
are the bleakest. Whether oil shocks or high interest-rate shocks, they have suffered most.

Energy and
food needs

The rising prices and diminishing supply of conventional petroleum reserves have had a major impact on all of us, but the impact of the two oil shocks of the Seventies has had a disproportionate effect on the developing countries, setting back the development plans of many of them. Canada agrees that a high priority in international action should be accorded to their energy needs. It is because energy is central to development that Canada supports the expansion of World Bank energy lending, including through a new energy affiliate if this were eventually feasible, to assist developing countries in their energy programs.

In Canada, we have responded to this need by creating a new development assistance arm of our national oil company — Petro-Canada International — devoted to aiding oil-importing developing countries in the mobilization of their own energy resources, particularly hydrocarbons. Effort and imagination must also be used to seek out ways of assisting developing countries in non-petroleum sources of energy. The recent Conference on New and Renewable Energy Sources was important in this respect, but represented a single step on a long and difficult road.

Just as Canada's economic structure and expertise favours development assistance in the energy area, so we also intend to make a major contribution to helping improve agricultural production in developing countries. While international trade in food products has increased dramatically in recent decades, many nations which were previously self-sufficient in staple products — and even significant exporters of them — have become today reliant on food imports, particularly food grains. There is real prospect of a food crisis in the 1980s and urgent international attention is needed on this problem.

Trade answer
to poverty

I've spoken of energy and food — areas where Canada can make a unique contribution — but I would like also to say a brief word about trade. For it is perhaps trade which, in the long run, offers the best promise of escape from the wheel of poverty for many countries.

Developing countries have seized important new opportunities to increase trade among themselves. But northern markets continue to be crucial, and future prospects for expanding North-South trade will depend to a large extent on the ability of industrial countries to develop effective adjustment strategies which can maintain a reasonable rate of economic growth employment. In fact, the relative significance of North-South trade has grown in recent years compared with trade just among the industrialized countries. Now, a number of the most advanced developing countries represent the potential trade partnerships of greatest opportunity for many developed countries. All countries will benefit from an open, universal international trading system, and Canada will continue to promote this goal. This would be our focus at the proposed ministerial meeting of the General Agreement on Tariffs and Trade in 1982.

The export prospects of developing countries are also an increasingly important factor
