

Before the 1939-1945 war, Canada relied almost exclusively upon the production of primary commodities. A tremendous expansion of our industrial capacity occurred during this war. Although we still rely heavily on our primary commodities for our world trade, our manufactured products are contributing increasingly to this trade. Many of our industries still serve only the home market, but these allow us to save our foreign exchange for the purchase of goods that we cannot produce economically.

My Delegation, therefore, welcomes the initiative of the Brazilian Delegation focussing attention on the need for providing a new impetus in the field of industrialization. The United Nations has already undertaken useful work in this field, but we believe that it would be appropriate at this time for the Economic and Social Council to examine the work which the UN has done. The Council would then be able to advise the General Assembly on what machinery, such as a functional commission or other type of body, could be useful in filling such gaps as exist, and co-ordinating the activities already being undertaken in this field. My Delegation believes that the Economic and Social Council should be given broad scope in making its evaluations of this problem. We should not attempt to tie the hands of the Council by restricting its examination to one preconceived solution.

...I should now like to turn to the question of capital assistance through the United Nations. Canada recognizes that multi-lateral programmes have a significant part to play in aid to under-developed countries. There exists a need on the part of these countries for much greater amounts of capital than are now available. The Hon. Donald Fleming, Minister of Finance, expressed the Canadian Government's recognition of this need at a recent meeting in Washington to discuss a new multilateral capital assistance institution, the International Development Association. In giving Canada's views Mr. Fleming said:

"We in Canada have examined carefully the various features of the United States proposal. We are satisfied that funds, beyond the amounts which the Bank can be expected to provide, and on terms less onerous than those which the Bank must, in its nature, charge, should be made available to the less-developed countries for economic development."

Mr. Fleming concluded his remarks by emphasizing that the opinions which would be expressed at the time that the articles of agreement for the Association were formulated would have a bearing on the attitude of members when making their final decision regarding the association, and I quote - "each country remains free to consider the report of the Executive Directors and to decide, in the light of all the circumstances, whether or not to become a member of the new Association."

The Second Committee has for many years discussed the setting up of a capital development fund, SUNFED. The basic problem of creating a multilateral source of capital for development, of a size sufficient to make a worth-while contribution to the many needs, was in the minds of all who took part in the Washington discussions on IDA. These same preoccupations are the ones that have stimulated the SUNFED discussions over the years.

My Delegation, although subscribing to the principles of a UN capital development fund, has in the past cautioned against the establishment of SUNFED in the prevailing circumstances. The major potential contributors were, and still seem to be, unwilling to support the early establishment of SUNFED. They have argued that the demands of defence preclude the release of large sums for development. In recent months we have seen the beginning of a more promising political