# CHAPTER V

# COUNTRIES RECEIVING ASSISTANCE

The previous chapter dealt with the flow of intra-Commonwealth aid on a regional basis and by programme. This chapter deals briefly with the assistance received by most of the individual Commonwealth countries and gives a short summary of development objectives and policies for each. The statistical table in each country study is based on information provided by the supplying country, supplemented in some instances by data from the receiving country.

#### ASIA

CEYLON	£ thousand

	Gra	nts	<u> </u>	L	oan s		1	_
Supplying country			Gre	88	N	et		al assistance enditure
	1968	1969	1968	1969	1968	1969	1968	1969
Britain Canada Australia New Zealand India Pakistan Singapore	968 367 36 -	1,000 77 356 29 -	3,740 301 - - -	3,155 961 - 1,451	3,250 (276) - - -393 -	2,821 954 - 990 -	290 129 78 10 42 (2)	387 119 102 14 35 1
Total	1,371	1,462	4,041	5 <b>,5</b> 67	(3,133)	4,765	555	662

#### Number and man-months financed in year

	Advis	ers and	other exp	erts		Trai	nees	_		Stud	lents	
Supplying	19	68	19	69	19	68	19	969	19	68	19	<b>6</b> 9
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain Canada Australia New Zealand India Pakistan Singapore	28 12 3 - 7	165 105 13 17	45 10 4 - 11	240 65 30 - 22	94 29 45 4 53	340 147 234 30 (85) -	127 27 44 4 59 2 16	455 172 298 17 (100) 24 57	184 35 23 8 37 7	1,179 305 189 79 410 54 4	203 31 27 14 37 4	1,321 306 200 135 429 32
Total	50	300	70	357	232	(854)	278	(1,123)	295	2,220	316	2,423

Government policy over the years, on the agricultural side, has been designed to enable Ceylon to become more self-sufficient in food thereby saving foreign exchange by reducing dependence on food imports, and to provide a more stable base for the domestic economy through strengthening and diversifying the export basis. On the industrial side, there has been emphasis on import substitution of basic commodities.

It is expected that the agricultural sector will grow at an average rate of about 5 per cent per annum and the industrial sector will show an 8 to 10 per cent growth rate. In order to achieve a lower level of unemployment, job creation is an objective of the Plan especially in rural areas. It is anticipated that the population will increase at a rate of 2.5 per cent during the Plan period.

To achieve these goals it is planned that investment will rise from the current level of 11.2 per cent of Net National Product to 14.5 per cent by 1973-74. In terms of total planned outlay (investment and current expenditure), the category industry and minerals will absorb 21 per cent, the highest proportion of all the sectors, with the private investment component providing more than a third of the total outlay in that category. Agriculture, absorbing slightly over 17 per cent of the total planned outlay, is the second largest recipient sector.

In comparing the final version of the Plan with the 1969 draft the planned outlay of the public sector has been increased by over 10 per cent and as the estimated private sector outlay has been reduced only 10 per cent, the overall planned outlay has been increased somewhat. The public sector is responsible for the allocation of some 64 per cent of the total outlay and, of the increased public sector expenditure, agriculture and power are the main beneficiaries.

Important proposals contained in the Plan are the introduction of safeguards against fluctuations of agricultural production and the uncertainties of foreign aid. Together with the objective of increasing the level of agricultural production, the Plan proposes that sizable buffer stocks of foodstuffs be built up in order to level out fluctuations in supply. With regard to the financing of the Plan, emphasis is placed on mobilising internal resources so that foreign aid, net of debt charges and interest payments, will be reduced to about half by the end of the Fourth Plan compared with the current level. This continues a declining trend in the acquisition of net foreign aid so that the share of external assistance, as opposed to domestic resources, in the public sector planned outlay of the Fourth Plan is forecast to be 16.5 per cent as compared with 28 per cent in the Third Plan. This forecast requires, in order for the investment targets to be achieved, a 7 per cent annual export growth and a rise in the average rate of savings. Over the Plan period, the proportion of additional savings realised from the additional income generated is anticipated to be 28 per cent. In the final Plan the role of domestic credit in financing developmental outlays has been increased but it is expected that aid requirements in the first years of the plan period will continue to be high which means that early commitments of aid are required if programmes and projects are to progress in accordance with the Plan.

In the Central Government sector, the highest expenditures, apart from industry and minerals, are devoted to transport and communications but sizable sums are also devoted to power, health and family planning, education and research. Much of the expenditure will be devoted to building up the industrial structure necessary for continued economic growth such as the metallurgical and engineering industry, the oil and chemicals industry, atomic energy and fertilisers. In the States, public outlays are concentrated on the provision of economic infrastructure with the largest expenditures on power followed by agriculture, and irrigation and flood control. Other major heads of expenditure are transport and communications, education, water supply and sanitation, health, and urban and regional development.

Gross financial aid from other Commonwealth countries to Ceylon amounted to £7 million in 1969, compared with £5.4 million in 1968. Net financial aid, after deducting amortization and interest payments on loans, was about £6.2 million in 1969. The rise of some £1.6 million in gross aid compared with the preceding year was brought about by increased grants as well as loans. Whereas in 1968 no grants were received from Britain, £1 million for agriculture was received in 1969 but this was largely offset by a heavy fall in those from Canada for financing current imports. Loan disbursements increased further as higher receipts from Canada and India for financing current imports more than offset the reduced flows from Britain. Small amounts of grant aid were used for the transport sector while some loan money went to the communications sector and for electricity generation and distribution.

Expenditure by other Commonwealth countries in providing technical assistance to Ceylon rose substantially in 1969 with about two-thirds going to support students and trainees; the bulk of the remainder was used to provide experts and other advisers. The total of experts went up by 20 compared with 1968 mainly because more were supplied by Britain but the average number of man-months per expert went down. Out of the total, some 41 were advisers, 10 being in public administration and 17 in the power, transport and communications sector; the figure for the former category was double that for 1968 while there was an increase for the latter also. More experts also worked in the trade and banking field. The number of educational personnel doubled in 1969 to reach 22 as more were in primary and secondary education and in university and higher technical education. The number of trainees also showed a substantial increase. They went mainly on courses in power, transport and communications (60 as against 41 in 1968), public administration (44 compared with 32), agriculture (39 compared with 20), and industry, mining and handicraft (48 compared with 27). On the other hand, the number of trainees attending courses in the health field fell sharply from 48 in 1968 to only 25 while there was a marked fall in those on courses dealing with the social services. The upward trend in the number of students continued in 1969; they were mainly studying medicine (59), engineering (60), social sciences (40), and agriculture (46). there was a large increase in the number for social sciences as compared with 1968, the figures for the other categories showed little change except for agriculture which declined by a fifth.

# INDIA

In 1969-70, the first year of the Fourth Five Year Plan, it is likely that an overall real growth rate of 5 per cent to  $5\frac{1}{2}$  per cent was achieved. Industrial production rose satisfactorily and it appears that agricultural production also did well, providing evidence that the programme of agricultural modernisation is continuing to make progress. The average price level rose by only 2 per cent compared with 1968-69 and there was an increase in foreign exchange reserves.

The final version of the Fourth Plan (1969-74) was published one year after implementation of the early draft of the Plan but the economic strategy and the sectoral allocations of the planned outlay were unchanged from the Draft. The stated aim of the Plan is to raise per capita income while ensuring an equal distribution of the benefits of development and an avoidance of the social tensions which might damage the fabric of a democratic society. On the basis of production targets for the various sectors, an annual growth rate of 5.5 per cent is forecast throughout the Plan period.

£ thousand

	Gran	nts		Le	ean s		Technica	al assistance
Supplying			Gr	<b>55</b> 5	N	et	exp	enditure
country	1968	1969	1968	1969	1968	1969	1968	1969
Britain Canada Australia New Zealand Singapore	19,899 1,805 50	2,725 16,991 1,914 140	39,370 9,839 - - -	30,361 11,843	18,292 (9,814) - - - -	8,644 11,837 - - -	698 322 111 19	871 236 149 19
Total	21,754	21,770	49,209	42,204	(28,106)	20,481	1,150	1,275

Number and man-months financed in year

	Advis	ers and	other exp	erts		Trai	nees			Stud	lents	
Supplying	19	<b>6</b> 8	196	59	19	68	19	69	190	58	19	<b>6</b> 9
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain Canada Australia New Zealand Singapore	63 2 1 1	404 14 1 12 -	61 10 3 2	461 34 11 12	272 145 47 10	783 920 149 36	257 84 87 13	821 546 575 53 1	449 50 15 3	2,690 511 144 36	428 58 18 - -	2,840 606 142 -
Total	67	431	76	518	474	1,888	452	1,996	517	3,381	504	3,588

Gross financial aid from other Commonwealth countries totalled £64 million in 1969 as against £71 million in the previous year and net financial aid fell from £50 million in 1968 to £42 million in 1969. The reduction was due to lower disbursements of loan money from Britain and £ decrease in Canadian grants. As in 1968, most of the loans were non-project principally for financing current imports but Canada also provided £1.5 million for general development and some money from both Canada and Britain was used for the manufacturing industry. Almost all the grant money provided by Canada and Australia was for financing current imports but that provided by Britain was for the agriculture, forestry and fishing sector.

There was recovery in the expenditure on technical assistance provided to India by other Commonwealth countries as more money was spent on students and trainees and on equipment. The total of advisers and other experts, which had been sharply reduced in 1968, increased somewhat in the following year as the number serving in power, transport and communications (8), industry (8) and agriculture (6) increased. On the other hand, there was little change in the total for educational advisers since the increase of those dealing with university and technical education was offset by the decline for administrators and those in teacher training. There was a further fall in 1969 in the number of trainees financed, particularly by Canada, and this was especially noticeable for those going on courses in the power, transport and communications sector which declined from 134 in 1968 to only 71 in 1969. In fact, the greatest number (103) went on courses in industry, mining and

handicraft, the 1968 figure for which was 75. The number of trainees going on courses in agriculture fell to 35 in 1969 which compares with 46 in the previous year while those on courses in education (39), and public administration (33) showed little change; on the other hand, the number on health courses (74) was greater. Because Britain financed fewer, there was also an appreciable reduction in the number of students as compared with 1968. The number studying medicine dropped from 132 to 103 in 1969 and the number of agricultural students fell by 10 to 40. On the other hand, there were 32 more students in education (92) and 5 more in social sciences (42).

# MALAYSIA

#### £ thousand

				Lo	ans			Invest	ments		Tachnic	al assistance
Supplying	Gran	ts `	Gı	<b>7088</b>	No	et	Gro	58	N	let		nditure
country	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
Britain Canada Australia New Zealand India Pakistan Singapore	2,821 213 1,070 68	166 123 511	63	1,554	-829 - - - - -	675 - - - - - -	2,286	964 - - - - - -	-623 - - - - -	-679 - - - - -	1,895 534 733 232 68 (2) 10	1,318 495 653 210 38 2
Total	4,172	800	63	1,554	-829	675	2,286	964	-623	-679	3,474	2,725

### Number and man-months financed in year

	Advis	ers and	other exp	perts		Trai	nees			Stu	ients	
Supplying			190	59	19	68	19	<b>16</b> 9	1968		1969	
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain Canada Australia New Zealand India Pakistan Singapore	485 45 41 13 5	4,810 382 292 124 60	405 35 52 12 3	3,775 329 377 133 18	98 42 127 79 171 4 5	264 359 802 637  10 42	97 82 27 122 2	287 634 189 195 16	221 211 532 129 42 4 21	1,134 1,839 5,392 1,384 455 24 248	179 178 475 193 53	1,114 1,757 4,912 1,970 573
Total	589	5,668	507	4,632	526	(2,387)	330	(1,321)	1,160	10,476	1,101	10.534

The First Malaysia Plan (1966-70), which is now ending, had four primary objectives: to promote the integration of the peoples and states of Malaysia, to provide steady increases in levels of income and consumption, to generate more employment opportunities, and to stimulate new kinds of economic activity, both agricultural and industrial, so as to reduce dependence on rubber and tin and to provide substitutes from domestic production for imports. A new economic policy which has been evolved to deal with the unemployment problem, which is particularly severe among youth, proposes a closer government interest in industrialisation, a field previously left to private initiative. The government is to identify feasible projects, assist in the search for capital backing, provide suitable industrial incentives and even participate in industrial projects. A crash training programme for youth will be instituted and more land will be opened up for agricultural development. By these measures the government hopes to attain a position in which it can influence the racial mix and geographic location of employment.

Under the new policy, greater emphasis is also given to agricultural development, regarded as still the mainstay of the country's economy. In addition an effort is being made to speed up the rate of private investment in manufacturing, tourism and the oil industry.

In 1970 it is planned that total federal government developmental expenditure should grow by 17.5 per cent and, although some £20 million will be required from external sources, this is only a small proportion of the total budget.

It is estimated that in 1969 g.n.p. at current prices rose by 8.5 per cent and as there was a 20 per cent growth in export receipts while imports grew by about 8 per cent, the export surplus increased further. The fast growth of primary production and favourable prices for the main export commodities explain this outcome. Although gross capital formation as a proportion of g.n.p. fell from 17.8 per cent in 1968 to 16.1 per cent in 1969, gross national savings rose sharply.

Gross financial aid from other Commonwealth countries to Malaysia, which had reached over £6.5 million in 1968, fell sharply to £3.3 million in the following year. During the same period net financial flows fell from £2.7 million to less than £800,000. Most of this decline was due to the reduction in grants by Britain and Australia which had provided over £2.8 million and £1 million respectively in 1968. Loan disbursements in 1969 were made entirely by Britain and nearly two-thirds of the gross figure was non-project while the project part was spread between the agriculture, communications and manufacturing sectors. Although gross investment by the Commonwealth Development Corporation exceeded £960,000, of which some £408,000 was for housing and £356,000 for agriculture, net investment showed a substantial negative figure as Malaysia paid over £1.6 million as principal and interest on past investments.

Although Malaysia continues to receive a considerable amount of help from other Commonwealth countries in the form of technical assistance, the total was sharply reduced in 1969 to about four-fifths of the previous year's figure. This reduction was mainly reflected in the expenditure on advisers and other experts who numbered about 80 less than in 1968 and who. on average, were in the field for slightly shorter periods. The fall was chiefly in operational experts supplied by Britain under OSAS. In total the number of educational personnel was little different from the 1968 level but the composition changed somewhat in that fewer were provided for primary and secondary education and for teacher training while more were required for university and technical teaching and for administration and advisory activities. In fact, teachers in primary and secondary education accounted for little more than a quarter of the total for all educational personnel in 1969 as against just over two-fifths of the previous year's figure. As far as other experts and operational personnel are concerned, the main fields of activity in 1969 were power, transport, and communications (166), agriculture (88), health (84) and public administration (40). For the three last-named categories, numbers were much lower than in 1968 but for power, transport and communications there was an appreciable rise; for public administration this was the third successive reduction.

After the very marked increase in 1968, there was a decline of nearly 200 in the number of trainees financed by other Commonwealth countrie in the following year. Apart from agriculture, this fall was common to all the main categories of courses but was most noticeable for the industry, mining and handicrafts group where there was a reduction of 86 from 118 to 32

The next largest fall, only 32, was in the number going on courses in public administration. There was a much smaller fall in the number of students financed which had declined quite sharply in 1968. In contrast to the preceding year, when the greatest number of students were studying education, in 1969 the largest number were in medicine. This change was caused by a fall of 69 to 149 in educational students and a drop of only 2 to 214 for medical students. Increased numbers were recorded for social sciences and agriculture in 1969.

### **PAKISTAN**

## £ thousand

	Gr	ents		Le	oans		]	
Supplying country			Gr	058	N	let		al assistance enditure
	1968	1969	1968	1969	1968	1969	1968	1969
Britain Canada Australia New Zealand Singapore	2,430 593	3,513 646 -	8,601 4,252	10,313 5,620 - -	4,624 (4,202)	7,409 5,553 - -	939 219 227 12	835 196 175 7 1
Total	3,023	4,159	12,853	15,933	(8,826)	12,962	1,398	1,214

# Number and man-months financed in year

	Advis	ers and	other exp	erts		Trai	nees			Stud	lents	
Supplying	19	68	196	59	19	68	19	69	190	68	19	69
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain Canada Australia New Zealand Singapore	83 3 10	603 15 48 - -	63 2 5 -	418 15 35 -	81 77 37 8 2	370 665 168 48 8	93 40 29 1	286 256 141 1 9	520 81 68 7 -	3,401 706 706 46	527 75 60 8 -	3,878 824 561 68
Total	96	666	70	468	205	1,259	164	693	676	4,859	670	5,331

The long term perspective plan covering the years from 1965 -85 has as its objectives the quadrupling of G.N.P., the achievement of parity in income per head between East and West Pakistan, the provision of full employment by the middle of the period and the elimination of dependence on external assistance. While particular difficulty was encountered in the Third Plan (1965-70) with the objectives concerning employment and regional equality, the Fourth Five-Year Plan, while planning for an annual growth rate in G.N.P. of 6 per cent, recognises that the maximum possible growth rate must be foregone to achieve the objectives of greater social justice and increasing self-reliance. The strategy for economic growth of the previous plans will be continued; a significant proportion of additional income will be invested and the export orientation of growth will ensure additional foreign exchange earnings. Top priority will be given in allocating resources to the programmes in agriculture (where the most important project is a system of flood control for East Pakistan), basic industry, manpower development and family planning.

In the Annual Plan for 1970-71 the aim is to correct imbalances in the economic situation which have developed in the last few years. The determination of specific (increased) consumption targets, the increase in the allocation of funds to social sectors such as education, health, transport and housing and the increase in the proportion of available resources designated for East Pakistan should, with the achievement of sectoral employment targets, rectify such imbalances.

A policy of developing self-reliance is being pursued in an international climate regarded as ever less favourable to aid. Thus, it is planned that the contribution of foreign aid to the development effort should fall to 15 per cent by 1974-75, the last year of the Fourth Plan Period, as compared with an average of 26 per cent during the Third Five Year Plan. Currently Pakistan pays some 19 per cent of total export earnings in the form of foreign debt repayment and it is feared that this proportion may increase. This greater reliance on domestic resources means that one-fifth of additional income generated throughout the Fourth Five Year Plan has to be saved and reinvested as compared with only one-tenth in the early stages of the Third Plan. Furthermore, it is hoped that exports will increase at an annual rate of at least 8.5 per cent.

The flow of Commonwealth gross financial aid to Pakistan increased by more than 25 per cent to £20 million in 1969, and net flows by over £5 million to £17 million. The increase was reflected in both grants and loans from all sources. Whereas in 1968 about four-fifths of the Canadian grant aid was non-project and used principally for financing current imports, in 1969 the non-project proportion, again mainly for current imports, was only about two-thirds as almost £900,000 went as project aid for industry and, as in 1968, small amounts were used for the electricity sector. The loan money from Canada in 1969 was used for the electricity sector and for current imports while of that from Britain substantial amounts were for manufacturing, multi-projects, transport and for current imports; in both cases the uses were similar to those in 1968.

There was an appreciable decline in technical assistance provided to Pakistan by other Commonwealth countries in 1969. The number of advisers and other experts fell as compared with 1968, the reduction being mainly in non-educational personnel and more particularly in those working in the power, transport and communications and the agriculture sectors which together accounted for over half of this group of experts. The number of educational personnel, at 44, was 10 less than in 1968 as the increase in teachers in technical schools was not sufficient to offset the reductions in those in primary and secondary schools and teaching at university level. The number of trainees financed declined further in 1969 when many fewer went on courses in power, transport and communications, agriculture and health. Nevertheless, the number going on power, transport and communications courses, at 48, was by far the largest single category. On the other hand, the number of students financed showed little change. The greatest number of students were studying natural sciences (178) and this figure showed an increase of 12 on the 1968 level but the total for the next largest group, some 127 in engineering fell by 13 while the figure for students in education at 98 remained much the same.

#### £ thousand

		_		Lo	ans			lnvestn	ents		Tackmina	l assistance
Supplying	Gra	nts	Gr	****	N	et	Gr	055	P	let	expend	
country	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
Britain Canada Australia New Zealand India Pakistan	169 44 12	1,130	284 - - - - -	3,054	95 - - - - -	2,690	211	1,053	211 - - - - -	931 - - - - -	267 205 258 67 7	255 220 284 63 10 3
Total	225	1,130	284	3,054	95	2,690	211	1,053	211	931	804	835

### Number and man-months financed in year

	Advis	ers and	other exp	erts		Trai	nees			Stu	dents	
Supplying	19	68	190	59	19	968	19	<b>6</b> 9	19	68	19	69
Country	Number	Man- months		Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain Canada Australia New Zealand India Pakistan	48 14 8 8 7	353 125 36 77 (1)	60 10 11 8 -	482 84 82 50 -	23 26 78 18 5	149 187 694 130	28 31 102 5 14	78 205 775 19 23	147 90 126 37 13	946 917 1,384 282 134 2	149 88 128 53 21	959 856 1,362 542 214
Total	85	(582)	89	698	150	(1,168)	180	1,100	414	<b>3,66</b> 5	439	3,933

The Second Development Plan 1966-70 has sought to turn a trading economy into one based primarily on industry. At the same time, the Plan was aimed at expanding employment opportunities and providing a satisfactory level of services in education, health and housing. According to preliminary estimates, industrial output - manufacturing, construction and utilities - grew at a compound rate of 16 per cent per annum from 1959-69 so that by the latter year it accounted for almost a quarter of g.n.p. as compared with an eighth ten years earlier. The attraction of foreign capital has been of continued importance and in the future it is intended that the "open door" policy towards foreign enterprise will continue with a view to benefitting from the technical expertise thus imported. As it is thought likely that a shortage of skilled personnel will develop, the Government has given high priority to building up the institutions of higher learning so as to provide an indigenous base for scientific and technical knowledge.

The total amount of financial aid provided by other Commonwealth countries to Singapore, which had been heavily reduced in 1968, recovered in the succeeding year when Britain provided all the assistance. Most of the grants in 1969 were for project aid and in line with the development policy were for manufacturing, education, transport and multi-projects. Drawings on loans reached more than £3 million and, even though debt payments were substantial, net disbursements amounted to almost £2.7 million as against only £95,000 in 1968. The sectors for which this money was required were the same as for grants. About seven-tenths of the gross investments by CDC were in housing and the remainder in industry whereas the relatively small investment in 1968 was wholly in the industrial sector.

After increasing substantially in 1968, expenditure on technical assistance for Singapore by other Commonwealth countries showed only a slight rise in the following year when the outlay for students and trainees again accounted for about three-fifths of the total. The number of experts and advisers was much the same as the increase for educational personnel offset the reduction for experts in other fields. The total number serving in education rose to 58, an increase of 20 on 1968, as those helping in university and higher technical education doubled to reach 26 and there was a substantial rise in technical teachers. The reduction of 16 in the number of other experts was largely brought about by the fall in those working in social services but smaller numbers were recorded in public administration and in the power, transport and communications sector. The increase in the number of trainees financed was mainly reflected in public administration which went up by 32 to 42 while the number on trade courses rose by 10 to 17. On the other hand, the number going on courses in education which had increased by 20 to reach 55 in 1968 declined by 19 in the succeeding year. The number of students financed by other Commonwealth countries also rose in 1969 and the emphasis continued to be on engineering students who totalled 223. The next most important subject was medicine with 83 students followed by education 52 and agriculture 22. Compared with 1968, the number of education and engineering students increased but there was some reduction for those studying medicine.

AFRICA

£ thousand

#### BOTSWANA

				L	oans			Inve	stments			
Supplying	Gra	ints	Gr	085	N	et	Gr	oss	No	et .	Technical as expenditu	
country	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
Britain Canada Australia Singapore	5,239	4,284	138 - - -	143	-6 - - -	-1 - -	-	-	-186 - - -	-168 - - -	419 16 7 2	548 6 6 2
Total	5,239	4,184	138	143	-6	-1	-	-	-186	-168	444	562

Number and man-months financed in year

	Advise	rs and o	ther expo	rts		Tra	inces			St	udents	
Supplying	190	58	19	69	190	1968		69	1968		1969	
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain Canada Australia Singapore	270 2 -	2,548 16 - -	324 - - -	2,882 - - -	9 3 4 3	22 15 14 6	8 5 4 6	26 19 16 23	10 - - -	64 - - -	16 1 - -	50 9 - -
Total	272	2,564	324	2,882	19	57	23	84	10	64	17	59

At present Botswana is heavily dependent on agriculture, and particularly on beef production which provides about 90 per cent of exports. The importance of the livestock industry is recognised and there will be a continuous effort to increase its efficiency and output. Over the next five years roughly one-half of the planned Public Expenditure programme is earmarked for the Shashi Complex, a project involving the development of several copper and diamond mines, salt and soda ash deposits, associated industrial complexes, one or more dams, a major power station, roads and four mining townships. This development, which is proceeding with the backing and involvment of the World Bank, is expected to double Botswana's national income by 1975. Oneseventh of the non-Shashi complex funds is to be used for the expansion of secondary schools in line with the twenty-year manpower self-sufficiency target of 35,000 persons educated to secondary school level. Although part of the finance required for developmental purposes will be obtained from a Government Bond issue, most of the money is expected to come from external sources and it is hoped that private investment will occur on an increasing scale. However, according to current projections, Botswana will cease to require budgetary support from British aid in 1973.

The flow of official finance from Britain, on a gross basis, declined substantially in 1969 and, as repayments of principal and interest payments were again substantial, the net flow was only £4 million, £1 million lower than

in the previous year. Although most of the flow in grant form was again required for budgetary support, this item at £2.6 million accounted for about 62 per cent of the total as compared with nearly £3.8 million and 72 per cent in 1968. Small amounts of money in both years were used in the fields of education, agriculture, transport, community projects, health, transport and electricity. In addition, an appreciable amount was allocated for multiprojects in 1969.

Expenditure on technical assistance by Commonwealth countries, which had shown little change in 1968, rose sharply in 1969 when over 70 per cent of the total was for experts, with the bulk under OSAS arrangements. For the second year in succession, the number of experts provided went up appreciably as more were working in economic planning, agriculture, power, transport and communications, industry and health. However, less were required in public administration and trade than in 1968. In terms of actual numbers, public administration with 93 was the largest category followed by agriculture with 69. The total of educational personnel increased by 18 to reach 43 and most of the rise was reflected in the number of teachers in primary and secondary education. There was little change in the number of trainees financed by other Commonwealth countries but more with on courses in power, transport and communications in 1969. There was a further marked rise in the number of students financed and whereas in 1968 the subjects covered were social science, economics and agriculture, there was a wider spread as 3 commenced studying education and 2 engineering.

### £ thousand

#### EAST AFRICA

				L	oans		T	al assistance
Supplying	Gr	ants	Gr	oss	N	et		diture
country	1968	1969	1968	1969	1968	1969	1968	1969
Britain	7	5	639	-	-675	-1,391	2,355	2,390
Total	7	5	639		-675	-1,391	<b>2,3</b> 55	2,390

### Number and man-months financed in year

	Advise	rs and ot	her expe	rts		Tra	inees			St	udents	
Supplying	19	68	19	69	196	i8	190	69	19	68	19	69
country	Number	Man- months	Number	Man- mont'is	Number	Man - months	Number	Man- months	Number	Man- months	Number	Man- months
Britain Canada Australia	1,594 - -	16,252 - -	1,430 13	12,242 107	82 - 2	55 <b>3</b> 7	75 12 -	577 22 -	47 - -	354	49 2 -	367 6 -
Total	1,594	16,252	1,443	12,349	84	560	87	599	47	354	51	373

Some of the assistance provided by Commonwealth countries is to East Africa in general and cannot be apportioned to individual countries. In 1969 repayments of capital and interest payments on earlier loans were very high and in fact, there was a reverse flow of nearly £1.4 million. On the other hand, technical assistance, principally for experts, increased further. Most of the experts were operational personnel but the total of non-educational

experts, in all 1,046, was 71 lower than in 1968. However, the bulk, some 825 in 1969, were serving in the power, transport and communications sector and, in fact, this figure was almost 50 higher than in the previous year and the overall decline was largely reflected in the numbers in public administration, agriculture and health. Some 370 out of the 397 educational personnel were in university or higher education; in 1968 the corresponding figures were 390 and 477 and in that year also 42 teachers were serving in technical schools. The number of trainees and students financed showed slight rises with the bulk of the trainees again going on courses in power, transport and communications (57) while engineering (20), economics (9), medicine (8) and agriculture (8) were the main subjects for students.

#### £ thousand

#### THE GAMBIA

		•		L	oans		Technical a	sei stance
Supplying country	}	Grants	Gr	098	N	et	expendi	
	1968	1969	1968	1969	1968	1969	1968	1969
Britain	11	Cr. 133	1,007	780	1,004	761	162	267
Canada	3	1	-	-	-	-	17	19
Australia	-	-	-	-	-	-	13	12
New Zealand	-	-	-	-	-	-	3	2
Total	14	Cr. 132	1,007	780	1,004	761	195	300

### Number and man-months financed in year

	Advi	sers and	other exp	erts		Trair	ees			Stude	nts	
Supplying	19	68	190	69	196	8	196	9	196	8	196	9
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	80	739	78	727	23	112	23	99	55	344	58	372
Canada	2	8	-	-	3	8	3	6	7	60	5	54
Australia	-	-	-	-	5	34	4	26	6	67	7	79
New Zealand	-	-	-	-	-	-	- 1	-	4	36	3	36
Cyprus	-	-	-	-	-	-	1	3	-	-	-	- 1
India	-	-	-	-	-	-	1	2	-	-	-	-
Total	82	747	78	727	31	154	32	136	72	507	73	541

Most of the population of the Gambia are engaged in agriculture, and the production of groundnuts is the mainstay of the economy accounting for some 95 per cent of Gambia's exports and over a third of the GDP. On account of the problems associated with a mono-crop economy, diversification of agricultural production is being encouraged which includes increasing production of rice, the staple food crop, so as to achieve an exportable surplus. Experiments are being carried out with cotton growing, the planting of cassava and the growing and processing of limes in an attempt to find additional products to help diversification. Satisfactory progress is being made with the 1967-71 Development Plan which has as its main emphasis agriculture and communications. Government efforts outside agriculture centre on infrastructure improvements in anticipation of private involvement in other development projects. Currently, the Government is engaged in preparing a

new Five Year Development Plan to come into operation in 1971 which is aimed at eliminating the deficit in international trade. An approved project which will assist in this aim is the improvement of the facilities at the port of Bathurst to be completed in mid-1973. Other projects include the continued development of Yundum airport and the reconstruction of several roads. The whole development effort is heavily dependent on external assistance, mainly from Britain, though the recurrent budget is financed internally.

In 1969 financial assistance from other Commonwealth countries amounted to £648,000 as compared with over £1 million in the previous year. Most of the loan disbursements continued to be for transport while in the case of grants there was a repayment to offset overpayments for budgetary support in earlier years. Technical assistance expenditure by other Commonwealth countries, which had been sharply reduced in 1968, recovered almost to the 1967 level as much more was spent on advisers. However, the number of advisers and other experts, most of whom were operational personnel, was slightly lower in 1969 since the increase in educational personnel, mainly primary and secondary school teachers, was not sufficient to offset the decline for other experts, which was specially noticeable in the public administration field. The number of trainees and students financed showed little change on the 1968 level; for the former category the chief variations were an increase in the number going on courses in power, transport and communications, and health, and a reduction in those doing educational courses but for students the number studying education went up.

#### £ thousand

G	н	A	N	A
•				

				Lo	ans			Invest	ments		Technical a	ssistance
Supplying country	Gra	ints	Gro	55	1	Vet	Gr	oss	N.	et .	expendi	ture
	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
Britain Canada Australia New Zealand India Pakistan	820 3 - -	769 - - - -	5,083	4,824	4,639 - - - - -	4,458 - - - - - -	600	-	579 - - - - -	-69 - - - -	646 872 48 3 7 (1)	909 926 47 - 9
Total	823	769	5,083	4,824	4,639	4,458	600	-	579	-69	1,577	1,891

### Number and man-months financed in year

	Advi	sers and	other expe	rts		Traine	es			Studen	ts	
Supplying country	196	<b>38</b>	196	59	196	8	196	9	196	3	196	9
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain Canada Australia New Zealand India Pakistan	457 86 1 - -	4,636 890 5 -	487 113 - - -	4,862 902 - - -	158 22 22 7 11 3	675 168 154 43	165 34 15 3 16	580 160 46 16 30	203 114 22 - 5	1,146 1,091 190 - 33	245 124 20 - 3	1,427 1,253 175 - 30
Total	544	5,531	600	5,764	223	(1,068)	233	(832)	344	2,460	392	2,885

The Ghana economy is operating under the constraint of an adverse balance of external payments in part due to a large foreign debt redemption and servicing component so that success in rescheduling a proportion of the debt is regarded as essential before 1972. Other problems given prominence by government spokesmen are a shortage of high level manpower, a high

unemployment level and low agricultural productivity. The low annual growth of g.n.p. at about 1 per cent has led to a decline in G.N.P. per capita since 1964 as the population has been increasing annually at a rate of 2.6 per cent.

A new National Development Plan is being drawn up to deal with these problems and with the aim of attaining a growth rate of 4 to  $5\frac{1}{2}$  per cent. At the present time the highest priority in the government's economic policy is the promotion of rural and agricultural development. Since the industrial structure is mainly directed towards the production of consumer goods and construction, the agricultural sector is expected to provide an increased demand for manufactured articles as well as raw materials for processing. Improvement of the road system and education also have priority in the allocation of developmental resources.

The flow of official intra-Commonwealth financial aid to Ghana, which had risen sharply in 1968 when very heavy drawings were made on loans from Britain, fell to about £5.6 million on a gross basis and to £5.2 million after allowing for repayments of principal and interest payments on earlier loans and investments by Britain. The grant money from Canada and the loans from Britain in both 1968 and 1969 were mainly for financing current imports.

The value of technical assistance supplied by Commonwealth countries showed a further sharp rise in 1969 as over £1.2 million was needed to meet the costs of experts and other advisers and nearly £500,000 for students and trainees. The number of experts increased again and out of the total. 490 were in the educational field with half of this figure teachers in primary and secondary schools. However, the most marked feature in education was the rise of almost 50 to about 160 in the number employed in university and higher education. The increase in non-educational experts was comparatively small and was mainly reflected in the power, transport and communications sector where 44 persons served and in agriculture where the number was 26. The number of Ghanaian trainees and students financed by other Commonwealth countries showed a further marked increase in 1969. As far as trainees were concerned, many more went on courses in public administration and, at 71, this was the leading subject. There was also an increased number of trainees on courses in power, transport and communications and in industry but fewer attended courses on agriculture, health and education. Over a quarter of the students were studying education in 1969, an increase of 22 on the 1968 level, while appreciable increases were also recorded for economics, medicine and agriculture.

# **KENYA**

Overall the achievements of the Development Plan for 1966-70 were satisfactory. From 1964-68 the average growth of real G.D.P. was 6.3 per cent per annum, a rate of growth corresponding closely to the target growth rate though considerable annual variations occurred around this mean average. However, the rate of capital formation achieved throughout the Plan, though rising, was less than projected. Among the sectors, the transport, storage and communications industry with a growth rate of 11.3 per cent per annum, exceeded any other industry's growth rate. Mainly owing to the setback caused to agricultural production by inadequate rainfall, the overall rate of growth of the economy in 1969 is estimated to have fallen below 6 per cent.

				Lo	ans			Inves	tments	-	   Technical a	assistance
Supplying country	Gra	nts	Gro	99	N-	et	G	ross	1	Vet	expend	iture
	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
Britain Canada Australia New Zealand India Pakistan	320 23 - - -	759 15 - - 8 -	5,321 - - - - -	4,798 20 - - - -	2,609	1,931 20 - - -	1,248 - - - - -	2,465 - - - - -	11 -	1,061	4,075 548 60 38 30 (2)	2,733 694 41 26 55
Total	343	782	5,321	4,818	2,609	1,951	1,248	2,465	11	1,061	(4,753)	3,549

Number and man-months financed in year

	Advi	sers and	other expe	erts		Traine	es			Student	ts	
Supplying country	196	8	196	9	196	3	1969	,	1968	3	196	9
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain Canada Australia New Zealand India Pakistan Singapore	1,763 86 3 6	17,945 666 31 67 -	1,795 74 4 5 1	17,660 698 34 47 12 -	107 25 26 7 8 3	426 157 154 55  8	90 36 10 - 8 - 3	336 184 53 21	173 31 7 9 35 2	975 298 58 85 390 24	171 40 5 9 32 2	1,084 291 44 89 377 24
Total	1,858	18,709	1,879	18,451	176	(813)	144	594	257	1,830	259	1,909

Under the second Development Plan covering the period 1970-1974 an annual rate of growth of G.D.P. of 6.7 per cent is envisaged and one of the main objectives of the Plan is to raise per capita income to over £64 in 1974 from a level of just over £55 in 1967. A key strategy of the new Plan is to direct an increasing share of the total resources available to rural areas since agriculture is the most important source of income and is expected to contribute most to the growth of the domestic product during the Plan period. However, there has been a wide and increasing gap between the remuneration of agricultural workers and those employed in non-agricultural activities whose earnings are very much higher. Rapid industrialisation is expected to double manufacturing output in 8 years while it is anticipated that tourism will double its contribution to the economy by 1974.

In the preface to the 1970-74 Plan where Kenya's aid requirements are discussed it is stated that "without foreign exchange we shall not be able to purchase the necessary machinery and equipment we need for development but which are not yet produced in Kenya. Indeed we shall still need to look to friendly countries and international organisations to help us achieve the investment targets set out in this plan " and that "Foreign assistance should supplement, not replace, our aim effort. With this in mind we shall meet seven-eighths of the total planned central government expenditure from our own resources". Though Kenya does not yet have a serious debt servicing problem the predicted rising deficit on the balance of trade means that it has a preference for low interest rates and long repayment periods on foreign loans. In addition it is emphasised that the need is for flexible aid so that foreign exchange requirements created by local cost expenditure on such items as education and rural development are not tied to "the identifiable procurement of goods from particular countries". In the past some of this type

of this type of aid has proved unusable because of the stringent conditions imposed.

The total of gross financial aid provided to Kenya by other Commonwealth countries, almost wholly from Britain, rose substantially in 1969 to reach almost £8.1 million. However, as repayments of principal and interest payments approached £4.3 million, the net figure was under £3.8 million; this compared with about £3 million in 1968 when payments to the donors totalled around £3.9 million. Grant disbursements, although still relatively small, doubled in 1969 when almost all was for agriculture. A similar proportionate increase was recorded for gross investments which were in the energy sector, agriculture, housing, industry and multi-projects, much the same fields of activity as in 1968. On the other hand, loan disbursements, which were of the project type and went to a wide range of sectors but again principally agriculture, transport and health, declined appreciably in 1969.

The upward trend in technical assistance expenditure by Commonwealth countries was checked in 1969 when the total fell by some £1.2 million. Atlhough the number of advisers and other experts rose, the average number of man-months provided per expert declined appreciably so that expenditure on this category fell very markedly. The total of educational personnel, at nearly 1,100, was slightly lower than in 1968 and the composition changed somewhat as more were employed at primary and secondary level and fewer at other levels. Thus, there were more experts in non-educational fields in 1969. This rise was chiefly reflected in public administration where the number increased by 22 to 238 and in health up by 38 to 125 but more were also in economic planning and in the trade and banking sector. On the other hand, for two of the sectors employing large numbers of experts, namely power, transport and communications, and agriculture, declines of 27 to 144 and 13 to 172 respectively were recorded. There was a fall in the number of trainees financed as compared with 1968 but little change for students. The subjects of the courses attended by trainees were widespread but the largest number, as in 1968, went to those concerned with public administration and power, transport and communications. Medicine, accounting for about 60, was the subject studied by most students while a considerable number were studying engineering (40), agriculture (35), and social sciences (31).

# LESOTHO

The final draft of the Provisional First Five-Year Development Plan (1970-75) is to be completed in 1970. In attaining the long term objectives of raising the nutritional, health and cultural standards of the people, specific targets are outlined in the Provisional Plan. The highest priority during the Plan period, is accorded to increasing substantially the level of agricultural productivity in both the crop and livestock sectors. At the same time it is also intended to promote non-agricultural productive activities, putting special emphasis on small scale industries with a view to reducing the current high level of imports. Import substitution is also expected to arise from higher output of maize and sorghum while exports of wheat are expected to increase. Satisfactory investigation and preparation for the future exploitation of mineral and water resources, advances in education and training, development of the country's infrastructure and the improvement of health services are other important current aims. A special emphasis is to be placed on reshaping the structure of investment expenditure towards the

most productive ends, a policy compatible with the proposed tapering away of the dependence on external aid to finance the recurrent budget. On the basis of sectoral projections a minimum annual growth rate of 5 per cent is expected while the estimated rate of population increase is put at 2 per cent per annum.

£ thousand

C				L	oans		Technical a	ssistance
Supplying country	Gr	ants	Gr	oss	Ne	t	expendi	ture
	1963	1969	1963	1969	1968	1969	1968	1969
Britain	3,914	3,337	119	91	78	50	288	289
Canada	-	-	-	-	-	-	55	71
Australia	-	-	-	-	-	-	6	5
Total	3,914	3,337	119	91	78	50	349	365

#### Number and man-months financed in year

	Advis	ers and o	ther expe	rts	}	Traine	es		ļ	Studen	ts	
Supplying			1969		196	68	19	69	1968		1969	
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	133	1,152	123	1,059	26	131	24	82	53	343	51	322
Canada	7	53	7	56	7	27	15	58	11	100	5	41
Australia	-	-	-	-	3	17	5	23	1	10	2	23
Total	140	1,205	130	1,115	36	175	44	163	65	453	58	386

Lesotho continues to receive appreciable financial assistance from Britain, mainly in grant form, but the total for 1969 was well below that for the preceding year. About 70 per cent of the grant money was for budgetary support while the project grants were mainly for agriculture and transport. Expenditure on technical assistance provided by other Commonwealth countries rose further and as usual most of the money was spent on experts and advisers. The total of experts, which had increased in 1968, fell in the succeeding year although the number of educational personnel rose slightly. The reduction was almost entirely in public administration where the number serving declined from 53 to 36 in 1969. There was a small rise in the number of trainees financed despite a reduction in those attending courses in power, transport and communications; about half of the total went on courses connected with public administration. The number of students financed was lower than in 1968 as the increase in those studying law to 16 was not sufficient to offset the decline of 8 to 18 in those studying education.

#### MALAWI

C	C	ints		Lo	ans			Invest	ments			assistance
Supplying country	Gra	ints	Gro	55	1	Net	Gr	oss	N	et	expend	nure
	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
Britain Canada Australia New Zealand India	3,131 28 - - -	2,729 1 - - -	2,814	2,455 - - - - -	2,387 - - - -	2,025 - - - - -	202 - - - - -	234	-237 - - - -	-388 - - - -	1,677 95 24 4 2	1,734 58 26 5
Total	3,159	2,730	2,814	2,455	2,387	2,025	202	234	-237	-388	1,802	1,825

#### Number and man-months financed in year

	Advi	sers and	other exp	erts		Train	ees			Stude	nts	
Supplying country	19	68	19	69	19	68	19	69	196	58	19	69
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain Canada Australia New Zealand India Other countries	1,092 13 1 1 -8	10,838 131 2 12 - 59	1,091 8 1 1 -	10,830 92 11 6	64 3 10 1 -	296 26 89 12	73 1 4 - -	352 5 25 -	125 22 4 1 10 1	728 230 33 12 112 12	140 17 5 1 8	1,022 161 46 12 72
Total	1,115	11,042	1,101	10,939	78	423	78	382	163	1,127	171	1,313

Although Malawi continues to require substantial amounts of external assistance, for current financing as well as for development purposes the Government policy is aimed at eliminating budgetary support from Britain as rapidly as possible. As far as external development finance is concerned, Malawi has no external debt servicing problem since it has conducted its foreign borrowing in a circumspect manner and ensured that loans are not taken except on terms it can afford. Malawi in its memoranda has pointed out that there are a number of major restraints on its absorption of external development resources namely hard terms, the requirements that Malawi should meet a high percentage of counterpart costs, restriction of external development resources to projects which appeal to the donor or lender, tied aid, shortages of local cash resources to meet costs of expert personnel over and above established posts, and skills. Malawi has also listed several factors which inhibit its development programming including uncertainty about future level of external development resources.

The gross total of financial assistance provided to Malawi by other Commonwealth countries declined by about £750,000 in 1969 when both grant and loan disbursements fell. After allowing for capital repayments and interest payments on loans and investments, the net flow, at some £4.4 million, was over £940,000 less than in 1968. All the grant money from Britain in both 1968 and 1969 was required for budgetary support. The loan disbursements in 1969 were used for a wide range of sectors but nearly half went for agriculture and substantial amounts for education and housing. The gross investments by CDC, which were a little higher, were in agriculture and industry in 1969 whereas in the previous year social infrastructure accounted

for most of the total.

Expenditure on technical assistance to Malawi by other Commonwealth countries continued to rise in 1969 and most of it went as payments for expert services. The number of experts and advisers fell slightly and of the total, some 840, were operational personnel working mainly in public administration (219), power, transport and communications (268), and agriculture (137). The total of non-educational advisers was also a little lower with nearly half in the agricultural sector. On the other hand, the number of educational personnel increased with many more employed at primary and secondary level and fewer at university level and in technical schools. But the major reduction was in educational administrators which fell by 60 to only 16. The number of trainees financed, which had declined in 1968, showed some recovery as more attended courses in public administration and health. The upward trend in students financed continued mainly because more were studying education and medicine.

### £ thousand

#### MAURITIUS

	C-	ants		Lo	ans		1	Invest	ments		Technical	assistance
Supplying country	J Gr	ants	Gros	s	N	et	Gr	oss	N	et	expend	iture
	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
Britain Canada Australia New Zealand India Pakistan	2,166	1,110	1,535	353	1,211	15 - - - -	-	233	-50 - - - - -	184 - - - - -	228 32 6 5 25 (1)	211 26 8 
Total	2,166	1,110	1,535	353	1,211	15	-	233	-50	184	(297)	293

# Number and man-months financed in year

	Advi	sers and	other exp	erts		Train	ees			Studen	ts	
Supplying country	19	68	19	969	19	68	19	69	19	68	19	169
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain Canada Australia New Zealand India Pakistan	81 - 2 2 	714 16 - 24 -	65 1 - 2 -	570 12 - - 12 -	26 - 2 - 6 -	158 - 13 - .:	31 4 2 - 5	144 10 6 - 10	47 19 6 6 36 2	302 181 57 65 375 24	54 12 5 - 44 4	396 98 50 - 489 32
Total	85	754	68	594	34	(181)	42	(170)	116	1,004	119	1,065

The main objectives of the 1966-70 Public Sector Development Plan, which has not yet been replaced, were to promote additional employment opportunities for the growing labour force and to improve the infrastructure and social services to meet the requirements of the directly productive sectors and also to keep pace with the growing population. Diversification of the economy, which is largely based on sugar, was emphasised throughout the Plan and during the last decade dependence on external sources of food has declined. On the other hand, industrialisation has resulted in increased imports of raw materials and equipment.

Following lower disbursements of grants and loans by Britain, the gross flow of financial aid to Mauritius, which had more than doubled in 1968, fell back to the 1967 level. In 1968 most of the grant money was required for

budgetary support but in 1969 all the finance in this category was project aid with about half for agriculture. Gross loans were sharply reduced and, after deducting servicing payments, they were very small. On the other hand, CDC made appreciable new investment in housing in 1969.

Technical assistance expenditure for Mauritius showed little change. The total of advisers and other experts fell further as fewer were employed in almost all the main sectors with the major exception of education and in particular teachers at university level. There was little change in the number of students financed as the rise in those studying medicine offset the decline for education and social sciences. The number of trainees financed increased mainly because more went on courses in public administration.

### £ thousand

#### NIGERIA

C Inda	6.			L	oans		]	Inve	stments			
Supplying country	Gi	rants	Gı	ross	N	let	G	ross	N	et	l echnica expend	l assistance liture
	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
Britain Canada Australia New Zealand India Pakistan	973 309 102 - -	1,877 742 - - - -	3,582 592	1,809 574 - - - -	737 592 - - -	-1,821 570 - - -	32	24	-538 - - - - - -	-785 - - - - -	1,571 592 37 11 9 (2)	1,897 805 39 9 70
Total	1,384	2,619	4,174	2,383	1,329	-1,251	31	24	-538	-785	(2,222)	2,820

Number and man-months financed in year

	Advise	rs and ot	her expe	rts		Tra	inees			Stu	dents	
Supplying	196	58	19	69	196	58	19	69	19	68	19	69
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain Canada Australia New Zealand India Pakistan Other countries	1,459 86 - - 1 -	9,784 627 - 12 -	1,342 92 - - - -	12,225 871 - - - - -	223 57 18 1 23 2	1,048 297 142 12  13	230 47 36 1 34	795 284 184 12 (65)	377 63 13 14 24 1	2,370 414 94 152 244 12	408 75 12 11 26	2,328 624 87 132 279
Total	1,546	10,423	1,434	13,096	324	(1,549)	349	(1,343)	493	3,298	532	3,450

The policy of the Federal Government in the immediate future is to concentrate on the restoration of essential services disrupted by the disorders and to re-establish normal economic and social conditions. A Post-War National Reconstruction and Development Plan for the 1970-74 period is expected to be published soon which will have as its overriding objective the establishment of a united egalitarian society. In the economic sphere, top priority will be given to the development of agriculture, industry and transportation. In the agricultural sphere, appropriate credit facilities will be instituted and farming co-operatives will be established while on the industrial side, the new national industrial policy aims at ensuring more effective co-ordination of industrial development within a national framework. Lagos, Warri, Port Harcourt and Calabar will be developed as the four major ports with access assured by a new system of modern trunk roads. The new road system will be co-ordinated with the development of river

transportation and improvements to the railways. On the social side, an extension of educational facilities is also planned. Overall the Plan, it is reported, envisages a minimum annual growth rate of 5 per cent.

To achieve these objectives set out in the Plan heavy investment involving both foreign exchange and local currency will be necessary. In connection with foreign aid, the Head of the Federal Military Government has stated "We shall welcome external financial assistance for the National Reconstruction and Development Plan as a whole. But we would like to serve notice to all those who can assist our development effort that we shall welcome only the external assistance that can be promptly utilised in the appropriate phases of the reconstruction programme. Assistance in the form of programme support or general commodity loan will be more valuable than protracted and endless negotiations over industrial projects as in the past".

The amount of financial aid provided by other Commonwealth countries to Nigeria was more than £5 million, but because of very heavy repayments of principal and interest payments, the net flow was only £583,000 in 1969, a decline of about £1.6 million as compared with the previous year. Grant disbursements were almost doubled and over four-fifths was non-project aid; the comparatively small amount of project aid was used solely for education. On the other hand, after allowing for servicing payments of over £3.6 million, net disbursements of loans showed a large negative figure; the new loan money was drawn to help finance current imports and for the communications and electricity sectors. New investment by CDC in Nigeria during 1969 was quite low and, as there were large interest payments as well as repayments of principal, the net figure showed a large negative balance.

Expenditure on technical assistance to Nigeria by other Commonwealth countries rose substantially in 1969. However, the number of advisers and other experts fell but, as they spent, on average, much longer in Nigeria, the total of man-months went up sharply. In 1968 the number of educational personnel was greatly reduced but in the following year a rise of over 100, most of which was in teachers at university and higher level, brought the figure up to almost 830. This increase means that the total of non-educational experts declined by almost 220 compared with 1968 with the number in the power, transport and communications sector falling by over 60 to just under 300, those in health by nearly 40 to 93 and those in agriculture by 54 to about 60. The number of students financed showed a further rise as the increase in those studying education, social sciences and agriculture more than offset the reduction for those studying medicine and economics. The downward trend in the number of trainees financed was checked in 1969 as many more attended courses on power, transport and communications, and public administration.

#### SIERRA LEONE

Supplying	Gra			L	oans			Inve	stments			
country	Gra	nts	Gr	oss	1	Net	Gı	ross	N	et	Technical expendit	
	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
Britain Canada Australia New Zealand India	4 -	-	383	544 - - - -	-211 - - -	-42 - - - -	- - - -	- - -	-187 - - -	-217 - - - -	371 39 24 4 2	408 14 13 2 5
Total	4	-	383	544	-211	-42	-	-	-187	-217	440	442

#### Number and man-months financed in year

	Advis	ers and	other exp	perts		Tra	inees			Stud	ients	
Supplying country	196	8	19	69	19	68	19	69	196	58	19	69
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Mn- months	Number	M:n- months
Britain Canada Australia New Zealand India	257 4 - - 3	2,470 30 - 1	230	2,120	49 3 9 2 7	213 12 69 24	59 2 2 2 2	234 15 10 20 (3)	141 16 10 4 1	816 166 99 37 12	161 12 10 -	953 124 93 - 12
Total	264	2,501	230	2,120	70	(329)	67	(282)	172	1,130	184	1,182

A number of objectives are pursued in the development strategy of Sierra Leone which, in general terms, is to narrow the gap between rich and poor. Specific developmental priorities exist to encourage economic development including for industry preference for capital goods rather than consumer goods and the encouragement of the agricultural sector. Among the aims is a reduction of the reliance which has to be put on foreign capital for development through increasing domestic savings.

Financial aid to Sierra Leone from other Commonwealth countries was very small on a gross basis in 1969 and, as a result of capital repayments and interest payments amounting to over £800,000, it paid out more than it received. Technical assistance expenditure for Sierra Leone showed little change. The total of advisers and other experts declined appreciably although more were required in education; in fact, educational personnel accounted for over 70 per cent of the total in 1969. As far as other experts are concerned, reductions were recorded for almost all sectors, the most marked being from 56 to 29 in the power, transport and communications sector. There was only a small fall in the number of trainees financed as the decline in those going on courses in education, trade and industry was largely offset by rises for public administration and health. The rise for students occurred mainly in education and economics with declines being recorded for social sciences, medicine and engineering.

#### SWAZILAND

G	-	ants		Loa	ns			Inve	stments		Technical	assistance
Supplying country	G	ents	Gr	oss	N	let	Gı	oss	N	et .	expen	diture
	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
Britain Canada Australia India	2,231	2,881	501 - - -	380	272 - - -	134 - - -	625 - - -	742 - - -	-664 - -	-728 - - -	325 12 1	356 27 7 1
Total	2,231	2,881	501	380	272	134	625	742	-664	-728	339	391

Number and man-months financed in year

	Advis	ers and	other exp	ærts		Tra	inees			Stu	idents	
Supplying country	196	8	196	59	19	68	19	69	196	58	196	59
	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man - months
Britain Canada Australia India	216	1,953 - - -	208 - - -	2,025 - - -	18 14 2 -	121 106 7 -	23 25 4	85 101 12	49 - - 5	229 - 60	<b>38</b> - - 5	271 - 60
Total	216	1,953	208	2,025	34	234	52	198	54	289	43	331

In Swaziland around four-fifths of the population derive their livelihood from agriculture which is mainly subsistence, though a transition is in progress to a monetized economy. The main objective of the post-Independence Development Plan for 1969-72 is to raise the standard of living as quickly as possible taking into account an annual rate of population increase estimated to be almost 3 per cent per annum. The improvement and expansion of education and training are emphasised in the development strategy as is the raising of productivity in agriculture and its related industries. Public funds are largely allocated in the Plan to infrastructure projects, such as communications and housing, while private enterprise is expected to act as the spearhead of economic development in the industrial and commercial sectors.

For the first time, in 1970/71, it is expected that the recurrent budget will require no external assistance; this is partly a result of the successful negotiations on the terms of the South African Customs Union. However, the Plan indicates a very high degree of dependence on external finance for the execution of development projects. Nevertheless, it is intended to reduce dependence on such external resources as far as possible.

All the financial aid provided by Commonwealth countries comes from Britain and in 1969, on a gross basis, this amounted to £4 million as compared with under £3.4 million in the previous year. However, after allowing for higher servicing payments, the net flow, at less than £2.3 million, was only about £450,000 more than in 1968. In both years, most of the grant aid was for budgetary support, the remainder going to a wide

range of sectors. More than half of the money drawn against loans was for non-project purposes in 1969. The whole of the new investment by CDC went into agriculture in both years.

Expenditure on technical assistance for Swaziland by other Commonwealth countries, which had declined in 1968, showed some recovery in the following year when more was required to cover the cost of expert services. The number of experts, in fact, declined but the total of man-months provided by them increased appreciably. Of the total, two-fifths were educational personnel and, as the absolute number in this category rose by 16 because more were needed in teacher training and administration, the number of experts and advisers in other fields was 24 lower than in 1968. This decline was most apparent for public administration. The number of trainees financed rose substantially as more went on courses in public administration and social services but the upward trend for students was checked with smaller numbers in most subjects and particularly in education.

#### £ thousand

#### TANZANIA

	-			Lo	ans			Inves	tments		Taskasasi	
Supplying country	Gra	ints	Gr	oss	N	et	Gr	oss	N	let	Technical expen	
	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
Britain Canada Australia New Zealand India Pakistan	Cr.8 107 - -	38 16 - -	458 - - - -	1:111	-470 458 - - -	-674 174 - - -	66	43	-555 - - - -	-1,055 - - - - -	1,774 593 42 11 17 (1)	1,681 603 42 6 45
Total	99	54	458	••	-12	-500	66	43	-555	-1,055	2,438	2,377

### Number and man-months financed in year

	Advi:	sers and	other exp	erts		Trai	nee s			Stud	lents	
Supplying	19	68	19	69	19	68	19	69	19	68	19	69
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain Canada Australia New Zealand India Pakistan	735 96 - 1 1	6,426 800 6 12	543 84 1	4,715 796 11 -	27 64 24 - 5	226 460 176 - - 45	14 51 32 - 12	77 283 175 - 80	133 15 13 14 23	880 119 113 149 256	47 21 - 9 22	346 169 85 255
Total	833	7,244	628	5,522	125	(915)	109	615	198	1,517	99	855

The First Five Year Plan, while aiming at an expansion of agricultural output, proposed an even faster rate of growth of the industrial and commercial sectors. Government directed investment was concentrated mainly on infrastructure projects with transport, urban development and education being given priority. During the Plan period the average growth of G.D.P. per annum was around 5 per cent in real terms as against a target figure of 6.7 per cent. Among the factors contributing to the shortfall were changes in international trading conditions, especially detrimental being the

substantial fall in the world price of sisal which is a staple export crop for Tanzania. The industrial growth rate though high at over 10 per cent per annum, after allowing for price increases, did not reach the very high rates suggested in the Plan. Gross investment in relation to G.D.P. rose sharply but, although the actual volume did not reach the planned investment target, it is significant that some 70 per cent of the investment funds were generated from domestic sources, a much higher proportion than envisaged in the Plan. While the rise in population at an average rate of 2.7 per cent per annum was higher than expected, the achievement of ambitious targets for secondary, university and technical education will bring future benefits.

The Arusha Declaration of 1967, in which a new development philosophy was enunciated, is basic to the Second Five Year Plan which covers 1969-74. The objectives, as well as economic and social transformation, include social equality, self reliance, African economic integration and the development of co-operative forms of economic activity. It is planned that the achievement of a 6.5 per cent per annum growth of real G.D.P. should be accomplished in harmony with the pursuit of the other objectives. In particular, the prime criterion of economic success will be the provision of a healthy diet for all Tanzanians; and an underlying goal of the Plan is the creation of an adequate and growing domestic market. The investment objective of the Second Plan is to raise progressively the ratio of gross capital formation to G.D.P. to an eventual 25 per cent.

Throughout the Plan the need for choice in using scarce resources is emphasised. The rural sector receives top priority for the achievement of the growth target both because it is the largest productive sector and because it is to this sector that co-operative development is best suited. It is predicted that marketable agricultural output will be responsible for over a quarter of the expansion of total output during the Second Five Year Plan period.

In the long run it is recognised that successful economic development requires an industrial base and it is foreseen that the succeeding Plan will concentrate on the development of a capital goods industry. Meanwhile, during the Second Five Year Plan manufacturing, which has to grow from a low base, is expected to account for one-seventh of the total growth of the economy. Urban expenditure will be concentrated on ten towns which should become growth centres benefitting their rural hinterlands. In the field of communications, priority has been given to the improvement of the Tanzania/Zambia highway, the construction of Kilimanjaro International Airport and the Tanzania/Zambia railway. With regard to tourism the aim is to treble the 1968 number of visitors by 1973-1974 thereby raising net foreign exchange earnings from this source to the equivalent of some £5 million.

Over the period of the Plan the estimated budget for the parastatal organisations' development programme is 2,300 million Tanzanian shillings (£135 million) and total government spending will be 3,055 million Tanzanian shillings (£180 million). It is hoped that external sources will account for some 35 per cent to 40 per cent of the parastatal organisations' investment and some 12 per cent of total government spending.

Financial aid provided by Commonwealth countries to Tanzania fell from over £600,000 to less than £300,000 in 1969, and, after allowing for repayment of principal and payment of interest, Tanzania paid over £1 $\frac{1}{2}$  million more to other Commonwealth countries than it received; in the previous year the negative balance was about £470,000. After rising substantially in 1968, the amount of

technical assistance provided by other Commonwealth countries declined in 1969 as far less was received from Britain. The total number of experts and other advisers fell by over 200 with educational personnel declining by 82 largely because fewer were employed in teacher training and in technical schools. For non-educational experts, the reduction of 123 as compared with 1968 was mainly reflected in the number of personnel in agriculture (down 75 to 131) and in power, transport and communications (down 22 to 85).

There was a large fall for the second year in succession in the number of students financed and this latest reduction was common to all subjects but was especially noticeable for education, social sciences and agriculture. Similarly, there was a decline as compared with 1968 in the number of trainees financed as the falls for trade, industry and education were only partly offset by an increase in those going on courses dealing with public administration.

## f thousand

#### UGANDA

				Loa	ins	· · · <del>-</del>		Invest	ments		Table	
Supplying country	Gra	nts	Gr	oss	N	et	Gre	oss	N	et	expen	assistance diture
	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
Britain Canada Australia New Zealand India Pakistan	25	5	990	1,617 - - - -	-185 - - - -	137	495 - - - -	272 - - - -	37 - - - -	-198 - - - - -	2,386 336 43 14 12 (1)	2,154 363 44 11 29
Total	25	5	990	1,617	-185	137	495	272	37	-198	2,792	2,601

# Number and man-months financed in year

	Advi	sers and	other exp	erts		Tra	in <b>ee</b> s			Stuc	lents	
Supplying	19	68	19	69	19	68	19	69	19	68	19	69
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain Canada Australia New Zealand India Pakistan	1,329 47 5 1	13,496 470 32 12	1,469 55 4 1 -	14,274 478 48 12	122 37 13 1 16 2	598 165 76 10	117 34 18 2 11	511 166 114 14 22	236 35 7 9 43	1,402 328 65 106 490	234 37 4 6 34	1,490 337 38 67 377
Total	1,382	14,010	1,529	14,812	191	(879)	182	827	330	2,391	315	2,309

The economy of Uganda is heavily dependent upon agriculture which accounts for about 60 per cent of total production and employs 90 per cent of the labour force. With output of the subsistence sector amounting to a half of total agricultural production, economic growth requires a sustained increase in the income derived from agriculture. Growth in foreign trade is also essential since the economy is limited by the small domestic market.

The Second Five Year Plan (1966-71) is the first phase of a fifteen year programme which aims at doubling the monetary income per head by 1981.

The Plan looks for substantial increases in agricultural output as well as diversification within and outside the agricultural sector; currently two commodities, coffee and cotton, account on average for about three-quarters of Uganda's exports outside East Africa. Along with agricultural development, priority is given to industrialisation and to the expansion and improvement of the health and education facilities in pursuit of the goal of a structurally diversified economy.

The average growth rate of the monetary economy in real terms over the period 1966-69 was 7 per cent per annum which is very close to the Plan's projected annual growth rate of 7.2 per cent per annum. A third Five Year Plan to commence in 1971 is now being prepared. In it will be incorporated the principles of the recently announced Common Man's Charter which designates as objectives equality for all citizens, national unity, equitable sharing of the nation's wealth and equitable development of all parts of the country. Manufacturing industry in Uganda is now controlled by the State's 60 per cent holding of firms in this sector and all import and export trade will be conducted by state corporations.

The amount of gross financial aid provided by other Commonwealth countries to Uganda in 1969, at almost £1.9 million, was somewhat higher than in the previous year. However, after taking into account servicing payments on loans and investments, Uganda in both years paid out more than it received. The increase in the gross figure in 1969 was wholly due to much higher drawings against loans by Britain for transport, agriculture and education. Over half of the new investment was in multi-projects and the remainder in agriculture and housing.

Technical assistance expenditure by Commonwealth countries for Uganda, which had increased quite sharply in 1968, declined somewhat in the following year as less was spent on experts. However, the number of experts and other advisers recovered appreciably in 1969 from the previous year's decline because educational personnel increased by 207 to 967. This increase was chiefly reflected in the number of primary and secondary school teachers (up 203 to 862) and of university teachers which reached 56; on the other hand, the number in technical schools dropped by 43 to only 9. The total of non-educational advisers and experts in 1969, at 562, was 60 less than in the preceding year as reductions of 41 to 104 in the power, transport and communications sector and of 39 to 88 in agriculture were only partly offset by increases to 89 and 27 in public administration and industry respectively. The number of trainees financed was lower in 1969 when those attending public administration courses fell by 15 to 47 and those going to courses on industry and trade by 6 each to 20 and 2 respectively. On the other hand, the number of trainees in social services went up by 13 to 34 and appreciable rises were recorded for agriculture, health and education. The reduction for students was chiefly in economics, engineering, education and medicine but these falls were offset in part by increased numbers studying agriculture and law.

### £ thousand

#### ZAMBIA

C 1:			1	L	oans		Į	Invest	ments			
Supplying country	Grai	nts	Gr	oss	N <sub>4</sub>	et	Gro	ss	Ne		l'echnica expend	l assistance liture
	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
Britain Canada Australia New Zealand India	714 70 - - -	219 82 - -	17 - - -	268 - - - -	-376 - - - -	-35 - - -	1,048	892 - - - -	703 - - - -	541 - - -	4,306 180 56 13 10	4, 289 147 39 7 15
Total	784	301	17	268	-376	-35	1,048	892	703	541	4,565	4,497

#### Number and man-months financed in year

	Advise	rs and c	ther exp	erts		Trai	nees			St	udents	
Supplying	196	8	196	59	196	8	19	69	19	68	196	9
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	M n- months	Number	Man- months	Number	Man- months
Britain Canada Australia New Zealand India	3,821 28 4	33,414 253 48 -	3,994 24 3 -	37,950 175 34 - -	60 24 14 2 7	244 151 99 23	50 18 9 1 5	196 86 62 12 8	121 15 8 11 18	466 170 62 130 194	105 11 7 11 19	577 114 71 13 198
Total	3,854	33,715	4,021	38,159	107	(528)	83	364	173	1,022	153	973

The largest sector of the Zambian economy is mining and quarrying, primarily of copper which accounts for around 40 per cent of G.D.P. and for 90 per cent of foreign exchange receipts. However, agriculture provides the means of livelihood for the majority of Zambians and the rural/urban imbalance which has emerged as a result of this uneven distribution of income has inspired a rural development programme for the 1970's. This programme sets out to overhaul the co-operative structure, create increasingly self-financing credit and savings co-operatives and to site suitable new industries, such as the processing of food and wood, in rural areas. However, the immediate overall policy is to be directed less to new investment than towards increasing the efficiency of existing investment and it is anticipated that food imports will fall with the success of the new rural development policy.

In 1969 the buoyant world price for copper was the main contributing factor to a 31 per cent increase in the value of Zambian exports and, as imports fell as a result of the government's measures to curb the import of luxury goods, a balance of trade surplus served to increase foreign revenues by some 80 per cent.

ln 1968, the total of gross financial assistance supplied to Zambia by other Commonwealth countries, most of which comes from Britain, was about £1.8 million as against over £11 million in the previous year. In 1969, when grant disbursements fell even further and investment was reduced, the total was under £1.5 million. However, as Zambia made substantial servicing payments on earlier loans and investments, the net total dropped from £1.1 million in 1968 to little more than £800,000 in 1969. The grant disbursements by Britain were for education while those by Canada were for general development. In 1968 the whole of the new CDC investment was in the industrial sector but in the following year the greater part was in agriculture with industry taking the remainder.

After the large increase in 1968 in the value of technical assistance provided by other Commonwealth countries, there was a comparatively small decline in 1969. The total of advisers and other experts increased further to exceed 4,000. Of these experts, operational personnel totalled about 2,640, roughtly the same number as in 1968 but many more were employed in the power, transport and communications sector which accounted for 893 but the next largest group, some 500, who were in public administration declined substantially. Agriculture and health which also use large numbers of operational personnel showed appreciable increases in 1969. Over 1,350 educational personnel were made available, a rise of 165 on the 1968 level, as many more were required for primary and secondary education as well as for university teaching while fewer were employed in technical schools.

The downward trend in the number of trainees financed continued in 1969 largely because fewer went on courses in power, transport and communications and in public administration. The number of students financed, which had risen substantially in 1968, dropped back in the following year when fewer were studying education and economics; on the other hand, the number studying engineering and medicine continued to rise.

**EUROPE** 

CYPRUS £ thousand

_	C	nts		Lo	ans		Tashaisal	assistance
Supplying country	Gr	ints	Gr	oss	N	et		diture
	1968	1969	1968	1969	1968	1969	1968	1969
Britain Canada	-	-	-	-	-238	-199	134 <u>a</u> 5	167 <u>a</u> 4
Total	-	-		-	-238	-199	139	171

#### Number and man-months financed in year

	Advis	sers and	other exp	erts	}	Trai	nees			Stud	ents	
Supplying	19	68	19	69	19	68	19	69	19	68	19	69
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain a	53	374	72	340	26	87	45	117	90	479	117	691
Canada	-	-	-	-	2	23	1	8	3	23	2	24
India	-	-	-	-	-	-	-	-	1	1	-	-
Total	53	374	72	340	28	110	46	125	94	503	119	715

a May include some assistance not passing through official bilateral channels.

The Second Five-Year Development Plan (1967-71) rests on a philosophy of privately generated economic growth assisted by the government where necessary. Over the plan period total investment expenditure is expected to rise to about £200 million, of which the public sector will provide £66.6 million. However, it is anticipated that most development expenditure will be met out of domestic resources with only 9 per cent coming from external borrowing whereas in the First Five-Year Plan period foreign financing amounting to 23 per cent of the total was required. While the Plan envisages a rise in G.D.P. of 7 per cent, during the first three years of the Plan period G.D.P. at constant prices rose by an average of 9 per cent per annum. At constant prices, per capita income had reached by 1969 £293.6 as compared with £240.8 in 1966. Although higher output from both agriculture and industry played a large part in the growth of G.D.P. in 1969, there was a striking increase of 35 per cent in tourist traffic in that year which far exceeded the Plan's traget of 25 per cent annual rise and the 29 per cent increased achieved in 1968.

Faced with a widening trade gap which, currently, is more than compensated by invisible earnings, a fundamental objective of development policy is, therefore, to increase exports, reduce dependence on imports through import substitution, and expand the domestic sector of the economy. To achieve these objectives the Second Five-Year Plan has placed special emphasis on the development of agriculture, manufacturing and tourism.

According to the memorandum supplied by the Cyprus Government, a factor likely to restrain future development programmes is shortage of certain categories of skilled and semi-skilled labour. In 1969 this shortage affected almost all branches of the economy, but particularly the services and construction industries, which led to the cancellation or postponement of a number of projects. In an attempt to overcome this bottleneck the Government has initiated a number of training schemes, including accelerated training courses, an Apprenticeship Training Scheme giving training in twelve trades, and a Retraining of Redundant Employees and High School Graduates Schemes. The Cyprus Government notes that "in this respect the technical assistance offered from Commonwealth countries is expected to play a vital part in minimising the difficulties encountered". Furthermore it is stated that currently "There is also a need for utilizing all underemployed manpower resources in the economy and the provision of trained experts as well as scholarships for training and studying under the Commonwealth technical assistance programmes is expected to play an important part in increasing the technical know-how and introducing modern techniques in production".

For the past three years Cyprus has not received any financial assistance from other Commonwealth countries and, in fact, has been making quite substantial servicing payments to Britain on earlier loans. Expenditure on technical assistance by Commonwealth countries showed a further increase in 1969. The number of advisers and other experts rose by 19 to total 72, the majority of whom were educational personnel working in primary and secondary education and technical and vocational training. The number of trainees financed, which had fallen heavily in 1968, increased to 46 mainly in the areas of public administration (12), industry and mining (5), education (6), social services (7) and power, transport and communications (7). A further 25 students were financed bringing the total to 119, almost half of whom were studying education while the remainder were widely spread over such subjects as engineering, medicine, agriculture, economics and social services.

# MALTA

At the conclusion of the Second Five Year Development Plan (1964-69) its achievement appears to be substantial. Within the long term development aim of creating an alternative economic structure to meet the challenge set by the withdrawal of British defence establishments, targets were greatly exceeded. Income rose by 40 per cent between 1964 and 1968 though the maintenance of the status quo had been the limited objective, unemployment fell by almost one-half while emigration was less than expected, and the balance of payments position was one of continuing surplus. While the government played an important part by financing infrastructure developments and by providing fiscal and financial inducements to private investment, the extent and rapidity of the involvment by private enterprise resulted in the outcome exceeding the planners' expectations.

The Third Plan is to be a larger effort, but it will retain the emphasis on a build-up of manufacturing industry, tourism and agriculture. The main objective will be to attain a rate of economic growth sufficient to absorb the new entrants into the labour market, and thereafter to attain a position of self-sufficient economic growth. The development 'philosophy will continue to rely on private enterprise supplemented by state aid.

MALTA £\_thousand

	C			Loa	ins		T	
Supplying country	Gra	ants	Gr	055	N <sub>1</sub>	et		assistance diture
<b>J</b>	1968	1969	1968	1969	1968	1969	1968	1969
Britain	4,954	2,697	1,750	1,200	1,422	713	64	90
Canada	-	-	-	-	-	-	9	5
Australia	-	-	-	_	-	-	-	-
Total	4,954	2,697	1,750	1,200	1,422	713	73	95

Number and man-months financed in year

	Advis	ers and	other exp	erts		Trai	nees			Stud	ents	
Supplying	19	58	19	69	19	58	19	69	19	68	19	69
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain	41	361	62	379	39	112	29	85	51	325	46	237
Canada	-	-	-	-	4	10	2	5	6	54	3	36
Australia	-	-	-	-	1	1	-	-	-	-	-	-
Total	41	361	62	379	44	123	29	90	57	379	49	273

In 1969 the flow of grants and loans to Malta fell by about 60 per cent to £4 million and the net flow declined to little more than half the previous year's level. About four-fifths of grants went for projects in the fields of education, industry, transport, agriculture and social infrastructure development. Loan disbursements were all project, with industry the main recipient sector and agriculture, electricity generation and distribution, transport and social infrastructure taking the remainder.

Technical assistance expenditure by Commonwealth countries increased somewhat in 1969. There was a pronounced increase in the number of advisers and other experts supplied although fewer man-months on average were spent in the field. Education accounted for the great majority of the expert personnel with technical and vocational training the single largest group. The number of trainees and students financed declined with education receiving most traineeships and studentships.

#### **AMERICA**

GUYANA £ thousand

				Loa	ns			Investr	nents			
Supplying country	Gra	nts	Gr	oss	N-	et	Gr	oss	N	et	expen	assistance diture
	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
Britain Canada Australia New Zealand India	957 340 - - -	170 438 - -	452 463 - -	1,103 241 - -	-684 463 -	-37 241 - -	689 - - - -	1,015	523 - - - -	860 - - - -	205 140 6 -	184 177 - 1 2
Total	1,297	608	915	1,344	-221	204	689	1,015	523	860	352	364

#### Number and man-months financed in year

	Advis	sers and	other exp	erts		Trai	nees			Stud	ents	
Supplying	19	68	19	69	19	68	190	69	19	68	19	69
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain Canada Australia New Zealand India	60 16 - -	518 116 - -	54 14 - -	402 127 - - -	80 31	337 164 - -	40 57 - -	107 315 - -	39 32 4 - 7	284 327 31 78	47 34 1 - 7	304 271 2 84
Total	76	634	68	529	111	501	97	422	82	720	89	661

In Guyana the agricultural sector now produces roughly a quarter of the G.D.P. while industry produces a third and the service sector of the economy, including Government, accounts for the remainder. Some 40 per cent of output is exported. In the five years 1965-70 the main impetus for economic growth came from industry and mining - chiefly bauxite and alumina while there was a more moderate growth in the service sector. The real rate of growth was probably nearly 5 per cent per annum, significantly higher than the 2.9 per cent per annum rate of population growth. The Development Programme for 1966-72 adopted a growth rate target of 5 to 6 per cent per annum which is being largely achieved. The Programme's policies emphasise diversification of output, development of managerial talent and skills, opening up new land, improvement of infrastructure and the creation of employment for the fast growing population and labour force. Recently the emphasis has been to an increasing extent on the directly productive sectors. Agriculture, including land development and modernization of the rice industry, primary industries like forestry and secondary industries based on agricultural materials are given high priorities, while considerable funds continue to be allocated for the infrastructure projects. Feasibility studies have been completed on a major project for a dam on the Mazaruni river for hydroelectricity. This would provide power for aluminium smelters and open up a large area for settlement.

Guyana's development programme has been financed to a very large extent by external funds. But it has been stated by the Government that the absorption of financial assistance faces certain problems arising from the high rates of interest on some loans with their implications for the debt burden, shortage of counterpart funds and tying of aid to goods and services of the donor countries and/or to specific projects. Guyana also suffers from a shortage of trained and skilled personnel. This, along with the deficiencies in the administrative machinery and shortage of local funds constitute some of the major constraints on the size and nature of the development effort.

The flow of external finance to Guyana increased slightly in 1969 with a rise in loans and investment more than offsetting the fall in grants. All the grant aid was of the project kind with education being the largest recipient. The bulk of the loan disbursements were also for financing projects, mainly in the fields of agriculture, transport and education whereas in 1968, apart from some money for agriculture, the loans were mainly for financing current imports. Investments in 1969 were mainly directed towards the building of social infrastructure, especially the provision of housing facilities.

The value of technical assistance supplied by Commonwealth countries, showed a further slight increase in 1969. However, the total number of experts and other advisers was reduced slightly though those assisting in the educational field (30) increased while those in power, transport and communications (11), health (10) and economic planning (5) fell. The number of trainees financed decreased significantly especially in the main areas of public administration where there was a drop of 16 to 31 and power, transport and communications where the number was halved to 12; on the other hand trainees in industry and mining rose to reach 21. Students financed increased in number with education (20), engineering (15) and economics (17) the main subjects studied.

# BRITISH HONDURAS

For many years the major economic activity in British Honduras was logging, which paid for necessary imports of food. Now timber has been replaced by sugar and citrus exports, and the country is approaching self-sufficiency in the production of basic crops such as rice and maize. The major untapped resource is cultivable land, and expansion in the agricultural sector is the basic theme of the development effort while in the medium term it is anticipated that tourism will grow substantially. The need for improvement of the infrastructure, especially communications and transport, is recognised. The objectives of the Seven Year Development Plan (1964-70) are to increase the national income, to expand employment opportunities, to balance the recurrent budget and provide a surplus for capital formation, and to raise the level of exports. It is hoped that private investment from abroad will assist in the achievement of these goals.

In 1969 the amount of financial assistance from Commonwealth countries to British Honduras increased by £459,000 or about 24 per cent, as a result of a large increase in grant disbursements. The bulk of the grant money was project aid though the public sector did receive a small amount of non-project assistance. Multi-projects, transport and education were the main areas receiving assistance.

BRITISH HONDURAS £ thousand

Supplying	Gra			Loa	ns			Investo	nents		Tachnias	assistance
Supplying country	Gra	nts	Gr	oss	N	et	Gr	oss	N <sub>1</sub>	et	expen	
	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
Britain Canada	1,651 82	2,288 117	213	-	143	-71 -	-	-	-16 -	-16 -	148 61	<b>28</b> 0 65
Total	1,733	2,405	213	-	143	-71	-	-	-16	-16	209	345

Number and man-months financed in year

	Advis	sers and	other exp	erts		Trai	nees			Stud	lent s	
Supplying	19	68	19	69	19	68	19	69	19	68	19	69
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain Canada	62 4	574 41	54 4	488 32	17 23	62 103	12 23	33 120	34 28	208 256	38 25	258 253
Total	66	615	58	520	40	165	35	153	62	464	63	511

Technical assistance expenditure rose substantially in 1969. The total of advisers and other experts declined slightly with none supplied in the educational field. As in 1968, the main sectors receiving assistance were health and public administration; the number in the first named sector was lower in 1969 but there was an increase in public administration.

The number of trainees financed by other Commonwealth countries fell slightly to 35 with most trainees going on courses in public administration (11) and industry and mining (13); however, compared with 1968 the number for public administration courses was about halved but many more attended industrial courses. The number of students financed showed little change with education (28), engineering (7) and economics (9) the main subjects studied.

JAMAICA £ thousand

Supplicing	C-	ints		Lo	ans			Investr	nents		Technical assistance		
Supplying country	Gra	ints	Gro	oss	N	Net		055	Ne	et	expen		
	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	
Britain Canada Australia New Zealand	186	- 5 -	738 - -	697 - -	-183 738 -	-144 678 - -	3,320	2,872	1,911	1,080	260 275 1	329 304 5 1	
Total	186	5	738	697	555	534	3,320	2,872	1,911	1,080	536	639	

Number and man-months financed in year

	Advis	sers and	other exp	erts		Trai	nees		Students				
Supplying	19	68	190	59	19	1968		69	1968		1969		
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	
Britain Canada Australia New Zealand	105 40 - -	879 377 -	81 54 - -	751 440 -	53 42 - -	181 328 - -	37 45 1 1	115 267 3 3	82 55 2 -	505 501 19	88 44 2 -	423 424 14	
Total	145	1,256	135	1,191	95	509	84	388	139	1,025	134	861	

The economy is based on agriculture, the mining of bauxite and alumina, manufacturing and toursim. In recent years a high growth rate has been marred only by a high level of unemployment. This problem has led to a new emphasis on the training and development of manpower resources - expenditure is to be increased on vocational, technical, academic and professional training. The 1970-71 budget also tackles the problems of poverty, tax avoidance and the degree of Jamaican involvement in business enterprise. Substantial amounts of foreign aid are required but a cautious policy is adopted with regard to loans and investment on commercial terms.

In 1969 the flow of external finance to Jamaica fell by 16 per cent to £3.6 million but because of higher repayments, especially for earlier investments by the CDC, the net flow declined by almost 40 per cent to £1.6 million. Loan disbursements, which declined only slightly, were in the form of project aid mainly to develop social infrastructure in education and other fields although transport and communications also received some loan funds. Investment finance went mostly to industry but some was used for housing, multi-projects and transport.

Technical assistance expenditure supplied by other Commonwealth countries, which had fallen slightly in 1968, rose sharply in the following year. The total of advisers and other experts was lower and this was reflected mainly in reductions of 8 to 13 in health and of 3 to 27 in power, transport and communications; the number working in agriculture (14) increased slightly but educational personnel rose by 7 to reach 43 as more were employed in technical schools. The decline for trainees financed was

most pronounced in public administration and power, transport and communications as the number going on courses in social services and industry and mining, the next largest groups, remained constant. There was a slight decrease in the number of students financed thereby continuing the downward trend. The fall was spread over most subjects but was most pronounced for medicine (down 6 to 11); the largest number (40) were studying education and this figure was unchanged from 1968 while the second largest group, in social sciences, went up by 6 to 34.

TRINIDAD & TOBAGO £ thousand

				Loa	ns			lnvestr	nents		T	
Supplying country	Gra	ints	Gross		Net		Gr	oss	N	et	Technical expend	
•	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
Britain Canada	59	- 1	275 323	13 279	211 323	-67 265	280	1,646	-435	1,480	164 244	228 257
Australia New Zealand India	-	-	-		-	-	-	-	- -	- -	3 4	6 3
Total	59	1	598	292	534	198	280	1,646	-435	1,480	416	497

#### Number and man-months financed in year

	Advis	sers and	other exp	erts		Trair	nee s			Stude	ents	
Supplying	19	68	1969		1968		19	69	1968		1969	
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Britain Canada Australia New Zealand India	19 43 - 1	139 339 - 12	14 36 - 1	89 327 - 4	15 25 - 1	73 134 - 3	27 41 - 1	68 185 - 4	63 46 3 - 7	452 342 24 - 74	43 34 4 10	256 292 37 102
Total	63	490	51	420	41	210	69	257	119	892	91	687

The Third Five Year Plan covering the period 1969-73 projects a 4.2 per cent rate of growth in real G.D.P. The long run strategy set out in the Plan is to develop by the early 1980's a more diversified economy with full employment and to have considerably more local decision-making in economic affairs. Currently agriculture provides nearly 22 per cent of the employment for the working population, and sugar is especially important in this respect, but it is the mineral-based industries, oil and asphalt, which are the prime contributors to the G.D.P. Tourism is the third largest industry after oil and sugar.

Diversification is planned through an increase in the output of traditional export crops such as cocoa and citrus fruits as well as sugar, through the production and export of manufactured goods and by further expansion of the tourist industry. Local sources are expected to provide 62 per cent of the total funds required, the rest to come from foreign loans and aid. In a revision of the Third Five-Year Plan announced in June 1970, which leaves the principles and policies of the Plan intact, the main proposal is to

accelerate the creation of jobs by means of an increased building programme, a reorganisation of rural development and increased vocational training.

External finance to Trinidad and Tobago in 1969 more than doubled to over £1.9 million as a result of a very large rise in new investment by CDC. Grants and loans, together, fell by almost three-fifths to about £300,000. Loan disbursements, all of which were used for projects, went mainly to agriculture and electricity generation and distribution. Almost two-thirds of the new investment went for housing in 1969 and the remainder for mining and quarrying. A rise occurred in technical assistance expenditure supplied in 1969. The total of advisers and experts was 12 less than in 1968, most of this drop being reflected in the lower total for education (26). The other main fields receiving experts were agriculture (8), health (9) and power, transport and communications (6). The number of trainees financed increased substantially with a large increase in numbers on courses relating to health services (20). Other main subjects were public administration (15), social services (13) and industry and mining (7). Students financed fell sharply especially in the main subjects of education (15) and social sciences (15) though economics (11) and medical sciences (13) remained at the same level.

#### EASTERN CARIBBEAN

	Gra			Loa	ns			Inve st	ments		F t : 1	
Receiving country	Gra	nts	Gross		Net		Gr	oss	N	et	Technical assistance expenditure	
	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
Antigua Dominica Grenada St. Lucia St. Kitts St. Vincent	384 664 614 307 354 743	293 678 543 489 262 787	21 1 2 -	11 - 2 - 14 -	-39 -106 -4 -11 -1	-51 -1 -105 -4 -5 -1	40 - 301 -	91 321 20	2 -36 -16 279 -26	-22 40 -54 240 -2	140 63 120 159 82 134	125 64 128 150 106 197

#### Number and man-months financed in year

	Advis	ers and	other exp	erts		Trai	nee s		Students				
Receiving	19	68	1968		1969		19	68	1968		1969		
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	
Antigua Dominica Grenada St. Lucia St. Kitts St. Vincent	31 15 20 27 24 33	224 125 133 209 179 245	24 13 9 33 20 37	243 82 108 280 153 278	36 23 16 21 8 35	213 105 82 84 33 170	28 25 18 24 7 46	137 142 75 116 12 228	44 24 44 35 28 46	390 175 378 299 231 343	36 30 37 28 29 37	296 181 288 196 208 286	

All six countries, which together form the Associated States of the Eastern Caribbean, are heavily dependent on agriculture and their export incomes depend on a single crop-sugar in the Leeward Islands of St. Kitts

and Antigua and bananas in the Windward Islands of Grenada, St. Vincent, St. Lucia and Dominica. Consequently their development aims include agricultural diversification as well as improvements to health facilities, water and electricity supplies, and educational standards. As the islands also hope to increase their income from tourism, another aim is to improve the infrastructure, in particular roads, harbours and airports. All the countries are heavily dependent on financial and technical assistance from outside sources.

In 1969 there was a considerable increase in grant disbursements to St. Lucia and small increases to St. Vincent and Dominica while grants received by Antigua, Grenada and St. Kitts fell. The non-project grant aid was mostly budgetary support and the project aid was used for the building of social infrastructure, especially education and transport. Net loans remained at the same negative level. New investment was made by CDC in St. Lucia, St. Vincent and Dominica; for St. Lucia all the money went into housing while for St. Vincent it was solely in the energy sector and in Dominica a combination of the two fields. Technical assistance expenditure for all the islands, except Antigua and St. Lucia, was higher than in 1968. The number of advisers and experts provided in 1969 fell by almost 10 per cent to 136 with Antigua and Grenada experiencing the largest declines while St. Lucia and St. Vincent received more. Over a third of the total were educational experts, mostly in primary and secondary education and in teacher training though a number of administrators and advisers were also included. Public administration, health and power, transport and communications were the largest recipients of assistance from operational personnel while public administration employed most of the advisers. Overall, trainees financed increased somewhat with only Antigua and St. Kitts experiencing a decline. The main subject area for the trainees was public administration though power, transport and communications and industry, mining and handicrafts were also represented strongly. Students financed fell. The largest number of students was in education (58) with engineering and economics as other main subjects studied.

# OTHER COMMONWEALTH COUNTRIES IN AMERICA

For all the Caribbean islands, apart from the Turks and Caicos Islands, tourism is the major sector in the development plans. All the countries also aim to improve educational standards, health and housing while several place emphasis on better roads and harbours. Intra-Commonwealth aid to these islands comes mainly from Britain.

Grant disbursements to Barbados, Montserrat and the Turks and Caicos Islands increased in 1969 but those to the Cayman Islands and the Falkland Islands declined. Most of the project grants were for transport and education while Montserrat, Turks and Caicos Islands and the Virgin Islands received appreciable sums for budgetary purposes.

Apart from small loans to Barbados and the Virgin Islands, there were no drawings on loans by the islands but a number of them made servicing payments on earlier loans. Barbados also received a small amount of investment in housing and agriculture.

Technical assistance provided to several of the islands, and especiall to Barbados and the Virgin Islands, rose in 1969. However, the number of experts provided to Barbados and the Falkland Islands, the two main recipient was lower than in the previous year but more went to most of the other islands

The bulk of the experts were operational personnel and were employed mainly in health, agriculture, public administration and power, transport and communications. There were also a substantial number of educational personnel, principally at primary and secondary school level, with by far the largest number serving in the Falkland Islands although for that country the figure dropped from 38 in 1968 to 29 in 1969.

### OTHER COMMONWEALTH COUNTRIES IN AMERICA

£ thousand

	C			Loa	ns			lnvestn	nents		T1-:1	
Receiving country	Grants		Gr	oss	N	et	Gr	oss	Ne	21		assistance diture
	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
Bahamas		-	1		_	1			1	-	20	24
Barbados	80	106	25	32	25	32	4	64	4	64	181	249
Bermuda	-	-	-	-	- :	-	-	- 1	-	-	13	8
Cayman ls.	100	37	-	-	-8	-10	-	-	-4	-4	40	33 18
Falkland Is.	34 306	10	-	-	-		-	-	-	-	19	18
Montserrat		383		-1	- )	-1	-	-	-	-	65	74
Turks & Caicos Is.	347	382	-	-	-2	-7	-	-	-	-	35	36 67
Virgin Is.	348	330	-	60	- '	60	-	-	-	-	37	67

#### Number and man-months financed in year

	Advi	sers and	other exp	erts		Trai	nee s			Stud	lents	
Receiving	1968		19	69	19	68	1969		1968		1969	
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months
Bahamas Barbados Bermuda Cayman Is. Falkland Is. Montserrat Turks & Caicos Is. Virgin Is.	1 61 - 20 72 19 24 21	3 487 125 612 133 167 161	46 - 25 63 20 25 23	465 172 573 162 224 195	37 19 - 2 - 12 - 2	215 78 - 14 - 71	52 2 8 4	286 9 45 13	21 99 3 7 3 20 5	107 701 22 56 26 176 45	22 105 2 7 3 16 4	120 676 24 51 27 123 33 117

The number of students and trainees financed remained more or less unchanged for most countries, the principal exceptions being Bahamas which received no traineeships in 1969 as against 37 in the previous year, the reversal of the 1968 decline for trainees from Barbados and the further rise in students from that country. As in previous years most students were in education while a small number were studying economics and social sciences. The trainees went mainly on courses in public administration, industry, social services and power, transport and communications.

	C	ants		Loa	ns			Invest	ments	_	Tashniasl	assistance
Receiving country	ntry		Gr	oss	N	e t	Gr	oss	N	et	expen	
J	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
Fiji Solomon Is. New Hebrides Gilbert & Ellice Is.	1,205 1,707 728 268	2,366 2,266 1,001 172	23	1 1 1 1	-166 23 -	-166 - -	14 -	86 9 -	-10 14 -	64 9 -	1,199 758 210 2 <b>6</b> 5	1,185 800 205 391
Tonga W. Samoa Papua-N.Guinea	272 23 44,799	147 61 49,232	-	70 -	-11 - -	-11 70 -	- - -	- - -	-	-	116 148 ••	87 105

#### Number and man-months financed in year

	Advi	sers and	other exp	erts		Train	nees		Students				
Receiving	1968		19	69	1968		1969		1968		1969		
country	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	Number	Man- months	
Fiji Solomon Is. New Hebrides Gilbert & Ellice Is. Tonga W. Samoa Papua-N.Guinea	446 315 79 105 36 9	4,854 3,319 816 1,107 311 58 16	451 314 90 121 36 10	4,823 3,389 910 1,232 340 91	44 11 6 17 32 88 57	322 77 28 148 257 699 570	58 13 2 17 32 82	(407) 79 13 90 286 818	96 18 9 8 24 48 95	634 89 43 42 165 518 942	105 15 11 10 17 50	648 59 48 46 139 5 <b>3</b> 6	

Because of its special relationship with Australia, Papua-New Guinea receives a considerable amount of financial and technical assistance from that country and in recent years such aid has been rising rapidly. Most of the other countries in Oceania rely on Britain for assistance but some receive substantial amounts of technical assistance from New Zealand, Australia and India.

Australian grants to Papua-New Guinea increased from £45 million to £49 million in 1969. The flow of financial assistance to Fiji amounted to almost £ $2\frac{1}{2}$  million in 1969, more than twice as much as in the previous year while the Solomon Islands received over £ $2\frac{1}{4}$  million as against £1.7 million in 1968 and the amount going to the New Hebrides also rose sharply. Among the other recipients, less went to Tonga and the Gilbert and Ellice Islands. The money, in the case of Fiji, was used mainly for transport, health and education while about half of that provided to the Solomon Islands and the New Hebrides was for budgetary support and the remainder went to a wide range of sectors. The amount of technical assistance received by countries in Oceania showed divergent trends, the totals for Fiji and New Hebrides showed showed little change, those for the Gilbert and Ellice and Solomon Islands rose, and those for Tonga and Western Samoa declined.

Apart from New Hebrides and the Gilbert and Ellice Islands, where the numbers increased appreciably, the number of advisers and other experts showed only small changes in 1969. Out of the total of some 450 for Fiji, 63 were in the educational field, and over 375 were operational personnel mainly working in public administration, power, transport and communications, agriculture and health. These sectors also accounted for most of the non-educational personnel in the other countries. Many of the trainees financed went on educational courses but appreciable numbers went on courses in public administration, transport, health and agriculture. The number of students from Fiji financed by other Commonwealth countries showed a further rise in 1969 while those originating in the other countries showed little change in number except for Tonga where there was an appreciable decline. As far as Fijian students were concerned the main subjects were education, social sciences, medicine, engineering and agriculture while a large number of those from Western Samoa were in secondary education. Education was also the main subject for the majority of the students from the other countries.