Mr. President, Honoured Delegates:

A year ago, the atmosphere in this assembly was heavy with a sense of crisis. The financial shortfall of the United Nations, serious in itself, was also a symptom of a deeper worry about the very existence of this Organization.

Canada - and other friends of the United Nations - used this podium to call for reform. I am pleased today to note that substantial reform has begun. That is both a tribute to the men and women who make this organization work, and testimony to the recognition, by most nations, that a strong United Nations is essential to world peace. We are especially impressed with the United Nations resolve to extend reform beyond the institutions in New York, to United Nations Economic and Social institutions throughout the world.

For our part, Canada made a point of paying our 1987 assessment fully and as early as possible. We hope other nations will quickly pay their current and past assessments. Those who call for internal reform have a particular obligation and opportunity to encourage it, once it begins. That good example would increase the pressure upon other powers, whose contributions are consistently delinquent.

During the past year this real internal reform has been matched by solid progress on many of the major issues of concern to the United Nations. Sometimes that progress occurred outside this multilateral organization - as, for example, in the historic breakthrough on an arms agreement between the United States and the Soviet Union, and in the steady pressure against apartheid mounted by the Commonwealth, and in the initiative towards peace launched by the five presidents of Central America. But in many other cases, the world's movement forward was rooted here. Those cases are worth enumerating.

In the ongoing war between Iran and Iraq, Security Council Resolution 598 reflects welcome political will and unanimity in the Security Council, and the Secretary-General is to be commended for his patient, persistent mediation. The Secretary-General's Mission was not as successful as we all had hoped and the speech this morning by the President of Iran can only be characterized as destructive and deeply disappointing. Therefore the Security Council should be reconvened to take the next step. Canada would fully support implementation of the axiomatic second half of Resolution 598, the application of sanctions.

At UNCTAD VII, the consensus statement on trade, debt and commodities may presage a new era of cooperation