

objective, we are impressed by one possibility which our distinguished president has put forward. I refer to his suggestions concerning the variety of techniques which might be developed to multilateralize, through the bank, the flow of additional investment resources. The possibility that such new techniques might reduce future differences over investments could be of great significance to the bank, and to its members. Canada would, therefore, welcome a careful study of the possibilities of a greater role for the bank as a catalyst in attracting capital for industrial development. We do not underestimate the complexity or sensitivity of such a study or its implications for the bank. However, the importance of the issue justifies most careful consideration.

Our concern for this issue does not mean that we favour increasing the importance of the bank's ordinary capital operations at the expense of its concessional funding. To the contrary, we believe that the bank must continue to give paramount attention to the basic development problems which the Prime Minister of Jamaica has drawn to our attention. This means continued priority for the fund for special operations in order to respond to the growing need for concessional resources. At this point I would like to pay tribute to the contribution of the United States of America which has played such a prominent role in sustaining the international development assistance effort in Latin America for so long. For the future, the increasing interest of non-regional countries in the economic development of this area will be helpful and Canada would welcome their admission to the bank. We hope that they will give special emphasis to the need for soft funds.

The relative scarcity of these funds means that they must be allocated as effectively as possible. The guidelines for the fund for special operations are a useful step in that direction. We support the continuing efforts by the bank to invest these funds where they are needed most.

Mr. Chairman, it is clear that the need for the bank and its members to adapt to these changing realities will be the major task facing us at this meeting and in the period ahead. There is a formidable list of challenges: to increase the availability of investment capital for resource development while retaining control of our national destinies; to be responsive to the needs of our borrowers without making loans out of sympathy, rather than on sound development banking principles; to give priority to those countries whose development needs are greatest without neglecting the equally legitimate requirements of our most advanced members; to co-operate closely with other countries and agencies without weakening our sensitivity to regional concerns, which has been a hallmark of this institution. I am sure that all governors share my confidence that this institution will succeed in meeting these challenges.