

IDA Members To Decide On Support For Lending

By EUGENE R. BLACK
Former President of the World Bank (Copyrighted)
By The Associated Press
Some time this year, the International Development Bank will commit the last of the initial resources from which, in 1961, it began lending for economic development projects in the poorer countries. It will be the responsibility of most of the nations of the free world, now have to decide what support should be given to finance its lending from 1963 onwards.

Bilateral lending is of course common; indeed, the greatest part of development aid takes this form. But experience has shown that bilateral aid may have serious shortcomings. Any nation providing financial aid must tend to be influenced by hopes of achieving diplomatic influence or promoting sales of its own equipment and services. Such motives not infrequently put the real economic needs of the recipient country into second place.

It is not surprising, therefore, that economic aid has often been given for poorly conceived projects or programs that have done little to help the growth of underdeveloped countries. **BOLSTER ECONOMIES** And it is no wonder that in many donor countries, there is a widespread feeling that aid programs are wasteful and without really beneficial results for either donor or recipient. The direct political rewards of aid

are, indeed, overrated. And while the immediate commercial advantages can be real, in the long run they will be greater still if aid is used to build up the economies of the developing countries so that they become lasting trading partners and customers. The most economical and effective means of achieving this end lies, I am convinced, in greater international co-ordination of the aid effort, and in particular, in increased use of such agencies as the World Bank and IDA. These international organizations direct their aid solely to helping the recipient countries. While this aid does not carry political "strings," it does carry technical and economic stipulations designed to assure that aid, in fact, achieves the intended benefits in the country receiving the aid.

More Support Suggested In Search For New Mines

By FORBES RHUDE
Canadian Press Business Editor
TORONTO (CP) — More encouragement for risk capital in mining exploration was urged Wednesday by John R. Bradford, president of Noranda Mines Ltd., in an address to the Prospectors and Developers Association.

At present production rates, Mr. Bradford stated, not enough new mines are being found to maintain Canada's reserves in gold, silver and copper. He suggested that taxation benefits and other incentives be extended to wider exploration groups than now qualify for them and said there is need for

research at Canadian universities in geophysics and geochemistry related to geology. Mr. Bradford, president of the Canadian Metal Mining Association, said United States companies and particularly wealthy American individuals have better tax exemption privileges and incentives to do exploration work in Canada than have similar Canadian companies or individuals. "Our producing companies that are earning profits do get exemption for exploration expenditures and that justifies their holding up their end against outside capital and continuing solidly and effectively in the exploration business."

Discovered gold, according to private investors and others, besides metal-producing companies, it would broaden the base of Canadian participation in the development of our mining resources. Over the last 10 years, said Mr. Bradford, some 100 million dollars in new discoveries with the earmarks of being profitable producers have averaged little better than 1½ discoveries a year. "We now are, however, spending close to \$45,000,000 a year, or perhaps \$25,000,000 per new mine. One might question if the average mine found during the period will have a gross production of over \$25,000,000, let alone pay dividends commensurate with such an investment."

B.C. Sawmills Increase Output
VANCOUVER (CP) — Saw mills along the British Columbia coast produced more than 3,000,000,000 board feet of lumber last year, an increase of 5.7 per cent over 1961. T.E. Burgess, retiring president of the British Columbia Lumber Manufacturers' Association, told the annual meeting that coast mills cut 52 per cent of total B.C. production in 1962. **APPOINTMENT COMMANDER** PARIS (Reuters) — The NATO council Tuesday appointed United States Admiral Harold Page Smith as supreme NATO naval commander in the Atlantic to succeed U.S. Admiral Robert L. Denton, who is retiring May 1.

An affiliate of the International Bank for Reconstruction and Development — more usually called the World Bank — IDA began life in 1960 with a subscribed capital of \$1,000,000,000 of which about three-quarters was in convertible currencies. Of this total, the United States subscribed \$200,000,000. Canada's subscription was \$37,830,000.

In most ways, IDA's policies are the same as those of the World Bank. Its funds are entirely separate, but the staff management and directors of the two organizations are identical and their memberships are nearly so. IDA lends for projects of the same vital importance as are financed by the bank — principally, for electric power, transportation, industry and agriculture.

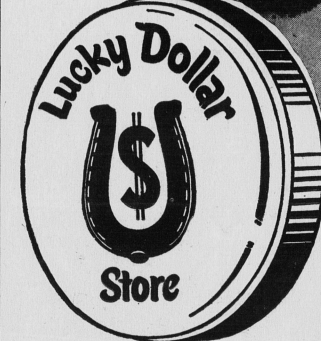
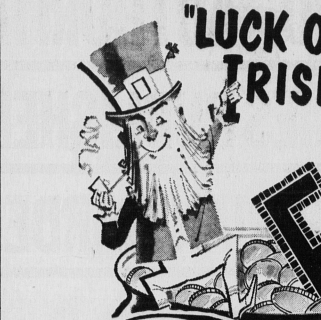
It applies the same strict standards as the bank in selecting these projects; thus it does not offer a way for borrowers to circumvent the rules on which the bank's success has been based. It exists not to provide a soft option for borrowing countries, but to answer a need that the bank by its nature cannot fill. **UNABLE TO BORROW** IDA was established because many of the poorest nations cannot borrow, on conventional terms, the money they need for development. The staff members would have to assume responsibilities for debt service which they could not meet.

A study by the World Bank's staff shows that between 1963 and 1964 a group of 34 countries, accounting for some 70 per cent of the population of the underdeveloped world, more than doubled its total external debt. Over the same period, the value of this group's exports rose by little more than 15 per cent. If the present pattern of aid continues, both the external debt and the annual burden of debt service of these countries will double again within 10 years.

IDA offers a way of continuing the flow of capital into economic development without at the same time creating an impossible burden of debt. So far, IDA's development credits have all been repayable over 50 years, with a 10-year grace period and have borne no interest apart from a small service charge. These are the terms of the borrowing government. But if the IDA credit is to be used for a project that can earn revenue, IDA insists that the government re-lend the funds to the agency responsible on interest and repayment terms which are customary in the country concerned. In other words, IDA's purpose is to lighten the burden of governments, but it is not to provide internal subsidies. **IDA CAN'T BORROW** The replenishment of IDA's resources is clearly a matter of new contributions from its member governments, and particularly its more prosperous members. The world bank charges conventional interest rates and makes a profit; and it is able to raise money for lending by selling its bonds to banks and other financial institutions. This course is not open to IDA, which cannot so profit and is unable to borrow.

But if governments are going to put more money into development on favorable financial terms, why shouldn't they use it in their own bilateral aid programs, rather than increasing their subscriptions to IDA?

CBC Refuses Time For Debate
OTTAWA (CP) — If Social Credit Leader Thompson and Eric Kierans, president of the Montreal Stock Exchange, are to meet in a national television debate it is not likely to be on the Canadian Broadcasting Corporation. A CBC spokesman said Wednesday it is not in the corporation's plans to make debating time available for a political leader and a non-political leader. If the two debated on a public platform, said the spokesman, the CBC would provide news coverage. In Toronto, a spokesman for the privately-owned Canadian Television Network said it has not received any proposals from the parties concerned and no decision can be made until the matter has been studied. Mr. Thompson and Mr. Kierans agreed to a debate on Social Credit monetary policies after a challenge had been issued by Mr. Kierans by Martin Klein, president of the Social Credit Association of Canada. Mr. Klein replied that he felt it would be more useful to debate with Mr. Thompson. Mr. Thompson said he would be pleased to meet Mr. Kierans if a national network carries the show.



FROZEN FOODS
HYLINER HADDOCK FISH STICKS 8 OZ. 35c
MCCAINS FRENCH FRIES 16 OZ. 29c
Perfection "St. Patrick's Shamrock Bricks" BRICK 27c

New! No baking!
PUDDING CUPCAKES
creamy fillings with...
FREE RECIPE HERE
From your Lucky Dollar Food Stores
CARNATION is the secret of their creamy fillings
(makes 6 to 8 "cupcakes")
Pudding Filling: 1 regular package (4 oz.) chocolate, butterscotch or vanilla pudding and pie filling, 1 cup undrained Carnation Evaporated Milk, 1 cup water. Combine contents of pudding and pie filling package, Carnation Evaporated Milk and water in a saucepan. Cook over medium heat, stirring constantly, until mixture comes to a full boil. Chill. Spoon into chocolate crusts. Serve topped with chopped nuts, toasted coconut or maraschino cherries.
Chocolate Crusts: Melt 1 cup (6-ounce package) semi-sweet chocolate chips in small saucepan over low heat. Spoon chocolate around side and bottom of 6 to 8 paper baking cups. Chill about 1/2 hour. Peel paper cups from chocolate crusts before filling. *From "Contented Cakes"

JELLO REG. PUDDINGS 2 FOR 29c
CARNATION TALL MILK 6 TINS FOR 89c

DUST PANS... 19c Ea.
KLEAR LIQUID WAX... 1.15 QT.
PALMOLIVE SOAP 10 FOR 99c

FOOD SPECIALS

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SHOP LUCKY DOLLAR TODAY AND EVERY DAY

BROWN BROWNS 29c Tub
BROILERS 39c lb.
CUTUP 45c Lb.

CELLO PAK WEINERS 49c Lb.
FRESH, LEAN HAMBURG 2 LBS. 89c

Maple Leaf YOU DON'T HAVE TO BE IRISH TO ENJOY OUR LOW PRICES!
Aylmer Choice 20 OZ. **CORN** 6 TINS FOR \$1
Radio Choice 20 OZ. **PEAS** 6 TINS FOR \$1
Aylmer Fancy 48 OZ. Tomato **JUICE** 3 TINS FOR \$1
Aylmer Choice 20 OZ. **PEACHES** 2 TINS FOR 59c
Aylmer 11 OZ. **CATSUP** 5 BTL. FOR \$1
Aylmer Choice 28 OZ. **Tomatoes** 2 TINS FOR 59c
Aylmer Soup Deal 2 Vegetale 3 Tomato 5 TINS FOR 59c

For Your Spring Housecleaning
64 OZ. **JAVEX...** 47c
Floor & Wall Cleaner With Ammonia
AJAX... 39c
DAISY Evaporated Milk and water in a saucepan. Cook over medium heat, stirring constantly, until mixture comes to a full boil. Spoon into chocolate crusts. Serve topped with chopped nuts, toasted coconut or maraschino cherries.
Chocolate Crusts: Melt 1 cup (6-ounce package) semi-sweet chocolate chips in small saucepan over low heat. Spoon chocolate around side and bottom of 6 to 8 paper baking cups. Chill about 1/2 hour. Peel paper cups from chocolate crusts before filling. *From "Contented Cakes"

DR. BALLARD'S DOG FOOD 5 FOR 59c
OGLIVIE—5 LB. **OATS** 63c
Star of the Sea **LOBSTER COCKTAIL** 1/2 lb. tin 79c

NESTLE'S 1 LB. **QUIK...** 49c
DUNCAN HINES CAKE MIX Early American 43c per package
McCREADY'S—24 OZ. **CHOW...** 39c
NABISCO SHREDDED 12 OZ. **WHEAT 2 for 43c**

FRESH PRODUCE
CALIFORNIA **Lettuce** SIZE 24 23c
Bananas Lb. 21c
SUNKIST **Oranges** SIZE 163 DOZ. 59c
TEXAS **Carrots** 2 Lb. BAG 23c

