

- We believe the reform of existing institutions, where possible, is preferable to the establishment of new ones; and
- We believe positive cooperation not confrontation is required to solve difficulties particularly in the area of commodities and other raw materials, including energy resources.

The discussions and negotiations now under way will establish the framework of world trade and finance in the nineteen eighties. There is much at stake for both developed and developing countries. I wish now to turn to three areas of particular concern to developing countries - commodities, trade liberalization and industrial cooperation.

### Commodities

The area that has been accorded the greatest attention is commodities. This attention is undoubtedly justified. As both an importer and an exporter Canada regards the instability of the international commodities market as a major weakness of the international trading system.

How can we best deal with the "boom or bust" phenomenon in commodity trade?

- We believe commodity arrangements involving both producers and consumers constitute the most practical approach to the problem. Canada was an early supporter of commodity arrangements, including formal agreements on a commodity-by-commodity basis. We are one of the few countries which has adhered to all the major commodity agreements;
- We are prepared to examine positively the idea of negotiating arrangements for a wide range of products including, but not limited to, those listed in UNCTAD's Integrated Approach;
- We recognize that the use of buffer stocks and alternative stock mechanisms may be an appropriate stabilizing technique for a number of commodities;