATEFUL FOR YOUR VIEWS ON APPROPRIATENESS AND POSSIBLE USEFULNESS OF ATTENDANCE AT CONFERENCE BY REPRESENTATIVES FROM SOME OR ALL OF ABOVE BRANCHES OF ELECTRICAL INDUSTRY.

3. IT IS HIGHLY UNLIKELY BECAUSE OF TIME ELEMENT NOW THAT ANY CDN AGENCY WILL SUBMIT A PAPER TO BE READ AT THE CONFERENCE. IT IS STILL POSSIBLE, HOWEVER, THAT ONE OF THE PROVINCIAL HYDRO ELECTRIC UTILITIES MAY WISH TO SEND A REPRESENTATIVE. THERE WILL BE NO REPRESENTATION FROM FEDERAL DEPARTMENTS EXCEPT POSSIBLY IND T AND C, WHICH PARTLY DEPENDS ON YOUR ADVICE.

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SIG.....  
J. A. MILLARD/ep

TRANSPORT, COMM.  
& ENERGY

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(SGD) R. E. REYNOLDS  
R. E. REYNOLDS



DATED FROM 1/5/66 FILE No. 30-20-ECLA  
TO 23/1/69 VOLUME No. 3

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