

place that this important question occupies on our agenda reflects a general feeling that greater efforts should be made to grapple with this problem.

As the Canadian Delegation pointed out in its statement on the world economic situation, the instability in commodity prices during 1957 probably represented in many of the under-developed countries the most serious aspect of the economic adjustment which the world economy has been undergoing and corresponded in its impact to the cut-back of investment and the resulting unemployment in the industrialized countries. Of course, while it may be useful for certain purposes to differentiate between industrialized and underdeveloped countries, the distinction tends to break down when dealing with the instability in commodity markets. Some countries like Canada which have reached a relatively advanced stage of industrial development also rely to an important extent for their prosperity on the production and export of certain raw materials and foodstuffs. During the past year or so our country has been concerned about the declines which have taken place in the prices of a number of commodities of which we are major producers. Canadian wholesale prices of copper and its products declined by an average of almost one half from April 1956 to April 1958, while in the case of both lead and zinc and their products prices fell by more than one quarter. Wholesale prices of grains declined by about ten per cent over the same period.

Even those countries which are not major producers of basic commodities have strong reasons for being concerned about the economic health of those parts of the world which are more directly affected. Apart from any other considerations there is the fact that a decline in the export earnings of commodity producing countries means less purchasing power with which to buy the products of other nations. Moreover, the existence of satisfactory conditions in world commodity markets might be described as a basic prerequisite to the success of the efforts the United Nations are making in other fields to assist the under-developed countries to attain greater rates of economic growth and higher living standards. As the Secretary-General pointed out at the 22nd Session of the Economic and Social Council, a change of only five per cent in average export prices of primary commodities is equivalent roughly to the total annual flow of private and public capital and government grants to under-developed countries. Thus, we all have an interest in dealing with this problem in a realistic and effective way.

Stability in Commodities Market

I have outlined in some detail the nature and complexity of the commodity problems facing the world today. Nevertheless, it is encouraging to realize that we have made some progress in the post-war period in laying the ground-work for action to bring a greater measure of stability into the