

will result in building into the General Agreement on Tariffs and Trade (GATT) system specific provisions designed to meet more fully the special needs and circumstances of the developing countries.

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The developing countries fully appreciate that they bear the essential responsibility for their own development. Their own resources account for over 80 per cent of development expenditures. External concessional resource transfers, while important for some countries, are but a marginal addition for many. Decisions about the internal distribution of investment, trade-offs among competing alternatives, and allocations among economic and social programs, are choices which can only be made by national governments and authorities, within the international constraints of the economic system. The choices we can make collectively to contribute to the development process and complement the efforts of national governments are limited but important if we are to assist in the evolution of that economic system.

In part, the wisdom of our choices depends on a realistic assessment of the factors which determine what governments can do. Public support for domestic and foreign policies which promote the development process is essential....

Promotion of rapid growth

The objectives of Canadian policy are to promote more rapid economic growth in those countries which need it, to encourage broadly-based participation in the development process, and to contribute to an orderly evolution of the economic system through a variety of policy instruments. Only programs that are practical and efficient will serve effectively the interests of both developing and developed countries.

In our view, the most important choice is to identify areas where developed and developing countries share common interests and then to promote those changes which will produce global benefits. We continue to believe that an open and dynamic system provides the most promising environment for economic growth and social progress.

Canada believes this conference will be particularly significant in setting the atmosphere for international co-operation in the 1980s, in deciding whether as a community of nations we can continue to work together in harmony, or fly apart

in acrimony and intolerance. Canada will do its full share to set a constructive tone. We look forward positively to the United Nations Special Session on Development and the elaboration of an effective new international development strategy.

Orderly system advocated

Satisfactory evolution of international economic relations depends perhaps as much on the manner in which we choose to approach these problems as it does on the issues themselves. We have been concerned about some of the rigidities of the group system which can conceal areas of flexibility and encourage an adversary approach. For this conference let me propose two new groups. In one group let us place all our problems. In the other group let us place all the members of UNCTAD, united in our confrontation with the first group. Let us also be realistic about the complexity as well as the urgency of the problems we confront. They are not easily solved. Nations and peoples are impatient and we cannot slacken our efforts. But we need long-term dedication and continuity of effort. Canada believes that economic progress is most commonly achieved by incremental processes of adaptation and accommodation. Our work will be more effective if it promotes gradual and evolutionary change.

Canada's commitments

Canada is committed to strengthening and improving the capacity of all countries to participate effectively in the international economy. Our substantial development assistance expenditure of over \$1 billion annually is oriented primarily to the poorer countries. For the least developed countries, it is provided entirely on a grant basis. Currently, efforts are being made to improve the quality and efficiency of the program and maintain its high rate of concessionality.

In trade matters we will continue to work through the GATT and elsewhere to resist protectionism, to promote differential treatment according to the trade needs of particular groups of countries, to elaborate a code on the use of safeguard measures which will clarify their application and reduce uncertainty and which will accommodate developing-country interests. Active consideration is being given to the manner in which our scheme of tariff preferences for developing countries can be improved.

We have been attempting to broaden

and improve techniques for bilateral economic co-operation with developing countries. Recently, an agreement on trade and economic co-operation between Canada and the members of CARICOM, the Caribbean Community, has been signed. A further example is the approval now granted for the establishment in Canada of a trade facilitation office to assist all less developed countries in identifying Canadian markets for their goods.

In the coming weeks, we will indicate our positions on the specific items covered by our agenda. We are particularly anxious to support efforts to improve the effectiveness of UNCTAD itself in fulfilling the objectives of its mandate for trade and development....

Wheat nations pledge co-operation

Canada, the United States, Australia and Argentina, the world's four main wheat producers, have pledged full consultation in future policy-making to avoid misunderstandings that could lead to a price war.

"We four countries agree we don't want a price war," U.S. Agriculture Secretary Bob Bergland told a news conference ending a one-day meeting in Saskatoon, Saskatchewan May 10.

"It is not in anybody's best interest to engage in a global price war in wheat."

The first step in the new co-operative approach was detailed in a *communiqué* distributed following the meeting.

Senior policy and marketing officials from the four countries, which account for 85 per cent of the world's wheat trade, are to meet at least twice a year to ensure "greater co-ordination of decisions relating to the production and marketing of wheat".

The countries also noted that inflation and periodic surpluses were lowering returns to producers.

The meeting was called on the initiative of Otto Lang, Minister responsible for the Canadian Wheat Board, who said that the "common spirit" exhibited by the four countries would ensure that agricultural policies implemented in one country would not be misinterpreted in others.

"We as the four major exporting countries sat down together and found we agreed on the objectives and techniques that have to be put in place to avoid a disastrous price war," said Mr. Lang.