

The phrase "the processes of international trade" is a simple one, but these processes are fraught with very serious problems, which are not so simple to overcome, as every trading nation knows. Trade is basic to Canada's livelihood; without it we could not continue to enjoy our present standard of living or hope to better it.

At the Commonwealth Trade and Economic Conference held in Montreal in September 1958, the subject of trade was discussed at some length. The Conference, in its report, reaffirmed the common objective of "freer trade and payments". In so doing it recognised the basic fact that a significant increase in trade was obligatory if countries, especially those in the less-developed regions, were to improve the levels of living of their people.

One of the principal economic lessons the world has learned is that narrowly bilateral trading arrangements are frequently self-defeating policies, and also work against the expansion of world trade.

The establishment of the General Agreements on Tariffs and Trade and the International Monetary Fund has been of great significance in breaking down the barriers that the former complex of narrow and restricting agreements had erected. Canada has firmly supported both institutions and has played an active part in them. By the terms of membership in these institutions, countries are committed to non-discrimination in trade, as the GATT and the IMF are designed to achieve currency convertibility and the elimination of trade and exchange difficulties.

The prevalence of severe foreign exchange difficulties in many parts of the world following the Second World War frustrated the achievement of the multilateral system for a number of years. More recently, however, with the improvement of economic and financial conditions, especially in Europe, there has been considerable progress.

While we can express some satisfaction at this trend, there still remains the necessity to guard against the dumping of commodities, or the distribution of subsidized goods, to the detriment of other producer countries who must live by fair trade at world market prices. We have seen in recent years the serious adverse effects on the economies of primary producers of the dumping of such products as wheat, cotton, tin and aluminum.

It is certainly the prerogative of this Committee to examine general commodity problems and give its advice and recommendations on them. The United Nations, however, has its organs for dealing with specific commodities and their problems. My Delegation does not believe that the Assembly is a particularly appropriate forum for the examination of one or other particular commodity. We would hope that, under this item of our agenda, no proposals for the consideration of particular commodities will be pressed. If they are, my Delegation will view them in the light of what I have just said. We should, however, hope that this Committee will adopt a resolution on trade and commodities re-emphasizing its belief in the objectives of the GATT, the CICT and the other international bodies that are working for the progressive liberalization of trade and payments and for some solution to the vexing situation caused by severe fluctuations in commodity prices.

At the outset of our general debate on development, the distinguished Chairman of the Brazilian Delegation analyzed for us the importance of the process of industrialization in the general framework of economic development. We in Canada can testify to the fundamental changes which industrialization brings about in a country.