

call to member states to support the established institutions which are working successfully in this field will be supported.

The question of the convertibility of currencies is a vital one, and we welcome the comments of the Managing Director of the International Monetary Fund that the international payments position of many countries has substantially improved and that during the past year there has been a much greater freedom from inflationary pressure than in recent years. It is encouraging to note his statement that "the momentum in that direction had not been lost". I think considerable satisfaction can be drawn from the statement in paragraph 316 of the report that "the Fund's procedures had been developed to the point that members could be confident that reasonable support would be forthcoming from the Fund".

Mr. Chairman, previous speakers in this general debate have referred to the part which atomic energy can play in the economic development of the less advanced or less favoured nations. We have noted the very interesting statement made by the distinguished delegate from India on this point. We note the satisfaction he has expressed for the arrangements made for the gift of a reactor between Canada and India. It is a reflection of the friendship and partnership between the two countries. It is undesirable to overestimate the time when great achievements from atomic energy will be available to the world. Much can be done in the early stages of development. Too much emphasis cannot be placed on the fact that we are just now emerging into a new field. As you know, Canada from the outset has supported the generous initiative of President Eisenhower. We were one of the sponsors of the Resolution approved by the General Assembly last year on the setting up of an international agency. As provided in the Resolution, we have been engaged with our colleagues in the drafting of the statute which has now been circulated to all member states. We have been concerned in these negotiations to ensure that all interests and all areas should be represented. We hope that the less developed countries which have been invited to comment will examine the Draft Statute from their special standpoint and will suggest such amendments and improvements as may be needed to provide for their requirements. We are determined that the agency should serve the common good and that it should provide an efficient framework for the development of atomic energy on a co-operative and mutually advantageous basis.

I would like to touch briefly on another matter of considerable importance and that is the need for increasing the flow of private capital to under-developed countries. Canada has repeatedly indicated that it recognizes this need and has taken action to facilitate private Canadian investment abroad. There are no restrictions on the access of foreign borrowers to Canadian capital markets. Canadian investors have been granted credits against their Canadian tax for income tax paid to foreign governments. Canadian corporations are given exemptions from tax on dividends they receive from foreign investments in which they own twenty-five per cent or more of the voting stock. The Canadian Government has actively sought to conclude reciprocal tax conventions with other governments for the avoidance of multiple taxation on foreign investments.