

industrial competition in a positive manner and with a view to finding a solution which will allow these exports to find an appropriate place in world markets. Similarly, the new suppliers should be prepared to take measures which would permit them to increase their exports without disrupting the internal markets of the importing countries. Orderly adjustment to the new pattern will require the co-operation of exporting and importing countries alike and there is reason to believe that solutions can best be found through the GATT, where most trading countries are represented. Bilateral arrangements cannot provide complete answers to these problems.

I have spoken of some of the problems of the future, but there are a number of current matters to which I would like to direct attention. It will come as no surprise if I refer first to the question of restrictions and discrimination. Since the Ministerial Meeting last October events have moved fast and in a most desirable directions. The introduction of convertibility for the world's main trading currencies, reflecting as it does the basic strength of the countries concerned, has created circumstances making possible the achievement of non-discrimination in world trade. Most countries now finance all or most of their trade in convertible currencies. The International Monetary Fund, in an important decision last week, has given formal recognition to the requirements of the current payments situation. We must now take full account of this decision in our work in GATT. We must make sure that the vestiges of quota discrimination are eliminated so that each of us may truly enjoy the benefits of most-favoured-nation treatment in the markets of the others. We welcome the substantial progress that has been made in dismantling restrictions and eliminating discriminations, but much still remains to be done. Now that the payments justification for discrimination has disappeared, we must ensure here in the GATT that discrimination in the trade field is not perpetuated under any other guise. We must also ensure that restrictions are only maintained in circumstances where they are fully justified by the payments position of the country concerned. If restrictions and discrimination are used when they are no longer justified, a severe strain would be placed on trade relations between countries. We must take care to avoid unnecessary strains of this kind.

At this Session we shall again be considering the question of German import restrictions, this time within the framework of the waiver negotiated at the Fourteenth Session. We hope that Germany will proceed to dismantle its remaining restrictions more quickly than envisaged under the waiver. We look forward to examining the non-discriminatory administration of Germany's present quotas as required under Article XIII. We look forward also to reviewing the possibilities which exist for increased access to German markets for products still under restriction, particularly in the field of agriculture.

European Common Market

The Canadian Delegation considers that another important task at this Session will be to discuss the European Common Market.