

cess of global negotiations. That statement, almost by itself, raised the level of reasonable hope for the success of other international meetings later this year, especially the UN Conference on Least Developed Countries in Paris, the Commonwealth Heads of Government Meeting in Melbourne, and the North-South Summit in Cancun.

We are learning that, in this new world of recurring economic shocks, we will survive and grow together, or not at all. There is no more compelling proof of our interdependence than the new energy outlook that has been forced upon us in recent years. The rising price and diminishing supply of conventional petroleum resources have had a major impact upon all of us. In oil-importing countries of the Third World, that impact has profound implications on their prospects for development.

However, the compelling immediacy of dealing with energy-related shocks and deficits, in both North and South, has distracted our attention from the need for internationally co-ordinated energy policies. Therefore, I look to this conference, and to the other international gatherings I have mentioned, to refocus our attention upon co-ordination, and to provide some badly needed momentum for closer co-operation.

The focus of this conference is on a vital sector of the development process. An effective transition toward greater use of non-petroleum energy sources is one of the imperatives of our times. The adjustment will be difficult, given the historical pattern of fuelling economic growth with a heavy increase in the use of commercial forms of energy. The fact that the days of cheap oil are gone forever makes the adjustment all the more necessary, if not any easier.

Conservation

One of the adjustments which has taken on added urgency is conservation, by far the cheapest source of energy in the world. I was pleased to note that, in 1980, the member countries of the International Energy Agency reduced their oil consumption by more than 7 per cent. That reduction has an obviously beneficial effect upon our own economies, and also eases pressure on the global oil supply, leaving more available for others.

Further conservation efforts, while absolutely necessary, will not be enough to solve the problem of supply, nor the problems related to the impact of conventional energy prices upon national economies. Here I have in mind particularly the level of Third World indebtedness for imported oil. In many countries, the problems are intensified by the lack of over-all energy strategies, and by the lack of adequate information about actual and potential resources, about consumption patterns, about the impact of price and supply upon economic decisions.

In many countries of both the North and the South, the need for increased domestic energy production is forcing us to commit massive amounts of capital to projects which will not come on stream for many years.

Against that background, the need to explore ways of developing new and renewable sources of energy takes on compelling urgency. Against that background, this conference is of prime importance to the world, and that is why I would like to tell you
