CANADIAN DELEGATION TO THE UNITED NATIONS GENERAL ASSEMBLY
(SEVENTEENTH SESSION)

RELEASE ON DELIVERY

PRESS RELEASE NO. 6
October 22, 1962.

PRESS OFFICE
750 Third Avenue
YUkon 6-5740

Statement by Senator F.M. Blois,
Canadian Representative on the Second Committee
on Monday, October 22, 1962.

Mr. Chairman,

Canada has always attached great importance to the economic and social activities of the United Nations and to the work we undertake annually here in the Second Committee. There are a number of important items for the Committee this year which warrant our most serious consideration and the Canadian Delegation expects to play its part in ensuring that these questions are given the thorough attention they deserve.

The Canadian Secretary of State for External Affairs said in his statement to the General Assembly on September 25; "The economic and social work of the United Nations goes along so quietly that it does not always receive the public attention it deserves, and yet success in raising living standards in the less developed areas and in expanding and stabilizing world trade may, in the long run, determine the question of war or peace."

Canada has from the beginning given active support in United Nations bodies to efforts in the economic and social field and my Government believes that the United Nations has a continuing and effective role to play. We recognize, of course, that some problems more than others lend themselves to effective action in the United Nations forum. Mr. Chairman, few if any countries have more interest in world trade than Canada. Canadians have actively supported international action to expand world trade on a multilateral basis and to establish specialized institutions such as the IMF and the GATT for this purpose. We recognize that problems of international trade are, if anything,

becoming more complex and challenging. Canada continues to stand ready to work with others to find solutions to these problems.

In this connection we welcome the signature by President Kennedy of the Trade Expansion Act, which will provide a basis for United States leadership in world-wide efforts to achieve an expanded world trade. The Canadian Government will, of course, participate fully in these new efforts. In this connection the Prime Minister of Canada, the Rt. Hon. John G. Diefenbaker, sent a message to the President on October 11 expressing the views of the Canadian Government in the following words:

"Dear Mr. President,

With the enactment of the Trade Expansion Act, I wish to let you know that the Canadian Government welcomes this important development in United States trade policy which holds out promise for significant progress in the expansion of world trade on a multilateral basis. This is indeed an historic accomplishment.

At the Commonwealth Prime Minister's conference in London last month, I proposed that all like-minded nations should meet at an early date to consider how the great problems of trade facing us today can be dealt with to the mutual advantage of all. I would like to follow up this general proposal with a specific suggestion for an early meeting on these matters. It is vitally important that we find effective ways as soon as possible for dealing with these complex and urgent trade problems. It appears that the most convenient way of arranging such a meeting would be to discuss these broad trade questions at a meeting of Ministers.

The Canadian Government looks forward to participating fully in these efforts and to working with the United States and other nations to achieve the objectives which we hold in common. It is our conviction that the opportunities

new opened up for wider cooperation in trade and economic relations will make a major contribution to the further strengthening of the free world.

Trade relations between Canada and the United States are characterized by mutual understanding and a constructive approach to our common objective of freer non-discriminatory trade. These new efforts to expand world trade will provide continuing opportunities for our two countries to work closely together, each in a full understanding of the other's interests and aspirations."

We are glad that this proposal has been welcomed by President Kennedy who shares the views expressed by Prime Minister Diefenbaker on the necessity of working for freer non-discriminatory world trade.

Mr. Chairman, my Government recognizes that under conditions as they exist today no country, to paraphrase the poet, "is an island entire unto itself". To speak of international economic and political cooperation as a fundamental necessity is certainly one of the venerable clichés of this organization -- clichés do, however, become clichés because they contain a very substantial element of truth, and this is undeniably so in the present instance.

One recent example of international cooperation within the United Nations framework was the successful negotiation last summer of an International Coffee Agreement which has now been signed by twenty-nine countries including Canada. This Agreement holds promise of introducing new stability into international trade in a product which is of great importance to many developing countries. Since the war, three commodity agreements of this nature, covering wheat, sugar and tin, have been concluded and the particular problems of other commodities such as lead and zinc, cocoa and rubber, have been thoroughly explored in special study groups established under United Nations auspices.

We have undoubtedly made progress in recent years in our search for solutions to commodity problems but we must not minimize the gravity or far-reaching nature of those which still confront us; since these problems are tending to become

more difficult and more complex, we must intensify our efforts to find solutions. As my predecessor in the Second Committee declared last year, we are fully alive to the urgent need to reverse the downward drift of commodity export prices and we believe that the best way of approaching these problems is on a commodity-by-commodity basis. This is likely to point to a variety of solutions, including in some cases attempts to negotiate further international commodity agreements. There may well be further scope for joint action to organize international trade in particular products in a way which is fair to producers and consumers alike. We should bear in mind, however, that commodity agreements should be designed to lead to an expansion of trade, and not its contraction; and that they should also be designed to contribute to price stability. In these ways, they will, in the nature of things, make a valuable contribution to the economic progress and stability of the developing countries.

In his address to the General Assembly on September 25, the Canadian Secretary of State for External Affairs referred to the decision of the Economic and Social Council to convene a United Nations conference on trade and development and remarked that such a conference would provide an opportunity for a discussion on strengthening the world trading system.

We look forward to this conference, Mr. Chairman, and provided adequate preparations are made for it in the months ahead, we have every hope that it will yield valuable results for the world community as a whole. As the distinguished Under-Secretary for Economic and Social Affairs, Mr. De Seynes, pointed out in his excellent statement to this Committee on September 26, the basic issue with regard to convening this trade and development conference is whether and to what extent the United Nations itself can influence the profound and far-reaching changes which are bound to occur in the system of international trade before the end of the decade.

For this conference to fulfil the high hopes we have for it, Mr. Chairman, it is in our view essential that the preparations made for it be more intensive, more carefully considered and more extensive than any that have been made on similar occasions in the past. Only in this way is it possible to ensure that the developing countries in particular will derive maximum benefit from a re-examination of existing trade patterns and practices. Only after such careful examination can the world community come forward with sound and concrete suggestions for strengthening international trade.

We should not forget, Mr. Chairman, that an elaborate mechanism of multilateral institutions and agencies has been established over the course of the post-war years to study or regulate international commodity trade and its repercussions. I need only mention the IMF and IBRD, GATT, the FAO Committee on Commodity Problems and the CICT to indicate how widespread this international machinery is. These are the expert organs on which we continue to rely for detailed information, concrete proposals and effective action. Perhaps the mechanism is a trifle too elaborate; certainly the number of agencies engaged in probing to the heart of the commodity problem has grown side by side with the problem itself. For this reason we have been most interested in the initiative taken in establishing an expert group in Resolution 919(XXXIV), to the activities of the various international agencies concerned with commodity problems and other trade problems of particular interest to the developing countries in order to eliminate gaps and overlappings and to propose how best these activities can be co-ordinated and supplemented. This report should prove invaluable to the Preparatory Committee for the United Nations Conference on Trade and Development when it meets next spring to consider the Conference itself.

Mr. Chairman, all of us recognize the importance of external financial and technical assistance to developing countries. It is indeed heartening to note the steady increase

in the flow of resources to these countries during the decade of the 1950's and particularly during the past few years. Equally important is the growing awareness that developing countries require not only external financial assistance but also the opportunity to expand and develop their trade as well as self-help measures of various kinds. It is in relation to the other factors in the development process that the efficacy of external financial and technical assistance must be viewed.

In referring to United Nations programmes of technical co-operation, we believe the Technical Assistance Committee and ECOSOC should be warmly commended for giving practical effect to the importance of evaluation of assistance provided to developing countries by adopting this past summer Resolution 908 (XXXIV). This resolution opens the way to a better and more effective use of the funds available for United Nations technical co-operation programmes, and is fully in accord with the objectives of the Development Decade.

We have recently had an example of the ability of the United Nations to expand its activities to meet pressing needs. I am referring of course to the coming into being of the World Food Programme. My Government is deeply gratified at the success of the Pledging Conference for this new programme held a few weeks ago. At that Conference, 31 Governments pledged approximately $86 million and a further 9 Governments announced their intention to make pledges at a later date. We hope additional pledges will be forthcoming so that the $100 million target can be attained. As the Secretary-General remarked at the Conference, "The fact that the United Nations is striking out along such new paths is evidence of its continuing vitality and its capacity to deal with changing situations". My Government was glad to have been able to play from the start an active part in the establishment of this important and promising programme, and has pledged $5 million to it.

In conclusion, I should like to emphasize that all of our discussions and decisions in this Committee must be viewed against the background of the Secretary-General's outstanding report on the United Nations Development Decade. The concept of the Development Decade dramatizes the necessity of raising living standards in developing countries through the achievement of self-sustaining economic growth. The Secretary-General's report points to specific areas of need and outlines proposals for action to meet those needs. The main economic objective of the Decade as stated in Resolution 1710 (XVI), is to create conditions in which national incomes of all or at the very least the great majority of developing countries not only will be increasing by 5 percent yearly by 1970, but will also continue to expand at this annual rate thereafter. We endorse the Secretary-General's belief that this objective is within our reach "given a greater willingness among both developing and advanced countries to make the efforts and sacrifices required".

Mr. Chairman, if I were asked to summarize everything I have just said in one sentence, I think it would be this: however stark the problems of economic development may seem, there are no equally stark or simple solutions. All of us recognize this, but all of us -- confronted by new and bewildering situations or thwarted by events over which we seem to have little or no control -- all of us at some time or another give way to a very human impulse to look for the one simple solution which will eliminate our problems at one stroke and usher in the millenium. Whether we are talking of the United Nations Conference on Trade and Development, or the United Nations Decade of Development, compensatory financing or commodity agreements, the Special Fund or bilateral assistance programmes, there is no one technique which will ensure self-sustained economic growth. We have before us three documents which bear this very much in mind -- the report of ECOSOC, the Secretary-General's report on the

Development Decade and the Declaration adopted this summer in Cairo. All three documents recognize that many, many techniques must be used, and all three recognize the paramount need to impose priorities. It is at this point, with this understanding, that we should begin our deliberations. You may be assured that Canada will continue to give its fullest support to United Nations efforts designed genuinely to further the expansion of trade generally and the improvement of living standards, particularly in the under-developed countries.