

CANADIAN DELEGATION TO THE UNITED NATIONS GENERAL ASSEMBLY

(EIGHTEENTH SESSION)

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STATEMENT BY
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GENERAL DEBATE ON ECONOMIC DEVELOPMENT
Second Committee

Mr. Chairman,

The Prime Minister of Canada, when he spoke before the General Assembly a few weeks ago, suggested that "second only to the keeping of peace, the great purpose of international statesmanship today must be to improve the living standards of the world's peoples. The role of the United Nations in this field is necessarily limited, but if we wish, it can be one of great and lasting significance". There is not a single country here which can be complacent about current world economic conditions, particularly in the developing countries. You may rest assured that there is no complacency in my country. Canada is very conscious of the need to press forward in the joint endeavour to fulfil the vision of a United Nations Development Decade. We attach the highest priority to the problems of international trade and economic assistance.

A vast improvement of living standards and economic conditions in the developing countries — the vision of the Development Decade — is the great task of our day. It will involve difficult decisions for the developing countries and sacrifices by the wealthier countries. I am convinced, however, that today there is a new awareness of the challenge and a new readiness to meet it.

There is one point which I should like to make, not only as the representative of Canada, but as a Trade Union officer in my country. Economic development, like peace, is indivisible and its benefits must be shared by all. It is not enough — important as they are — to press for

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expanded markets abroad, stable international prices, increased export earnings and aid, as if these alone hold the key to economic development. The only sort of economic growth which is sound and worth fighting for is the kind which benefits the entire nation, and percolates through all strata of the population. It must, in the last analysis, have social objectives. It must enshrine a due regard for human rights and for the dignity of the individual. There is no sound and lasting development unless everyone participates and everybody's standard of living improves. Expanded foreign trade is one, but only one, instrument for promoting economic development. It would be a mistake to rely on international trade to carry the full weight of economic development. Equally important is the creation of a broadly-based internal market. Nor should we forget the appalling features, in terms of human suffering, which attended the industrial revolution in almost all the developed nations. We would not wish to see these mistakes repeated; neither, I am sure, would the people of the new nations. To stimulate a higher standard of living on the broadest possible base is not a luxury but a necessity, because higher standards of living in turn will generate economic development. I welcome the distinguished Under-Secretary's suggestion that the Trade Unions, through their voluntary associations and through the International Labour Organization, should be more closely associated with the United Nations as it becomes more deeply involved in the problems of trade and economic development.

May I be permitted to say a few words about the role which my own country plays in the great task of economic development. Canada is one of the great granaries of the world and also a rich storehouse of the energy and raw material resources needed by the world's industries. During the present century our country has also emerged as an industrial nation. In creating our industrial base, we have experienced the very problems which are now confronting so many developing countries. We still face very serious problems in Canada which we shall be seeking to solve through our own efforts and through international cooperation. Nevertheless, Canada

today is prepared to make a full contribution to help the efforts of the developing countries. We are efficient and economical producers of needed foodstuffs and essential raw raterials. We also have on hand the technology and scientific know-how of modern industry. To the extent that we are able to do so, we shall place these resources at the disposal of developing countries in the form of economic assistance, through United Nations programmes and through our own bilateral programmes.

Certain other features of our Canadian experience may give us an appreciation of the needs and problems of developing countries.

Through our Commonwealth associations we have for many years cooperated closely with countries in Asia, Africa and elsewhere which are at various stages of economic development. We have become acquainted with their people and their leaders. Because of our bilingual heritage — we have English and French as our official languages in Canada — we have a special advantage both in our United Nations associations and also in our relationships with developing countries where these languages are used. We look forward to extending these relationships in coming years.

The challenges of the Development Decade are great and urgent. Generations to come would not forgive us if we failed at this time to ensure that the international institutions which we have created during the past two decades are strong and effective. The recent relaxation of international political tensions presents an opportunity which we must not miss to seek to strengthen the authority of the United Nations family of Specialized Agencies and institutions which are working to further economic and social progress. In saying this, I am of course fully conscious of the solid achievements already gained, and of the constructive steps which have been taken this year to improve the effectiveness of the international institutions.

The distinguished Under-Secretary for Economic and Social Affairs, when he spoke to us, referred to a number of notable achievements, such as the United Nations Conference on the Application of Science and Technology, the Conferences on the Peaceful Uses of Atomic Energy

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and on New Sources of Energy, and finally, the World Food Congress.

These Conferences, he suggested, "by their nature and scope, their rapid succession and the promise they hold out for collective action are surely a sign of great changes in the method of approaching difficult problems".

I agree, and I should like to point to a number of other cooperative steps the nations of the world are taking, or recently have taken, which we regard as having a particular importance.

For example, the wealthier member countries of the International Development Association have agreed, subject to necessary legislative action, to make available to the International Development Association new resources totalling \$750,000,000 for use in coming years. Canada welcomes the prospect of this important aid agency being assured of substantial new resources. This will enable I.D.A. to continue to finance on easy terms worthwhile development projects throughout the developing world. Canada's share of the new resources would total \$41,700,000 (USA).

The International Bank has been giving more help to countries in planning their development, and is playing an increasingly effective role in marshalling domestic and international resources to carry out development. We are hopeful that the Bank's efforts to encourage a larger flow of private international investment will be successful, and we have noted with interest the Bank's initiative to establish new international arbitration and conciliation machinery.

Tribute must be paid to the solid accomplishments of all the Specialized Agencies. These organizations are playing an essential role on the economic development front with the special competence they are able to bring to bear in the fields of health, labour, vocational training, education, agricultural problems and others. Canada has always been a strong supporter of the Agencies. Their competence and expertise give invaluable service to the world's peoples.

During the past year there have also been significant multilateral achievements which will provide greater stability to trade in basic commodities. An important international agreement has been reached on

coffee. Discussions are proceeding which could lead to improved arrangements for trade in certain other products.

The International Monetary Fund has increased the facilities available to primary commodity producing countries whose export earnings are jeopardized by short-term fluctuations in commodity prices or by short falls in export production. Canada believes the establishment of these new facilities is an effective way of assisting countries confronted by short-term problems with their export earnings.

During the year there has also been a growing interest in the workings of the world monetary system. It is widely considered that improvements could be made, and for our part we welcome the studies that are in train in INF and elsewhere of the outlook for the international monetary system and the future needs for world liquidity. These studies should show whether improvements can be made which will contribute to a better international equilibrium, and reinforce efforts to achieve higher rates of economic growth. We are fortunate in having in the IMF a solid foundation on which to build. Whatever needs to be done must be done on a world-wide basis and within the framework of multilateral procedures and arrangements which the Fund provides.

We are certainly not complacent about these recent achievements. A tremendous job lies ahead. Past achievements, however, should encourage us to go forward with determination and confidence.

During next year the international community will be concentrating much attention on problems of world trade. A good deal of valuable preparatory work has already been done for the United Nations Conference on Trade and Development, and by the GATT Contracting Parties for the forthcoming round of tariff and trade negotiations within the GATT framework. These two conferences are to a large extent working toward the parallel objectives of lowering barriers to world trade, and finding new and positive ways of expanding trade. These objectives are being pursued with special attention to the needs of less-developed countries. The successful outcome of these trade and tariff conferences should be of immense significance to the developing world, and could lay



a new basis for the trading patterns of developing countries. The work which has been done so far in the Preparatory Committee and in GATT has identified many barriers to world trade and brought forward a range of suggestions for dealing with these problems. It is clear that many of the difficulties we confront are complex and deep-rooted.

No country more than my own has a greater interest in the success of our forthcoming conferences on tariffs and trade problems in the United Nations and GATT. As one of the world's great trading nations, Canada has played an active role throughout the years in lowering barriers to world trade, and in securing better and more stable terms of access for the world's exports. We in Canada can also understand from our own experience the special trade problems connected with the development of efficient and soundly-based manufacturing industries. These considerations will influence our thinking and determine our approach at the forthcoming conferences.

Whatever progress is made toward improving world trading arrangements, it is most important that we should work within the framework of the multilateral system. This trade system, and the principles, the agreements and the institutions around which it has been built, is one of the outstanding international achievements of our generation. All countries have gained by it, and we all stand to lose if it is weakened. We should seek at the coming tariff and trade conferences to make the multilateral trading system function more effectively, and we should guard against weakening the principles on which it is based.

Let me now turn to questions of economic assistance. It is obvious that while continued aid by the developed countries is essential, this aid can provide only a small part of the total resources required. The bulk of this aid has been, and will doubtless continue to be, provided bilaterally. A significant and increasing amount is, however, being provided through the multilateral programmes of the United Nations and its agencies, which have a clear and important role to play. For our part we consider that the institutional framework of the United Nations and its agencies is now generally adequate, and capable of making effective use

of additional resources which will become available.

The Canadian Government is now reviewing its aid programmes with the aim of expanding efforts. A new food aid programme has already been announced, and as I have already indicated, Canada has agreed, subject to parliamentary approval, to provide additional resources to the International Development Association. This, and the virtual doubling of our contribution to the United Nations Special Fund, which I announced a few days ago, are evidence of Canada's continuing and growing support for the assistance activities of the United Nations and its agencies.

In conclusion, I wish to assure you that my Delegation approaches the problems before this Committee and this General Assembly in a spirit of understanding and a willingness to cooperate. We cherish the hope that we may reach mutually acceptable solutions and that our decisions will not come about as a result of mere paper victories or mechanical majorities. We are dealing here in the very delicate and sensitive issues affecting the continuing economic and social progress -- and the very survival -- of all Member States. Such decisions must therefore be taken as a result of painstaking, patient and often agonizing negotiations. We have, nevertheless, achieved good progress in the past; we are hopeful of the future.