It is pleasant to return to Geneva to take part in these meetings and to greet old friends. My delegation welcomes the opportunities which are provided here to strengthen the framework of international trade relations and to promote the cause of multilateral world trade.

The Contracting Parties met a year ago for the Review Session. In some ways that was a more dramatic meeting than this one. The common task was to review the existing Agreement, against the background of world conditions, and to formulate such modifications as were deemed desirable and acceptable.

Amendments were agreed upon in a number of important fields. With regard to tariffs, strong reaffirmation was given to the stability of the tariff schedules, subject to increased flexibility for the renegotiation of items in particular cases. With regard to the balance-of-payments escape clauses, which permit the imposition of quantitative restrictions, new procedures were provided to facilitate the progress of some countries towards a system of floor trade and payments, and the provisions for consultation were strengthened.

With regard to the underdeveloped countries, special and sympathetic recognition was given to their problems, to permit them to pursue their national aspirations within the framework of the General Agreement. With regard to the problems of organization, an agreed recommendation emerged for the establishment of an Organization for Trade Cooperation on a permanent and continuing basis.

There were of course some setbacks. For example, the Canadian delegation, along with some others, opposed the waiver which the Contracting Parties granted, to permit the United States to impose restrictions upon imports of agricultural products. As events have turned out, the United States has used this waiver with great discretion. Any other attitude on the part of the United States would have been serious for the GATT and for international trade relations in general. My Government was encouraged by the evidence of good faith recently provided by the United States in removing import restrictions from two of the coarse grains, when the need for them had passed. My delegation wishes to congratulate the United States delegation for this constructive move and to express the hope that there will be further progress.

With regard to the disposal of agricultural surpluses, the Contracting Parties adopted a resolution which provided for consultation amongst those interested, in order to minimize damage to normal commercial markets. Since then, it has become clear that there are serious deficiencies in this field. There has not been nearly enough consultation and there is a widespread feeling that normal commercial trade in agricultural products has been considerably affected by the dumping of surpluses. My delegation, therefore, welcomes the initiative of the Australian delegation in placing this subject upon the agenda of the present session.
This Tenth Session of the Contracting Parties is perhaps less exciting and less dramatic than the Review Session, but it is no less important. While not all of the proposed amendments have come into force, there is a General Agreement in existence to which each of the contracting parties is committed. The tasks at hand are to administer this Agreement, to consider complaints arising out of it and to seek within the agreed rules to resolve such difficulties as have arisen. It is important that these tasks be carried out in such a way as to strengthen the Agreement and add to its prestige.

During the past year, events in the world have confirmed that the Contracting Parties are working along the right lines and further progress is being made. The increased competitiveness of world trade shows in itself how important it is that the agreed principles of GATT should be observed by governments in their trade policies. Furthermore, there has been a continuing process of dismantling exchange restrictions and reducing the discrimination involved in restrictions. Countries which have turned away from discriminatory quantitative restrictions have greatly strengthened themselves by so doing and they show no tendency to turn back.

It is regrettable that some countries have encountered renewed exchange difficulties of a temporary nature. It is heartening to observe, however, the efforts which are being made to avoid the imposition of new restrictions and in some notable instances new restrictions have been avoided altogether. Countries in external financial difficulties have turned increasingly, in their own interests, to alternative corrective measures pertaining to the internal economy, with far greater success than was achieved by the use of import controls. This has pointed the way for others to follow.

In the field of tariffs, the Contracting Parties introduced more flexible measures for the renegotiation of particular items. These seem to have worked quite well thus far, with no cumulative tendency to threaten the stability of the tariff schedules.

My delegation does not regard the General Agreement as a perfect instrument, from the point of view of Canada or of any other country. There are some failures on the balance sheet, but these are overshadowed by a much larger list of successes. While none of the participating countries can be completely satisfied with the GATT, it has unquestionably made a great contribution to the interests of all concerned and to international trade as a whole. With due effort on the part of all the contracting parties, it will do an increasingly useful job as time goes on.

We should ask ourselves, what would world trade look like if there were no GATT? It is not too much to say that few, if any, governments represented here could contemplate without fear the consequences of a breakdown or even of a serious weakening of this agreement.
The GATT today is in a position of strength and influence, even in the midst of trying circumstances. The basic principles of GATT are multilateralism, non-discrimination, most-favoured-nation treatment, and the reduction of barriers to trade. These provide a maximum opportunity for increased standards of living and prosperity for each of the countries concerned. Not only are these goals important in themselves, they are the indispensable basis of friendly and efficient international working relationships in other fields. If any other approach were to be generally adopted, the results would impose intolerably heavy burdens upon each of the countries represented here.