

a system, internationally as well as nationally, will naturally wish to safeguard and strengthen it. Nevertheless our efforts to expand trade do not need to be confined within the limits of this system. We in Canada are glad to enlarge our trade with countries which have, to use the language of the Survey, "centrally planned economies". Only this year my government reached a trade agreement with the USSR which, we hope and believe, will prove beneficial to both parties.

The Survey suggests that the world trading community is divided not into two, but into three segments: that, in addition to the "centrally planned" segment, there is also the so-called "dollar" segment and the segment based on the European Payments Union. While there is some basis for this latter distinction it should not we think be given too much emphasis. Naturally by the very fact of geography there is a very large amount of trade between my own country and the United States, which both use dollars. Naturally, the countries of Europe have a large amount of trade with each other. But statistics, apart from geography, can be misleading. Our aim should be to break down trade barriers, both within and between regions. The protection of inefficient industries is just as uneconomic, and just as undesirable, whether the competition comes from a neighbouring country or from the other side of the world.

In conclusion, I should like to follow up certain remarks made by the Secretary General. His analysis, which I found most persuasive, puts into perspective the importance of the question of commodity stabilization. I would gather from his statement that, in his view, this question overshadows two others with which we have wrestled from time to time in this Council -- the question of full employment in the industrialized countries and of special aids to development in the less-developed countries.

After identifying the problem, the Secretary-General proceeded to suggest the avenues along which we should, and should not, seek solutions. "There is no magic formula" he said "for solving the problem of commodity price stability". And again "it is not so much new machinery or new gadgets that are required: what is necessary is proper education and goodwill, both of the public and of governments."

He referred to three commodities for which some form of stabilization already exists: wheat, sugar and tin. My government is glad to be associated with all three agreements. To us, wheat is by far the most important of the three because we are one of the world's great wheat producers. Canada could get along without the International Wheat Agreement, but we greatly prefer to get along with it. We take some pride in the part we have played in getting it started and in making it work. It provides for a wide area of flexibility: prices can move between the agreed ceilings and the agreed floor without involving any members in obligations. But at the floor the consumers are