



CANADA

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The Permanent Mission of Canada  
to the United Nations  
at Geneva

La Mission Permanente du Canada  
auprès des Nations Unies  
à Genève

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41ST SESSION OF THE  
ECONOMIC COMMISSION FOR EUROPE

CANADIAN GENERAL STATEMENT

DELIVERED BY AMBASSADOR J. ALAN BEESLEY  
HEAD OF DELEGATION  
APRIL 16, 1986

Mr. Chairman,

My delegation is pleased to join our congratulations to those of others in welcoming your election as Chairman -- not only because of your connection with Canada, through having lived and served there, but also because of the qualities that we know you will bring to directing the work of the session. Our congratulations go also to the Vice-Chairman, Ambassador Reisch, and to the other members of the Bureau.

Commendation is also in order for the Executive Secretary Mr. Sahlgren, and the other members of the Secretariat who have devoted considerable thought and energy to the production of this year's documentation which is distinguished by clarity, brevity and readability.

Since its inception, this Commission has involved both Europe and North America in recognition of the logic of cooperation inherent in European and trans-Atlantic trade and other economic and technical activity. This is a regional concept we continue to support, bearing in mind that in accordance with Article 11 of the E.C.E. Terms of Reference all members of the UN, without exception, are entitled to participate in our work.

Mr. Chairman, the tasks before the Commission have never been more important than they are today -- yet the magnitude of the challenges involved are equally as evident.

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The process of economic development has multiplied the interplay among all the sectors of our economies, and with it, the need for better understanding of the forces at work, and their management. For example, societies must increasingly reconcile industrial development with a harmonious evolution of the natural environment globally and regionally. On a larger scale, the somewhat erratic movements in exchange rates, high real interest rates, as well as generally lower prices for commodities since the beginning of this decade have reminded us all of the consequences of failure to anticipate and accommodate basic economic forces. The persistence of unacceptably high levels of unemployment in many Western countries, despite generally respectable growth performance over the past two or three years, have helped foster protectionist sentiments, and deter countries from shifting resources out of less efficient and less competitive industries. Each country, or group of countries, that isolates its markets for the sake of short-term employment considerations may pay later in terms of lower productivity, small-scale production, and entrenched local monopoly supplier restrictions.

These problems are by no means confined to developed market economies. They have frequently been seen in conjunction with nationalized industries and state trading practices,

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inspiring moves towards greater privatization or decentralization in a number of countries. There is every reason to believe that increased exposure to outside competition and markets will provide the same kind of longer-term gains in efficiency for the centrally-planned economies of Eastern Europe that it does for market economies elsewhere in the ECE region.

The risks inherent in the current international situation are substantial. But so also are the opportunities for positive policy developments that can reduce these risks and bring new expansion in growth. In particular, industrialized western countries have shown themselves, over the past months, ready to strive for greater coordination of policies that impinge upon the international macro-economic environment.

Key in this regard are the continuing efforts of the United States to reduce its federal deficit, offering the possibility of moderate and orderly declines in interest rates and the value of the U.S. dollar. Canada is making similar determined efforts. Key also is the prospect for increased domestic demand-led growth in Japan and in some European countries, which will create import demand and complement growth in North American economies. The decline in oil prices should also have a positive impact on growth of industrial economies and on the world economy as a whole. The downside

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unfortunately is the uncertainty of fluctuating prices and the negative effect of that lower prices generally will have on the energy-exporting countries, including those within our region.

There have also been other major positive developments, such as last September's G-5 agreement to moderate disparities in exchange rates, initiatives to reduce interest rates, the Baker proposals for the handling of debt, as well as the important decision last November to convene a Ministerial meeting in September 1986 to launch the new Round of Trade Negotiations. The EC and Canada -- who put forward competing proposals for venue -- have joined fully in the consensus to have this Ministerial in Punta del Este, Uruguay. Canada keeps the offer of Montreal open for any subsequent Ministerial after the MTN launch and during the actual negotiations.

Mr. Chairman, these new negotiations will provide the framework to resolve a broad range of trade problems and to strengthen the multilateral trading system to the benefit of all countries, promoting positive structural adjustment generally. Canada will continue to play an active and constructive role towards the successful launch in September of the new Trade Round, and when that Round begins, to its early and successful conclusion.

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The range of policy measures and trade coverage considered in the new Round will certainly be wider than in past rounds, and the number of countries involved will be larger. ECE member countries will be able to draw on ECE work in many areas in the interest of advancing the negotiations, and to generate complementary action within ECE bodies in making trade liberalization a reality throughout the region.

Increasing economic efficiency through broadened market contacts and increased supplier-consumer confidence on a regional basis represents a worthy goal for the ECE. The process proceeds in association with measures to widen human contacts in every sphere -- social, cultural, scientific and personal -- goals that were embodied in the Helsinki Final Act and the Madrid Concluding Document. The ECE has thereby become part of a longer-term process of constructing a regional economic framework where people and enterprises can cooperate easily and directly across frontiers as their interests dictate and with a minimum of intermediaries.

The last year has seen some progress, if uneven, towards more relaxed relations, and we hope that recent setbacks can be overcome. The meeting of leaders of the USA and USSR in Geneva in November provided a welcome opportunity

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to increase contacts between the two largest members of the ECE. In the summer of 1985 the presence of Environment Ministers at the Executive Body of the Long Range Transboundary Air Pollution Commission in Helsinki was followed shortly afterwards by the gathering of Foreign Ministers to commemorate the 10th Anniversary of the CSCE. These were important steps towards the creation of shared interests and shared activities... the best basis for a more enduring peace.

This year has also seen some disturbing developments within the UN system from which the ECE is not immune. There have been positive initiatives, some still continuing, for strengthening or reforming the UN system or some of its parts. Canada strongly supports making the UN more responsive and more responsible, giving better value for money to its members. We await with great interest the outcome of the deliberations of the special group established by the 40th session of the General Assembly. Unfortunately the Secretary General has just reported that the Organization is undergoing a serious financial crisis and has called upon the component parts of the system to propose ways in which savings in program costs can be obtained.

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While this crisis is not a welcome development, it does provide governments with a unique opportunity to increase the overall relevance of programs through eliminating low priority elements and ensuring maximum efficiency in implementing those that remain. We welcome the intention expressed by the Executive Secretary to carry out informal consultations with missions in Geneva, following the Special Session of the General Assembly beginning later this month, regarding the program implications of projected measures to meet this crisis. We should also be willing to take a hard look at possibilities for reducing the duration and frequency of all ECE meetings, including the possibility - as mentioned to us informally earlier this week - of compressing these annual sessions into one week. It is also important that governments ensure delegations to the Special Session in New York are aware of ECE needs and priorities.

Determining priorities for the ECE is a task that has been only partially fulfilled in the past -- in part because responsibility for the budget is separated from responsibility for approval of work programs. It is therefore important that the resource implications of programs be carefully and explicitly considered at every stage of the process of program formulation and approval. Furthermore,

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programs and resource management would be better harmonized if the Commission could play a stronger role in defining and ordering the interests that its member countries have in different activities. The present approach is a curious arrangement with few parallels elsewhere.

In this connection, it is central that activities undertaken within the ECE engage the real interests and participation of member states...from both East and West. Such a mutuality of interests is usually reflected in higher quality of information in documentation submitted, of discussion at meetings, and of follow-up in capitals afterwards. It means that the discussions held within the ECE framework go beyond information sharing and lead to action in the real world -- through binding agreements, informal working arrangements or joint projects of various sorts.

In Canadian experience, such a strong mutuality of interest appears to be present in the work of the Executive Body of the Convention on Long-Range Transboundary Air Pollution, in the Commission's work on the transport of dangerous goods, and in the Conference of European Statisticians. In some other bodies there are also important elements of mutuality, for example the Committee on Water Problems,

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the Working Party on Trade Facilitation, and the Timber Committee, and there are undoubtedly others in areas where Canada is not involved. In each of these instances it is possible to foresee concrete benefits flowing to member countries that participate in the work, and a professional bond among representatives which assists in building confidence and communications among them.

In some other fields, however, progress has been more modest, and the reasons for this deserve some reflection. In the field of economic analysis, the publication of the Survey and Bulletin have earned the Commission some deserved acclaim, but the deliberations in the ECE among government representatives in this area have not always attained their full potential. This may reflect a lack of common ground in agreed methodology, and, if so, one remedy might lie in a more careful and circumscribed choice of topics.

The field of trade policy will always be important for the Commission, but since it is unrealistic to expect the ECE to embody a system of comprehensive trade disciplines its role must remain facilitative. Attempts to make it otherwise have sometimes in the past led to frustration and stalemate. There are nevertheless important gains to be had from increased transparency and flows of trade information in the Committee on the Development of Trade and its subsidiary bodies.

Some member countries have displayed an interest in pursuing cooperation in technology within the ECE, and over time many elements under different headings have been inscribed in the Program of Work. Their frequently modest results, however, reflect the fact that governments in market economies do not tend to own or use industrial technology except in respect to certain public utilities or nationalized industries. They also reflect the unsuitability of multilateral bodies as mechanisms for exchanging and disseminating this kind of information.

Countries with an interest in technology-related programs will not gain many advantages from seminars, studies, compendiums or working groups if their interlocutors are in no position to make substantive contributions. ECE resources used to support meetings where projected participation is low might be better applied elsewhere. My delegation would suggest, therefore, that specific fields of technological advance only be considered as possible work program elements if there is reason to believe that a significant number of member countries can and will participate actively and substantively in their execution.

The ECE is not confined to academic economics -- far from it. Through its work on e.g. the environment, transport,

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services, urban planning, or agriculture it has brought many disciplines to bear on improving the quality of economic life in the region. The preparatory work which the ECE did for the Nairobi Conference to review and appraise the achievements of the United Nations Decade for Women was another aspect and a worthwhile one of this wider approach to economic development in the region. The fact that the World Conference and the General Assembly both adopted by consensus the Conference's final document, the Nairobi Forward Looking Strategies for the Advancement of Women indicates that the Strategies deserve careful study in relation to the work programs of the Commission. In fact the General Assembly has drawn our attention to the document and to its implementation by the Commission in Resolutions 40/105 and 40/108.

We are also aware of and support the very real efforts which the Executive Secretary has made to attract suitably qualified female candidates to serve at senior levels in the Secretariat; although, like him, we feel that the results have been somewhat disappointing to date. In this matter we note General Assembly Resolutions 40/244 which welcomes the recommendations of the International Civil Service Commission concerning the introduction of special measures for the recruitment of women and 40/258 which in Part B addresses the matter of the improvement of the status of women in the

Secretariat. We would suggest that both of these resolutions should be incorporated into Part 1 of the Commission's Work Program as set out in Document E/ECE/1111 since both bear directly on the work of the Commission.

Looking to the period immediately ahead, we see a number of important developments affecting trade, environment, debt, energy pricing and the UN system that will have implications for the ECE. I have already mentioned the new Round of Trade Negotiations in this regard, and stressed its importance for all countries.

In 1987 we should see the adoption of a global environmental perspective by the United Nations, which will have an important input in the form of the report of the World Commission on Environment and Development (the Brundtland Commission). This global perspective could well provide inspiration for further measures to protect and enhance the environment within the ECE region.

The Review Meeting of the CSCE being held in Vienna in October will also have an important bearing on developments in the ECE. The Meeting will have to take full account of ECE experience in considering how to increase cooperation among CSCE countries and may provide additional commitment that will lend a greater dynamism to ECE work.

Finally, the hard choices that face many member states as a result of domestic and international austerity are likely to encourage a more prudent view of new and old programs within the ECE.

Mr. Chairman,

It would be wrong, however, to expect these outside forces and events alone to determine the progress that can be made within the organs of the Commission. This progress depends, and will continue to depend, on the ability of the Commission to identify common interests among its members, to concentrate and integrate its programs of work, to assemble the necessary information and analysis on the complex problems of our region, and to mobilize member states to take common action where this services a common purpose.

These functions could be impaired, however, should some member countries continue to introduce matters extraneous to the Commission's mandate, as we have regrettably seen in several statements so far during this 41st Session.

In closing, Mr. Chairman, I would want to assure member countries, that Canada will continue to play its part in pursuing positive work and in making this Commission a body of improved usefulness and relevance to the countries of the region.

I thank you.