

*Bretton Woods Agreements Act*

tems of the world which were set up, in particular, at Bretton Woods. The bill we are debating today is to make amendments to the Bretton Woods Agreements Act.

We must understand that an approach by these two avenues is at the heart of a realistic response by Canada to the needs of developing nations and one which ought to be advanced at the special session on development. We now have a better understanding of development than we did in those earlier years and I am not overcritical of what Canada has done. Indeed, I have great respect for many of the programs which have been undertaken and for many of the people who have been involved. I have great respect for them, indeed. But, as I say, I believe we have reached a better understanding as a result of our experience and that it ought to be applied as we consider this bill and attempt to advance a better policy for the 1980s.

The goal of development is now clear. It is to lead to self-fulfilment and creative partnership in the use of a nation's productive forces and to full human potential. This means adopting strategies and emphasizing improvements in the quality of life, not just in GNP statistics. Scientific, technological and economic opportunities should be developed to allow a more humane and social economic order for all people.

That is a little of the background to our present situation. Now, Mr. Speaker, along with the better understanding of development which we now possess, along with an emphasis on this two-pronged approach, we must consider that there is a mutuality of interests. We must consider that it is in the interest of the northern countries to participate more vigorously in exchanges with developing nations. It is certainly in Canada's interests.

The Harvard *Business Review* recently reported that 34 of the 500 largest international companies are now based in developing countries. This gives us cause for thought. As you know, Mr. Speaker, we often think of Third World countries as aid clients where the situation is one of unrelieved gloom and despair. While we must not underestimate the amount of suffering which still prevails in many countries, nonetheless—I speak from my own experience at having visited many of these countries in Asia, in Africa and in South America—a process of industrial development is taking place which is of great interest to Canada.

So far, though, our economic links with developing countries remain weak. Only 8 per cent of Canadian exports, including those financed by the aid programs, go to the Third World, yet 37 per cent of United States exports go to developing countries, 45 per cent of Japan's and 18 per cent of the European Community's. Similarly, only 12 per cent of Canada's imports come from developing countries as compared with 35 per cent for the United States, 53 per cent for Japan and 20 per cent for the European Community.

The overriding importance of the influence of the United States on Canada's trade pattern is well known and it cannot be overlooked. There is, nonetheless, a great potential for expanding Canadian trade and economic links with the Third World. This is a point which is developed at great length in the 1978 study of the Economic Council entitled "For a Common

Future—A Study of Canada's Relations with Developing Countries", in which we find advanced a very strong argument centred upon the fact that, if many foreign corporations are investing in the developing world, it is likely that Canada would suffer loss of markets and, consequently, of employment and profits if its firms do not do likewise. I quote, now, from the report:

We believe that the benefits to Canada from direct investment in the developing countries by Canadian firms most often clearly outweigh the cost.

● (1430)

There has been the creation of some committees recently at the business level. The business community is showing some signs of increased attention and interest in relating, in joint ventures, to the needs of the developing countries on a commercial basis. I think that is a good thing because, as the business community becomes increasingly aware of the trade potential with those newly industrialized countries, and as the business community becomes more convinced that it is in its interest to relate to developing world markets in the way that the United States, Japan and the EEC are relating, that will help to give Canadian business a wider view. CIDA has an industrial program in which it is putting seed money into starter studies, feasibility studies and so forth. That is also a good move, but much more is needed if Canada is to reach its full potential in relating to those vast, vast markets which are at the point of opening up for our country.

I think Canada is well placed to assist developing nations in utilizing computers, satellite monitoring and genetics to improve the world's food supply, in adapting microelectronic technology and decentralized production so that new manufacturing techniques can be integrated into rural societies and in dividing limited resources between telecommunications and transport which would enable villages and small industries to derive more benefits from new developments in communications technology.

That is just a highlight of the things that can be done and are being done by other countries and to which Canada must relate. I would say, in short, that the Canadian private sector, with expertise, technology and capital at its disposal, has a vital role to play in international economic development.

In large measure development is management. It is the management of the development of people and social and economic systems within a country. The spread of management techniques can be a critical factor in determining the course of world development over the remainder of this century. A man who is very familiar to members of this House and who is a very distinguished citizen and one of the architects of the Brandt report, Mr. Shridath Ramphal, Secretary-General of the Commonwealth, said recently, and I quote: "There is a management role of massive proportions in shaping the kind of world that will greet the twenty-first century."

That brings me now to the essence of the Brandt proposals. I have said that I would like in the final moments I have here today to relate the Brandt recommendations to this larger framework of mutuality of north-south interest. We have to