

The problems of under-development have resulted in the creation of the multilateral institutions necessary for a concerted international search for their solution. Although it was set up only four years ago, the UN Conference on Trade and Development has become a major forum for the discussion of the complex questions involved in stimulating the economic growth of the underdeveloped world. The second UN Conference opens its two-month session in New Delhi this week. It will provide the occasion to draw the balance-sheet on the current state of international development efforts, chart the course which future action should take and lay the basis for new co-operative endeavours to assist developing countries. With its great interest in both aid and the further liberalization and expansion of world trade, Canada will make every effort to contribute to the success of this important conference.

Because of our position as a major world-trader, we have long been active in promoting the creation and enlargement of markets within a healthy world economy. An example of our efforts was our participation in the long and arduous negotiations within the framework of the General Agreement on Tariffs and Trade completed in 1967 - the so-called Kennedy Round. We welcome the results of the negotiations, which represent a significant step forward in reducing trade barriers. As a grain exporter, we also welcome the price and food-aid provisions of the new International Grains Agreement which is to go into effect on July 1, 1968. In 1967, Canada continued to participate in discussions among ten leading industrial countries to ensure that the future expansion of the world economy would not be hampered by a shortage of international liquidity - that there would be sufficient gold and currency to finance trade and other international transactions. We played a prominent part in the search for a formula by which new liquidity would be both flexible in use and attractive as an asset. We must now build upon the gains of the past year, resist any tendency in present world conditions to reverse the progress we have been making and work for measures which will sustain the movement toward freer multilateral world trade.

World peace and international economic development are the great themes of Canadian foreign policy. How are they related to Canada's national interest? In my view, in two ways.

First of all, it is obvious that Canada would find it more difficult to build at home if the world were in turmoil. A secure peace is essential to our national well-being and security. It is also apparent, because of our dependence on world trade, that increased economic prosperity abroad is a prerequisite for long-term Canadian economic development.

National and international interests in the Canadian experience have not been in conflict. By working to establish a stronger, more influential and better-known Canada in the world, we can contribute to the well-being of other countries. It must be our objective to ensure that the interaction of national and international interest continues in the future.

I cannot, in these remarks describe all of Canada's specific policies in promoting our national interest. I should, however, like to suggest three areas of particular importance: our relations with the United States, our international influence compared to that of other countries and national unity as a factor in our international relations.