

ECOSOC: 26th Session

International Community Problems

In view of the generally depressed level of world commodity prices, the discussions in the Economic and Social Council this year on international commodity problems assumed particular importance. Most countries intervened in the general debate and underlined the serious adverse effects of the instability in prices and in the volume of trade in primary commodities, not only for the less-developed countries, which depend for their export earnings on a limited number of basic commodities, but also, though less directly, for more industrialized countries.

After the general debate, the Council revised the terms of reference of the Commission for International Commodity Trade (established in 1954) and elected the 18 members of the reconstituted Commission.

Statement by Canada

Speaking in the general debate, the Chairman of the Canadian Delegation, Mr. W. B. Nesbitt, Q.C., M.P., characterized the instability in commodity prices during 1957 as "probably the most serious aspect of the economic adjustment which the world economy has been undergoing". Mr. Nesbitt reviewed the growth of international co-operation in this field in the post-war period and emphasized the importance of the work of the various international bodies established under the auspices of the United Nations, of GATT, and of the FAO, to consider particular commodity problems.

Turning to current problems, Mr. Nesbitt went on to say: "At present, therefore, we have a number of international bodies in existence, each looking at commodity problems from a different angle and each playing a role in working towards effective methods of dealing with them. It is quite possible that at this session, the Economic and Social Council will find that there is scope for making more and better use of this machinery. Our Delegation has already pointed out in its statement on the world economic situation that Canada shares the interest and concern of the less-developed countries regarding fluctuations in commodity prices and is willing to consider sympathetically any constructive and practical proposals in this field. Canada belongs to all three commodity agreements presently in existence although we are a major producer of only one of these items. Moreover, our country has participated actively in the work of all the study groups now operating as well as in that of the Commission on International Commodity Trade, and in the Commodity work of the FAO and the GATT. We could see some value in having a study made of the application under different conditions of various methods of stabilizing prices, such as the establishment of a range within which prices may be allowed to fluctuate, the setting up of buffer stocks or the use of export quotas. However, commodity problems are of a highly complex character and can best be dealt with on a commodity by commodity basis." Most general statements likewise emphasized the importance of commodity problems and the need for increased international co-operation to find reasonable solutions.