

We have also been adversely affected in a number of our traditional markets through competition from subsidized surpluses made available on concessional terms and without due regard for our interests. We are, therefore, aware through direct experience of the many facets and ramifications of this problem. We recognize too that agricultural protectionism has become a world-wide problem and that no one country or group of countries can effectively cope with it in isolation. It is important that solutions should be sought and developed essentially on a world-wide basis and that all countries should be prepared to play their appropriate part. Our objective should be to strengthen the GATT in this field, to render it effective and thus to redress the balance of benefits and advantages which has so long been distorted. We should direct our attention to all forms of protection as well as to surplus disposal activities. In this connection, I have listened with great interest to the constructive and imaginative proposals made yesterday by Sir David Eccles. The confrontation of agricultural policies within the GATT, if accepted by all countries, would lead to fruitful results. We shall, of course, wish to give the most careful consideration to these new United Kingdom proposals in the course of this session.

The Panel's Report also gives special attention to the problems created by excessive short-term fluctuations in commodity prices. It recommends that all of us, but especially the large industrial countries, should do everything possible to maintain economic stability and balanced growth by pursuing sound fiscal, monetary and trading policies. We agree fully with this. We also have been convinced that an increase in world liquidity will do much to mitigate the effects of temporary fluctuations. In addition, we appreciate the high importance which many countries attach to the successful conclusion of commodity agreements on products of interest to them. Canada is a member of the three commodity agreements now in operation - wheat, sugar and tin. We are also participating in a number of commodity study groups for other important primary products, and we are prepared to play our full part in working with other countries for effective solutions, whether through GATT or in other forums.

References have already been made to difficulties facing lead and zinc producers throughout the world and to the recent United States action imposing quotas on imports. The unilateral imposition of restrictions by the United States on these important basic industrial materials can only serve to shift the burden of readjustment to world market conditions on to producers in other countries. Restrictive measures have been imposed at this time in a period when we should all be bending our efforts to the removal of special trade barriers and to the opening of markets throughout the world. In the view of the Canadian Government, these measures are in contradiction to the terms and spirit of GATT and constitute a serious impairment of benefits and concessions accruing to Canada under the GATT.