RAPID GROWTH IN AUSTRALIA'S FOREIGN AID

(By Mr. Malcolm Fraser, Member for Wannon and Minister for Defence)

Australia's foreign aid has nearly doubled during the past five years, a new official publication reveals.

It is estimated in this financial year all forms of Australian Government aid totalled over $162 million.

This is .57 percent of the Gross National Product, and it means that on a per capita basis Australians are each contributing about $13 in aid to overseas countries.

On a Gross National Product or per capita basis Australia is the third largest giver of aid. Portugal and France are the two largest.

The survey just released reminds us that Australia is the only donor to provide all its aid in the form of non-repayable grants. There are no strings attached to our aid.

Australia's aid is channelled in three main categories. Papua and New Guinea is estimated to receive more than $108 million in 1969-70, nearly $13 million is earmarked for multilateral aid, and it is estimated our bilateral aid program will total over $41 million.

Bilateral aid is that designated by Australia for particular countries. Over 90 percent of our aid in this area goes to countries in Asia, to help them to develop and to raise their living standards.

This form of aid has risen faster than other categories, and goes to a number of countries from Afghanistan to Cambodia.

Indonesia - our largest recipient - receives nearly one-third of our bilateral aid. That country's share of this Australian aid is estimated to be about $15 million in the current financial year.

In addition, Australia recently announced aid totalling nearly $54 million to Indonesia in the three-year period to 1972-73.

The Colombo Plan is the most important of channels for Australia's bilateral aid. There is also the South East Asia Treaty Organisation program, which has been directed mostly for educational and developmental projects and to provide training facilities in Australia.

Through these programs and a variety of others, Australia provides a range of aid from technical skills to foreign exchange support.

In 1968-69 a total of 360 Australian experts and advisers worked in the developing countries under the bilateral aid program.

The training programs in 1969-70 provide for a 29 percent rise in expenditure to finance more than 2,700 trainees and 22 international training courses.

Training has been given in engineering, agriculture, in education, medicine and health, public administration, in science.
In addition to sponsored students, about 11,000 private overseas students studied in Australia in 1968-69.

Other instances of our aid include -

. With other major Western donors, Australia has provided foreign exchange assistance through the Bonus Export (BE) system to enable Indonesian businessmen to import Australian goods.

. Providing 225,000 metric tons of wheat products a year for three years, valued at nearly $12 million a year, in a food aid scheme negotiated as part of the International Grains Agreement to help meet temporary food aid needs in developing countries.

. In multilateral aid, contributing to international financial institutions, including the Asian Development Bank for which we have agreed to subscribe nearly $76 million to the capital stock of the Bank.