

STATEMENT OF THE DELEGATE OF CANADA

AMBASSADOR J. ALAN BEESLEY Q.C.

1. Mr. Chairman, I would first like to offer the congratulations of my delegation to you and to the Vice Chairman, Vice Minister Murin on the occasion of your election. We have every confidence that you will find the means to draw meaningful conclusions from our deliberations on a somewhat wide-ranging agenda. I would also like to congratulate Mr. Nathon upon his election as Chairman of the Sessional Committee, and express the appreciation of my delegation for the honour done us through the election of Mr. Bryce, as Vice Chairman of the Sessional Committee. This is, we believe, the first time that a Canadian has been elected to the Bureau of the Economic Commission for Europe since Canada became a full member in 1973, and it might therefore be said to mark one more stage in the process by which Canada has come to play its part in the life of the organization.

2           Our particular thanks must also go the Executive Secretary, Mr. Sahlgren, for his unstinting efforts over the last year to make the programs of the ECE respond to the needs of the region in the modern era. The documents prepared for this session carry his hallmark, in that they are concise, focussed, and point to practical conclusions. Few other organizations within the U.N. system can claim a record for productivity and careful management of resources to match that which the ECE has achieved under Mr. Sahlgren's direction, and it is important that credit be given, and be seen to be given, for all that this has involved.

3.           Mr. Chairman, as the Canadian Secretary of State for External Affairs stated in the General Assembly last September 25, "The present moment, the eve of the fortieth anniversary of the United Nations, is a fitting one for each member state to examine its commitment to the U.N. Charter. This anniversary must mark a renewal for the future, not just a celebration of the past". As a founder

member of the United Nations, Canada has been committed from the very beginning to the ideals and obligations of the U.N. Charter. We have striven conscientiously over the last four decades to contribute wherever possible to the success of the great undertaking that it represents. The United Nations system has continuously evolved over the years and has on occasions passed through difficult times - sometimes owing to the impossible expectations placed upon it. Sometimes member states perhaps did not give the organization all the support it needed at critical moments. On this occasion, the 40th anniversary of the foundation of the U.N., it might be appropriate to reflect on how we as member states might make it even more effective in the future. We could, for instance, seek to build on its notable accomplishments in the field of international law-making, a field in which the ECE has made an important contribution. So too, with national and international efforts to protect and preserve the environment. Remembering also that the U.N. had as its birthright the terrible legacy of the last great world conflict, better

thought and more effective action should be accorded to its role in peacemaking and peacekeeping, and in arms control and disarmament.

4. Mr. Chairman, Canada has traditionally sought to encourage discussions in U.N. forums, including in the ECE, to remain within the bounds of subject matter that could lead to useful, forward-looking conclusions and avoid unnecessary politicization. References have been made to events of forty years ago. It is important that the view of others who also fought and suffered at that time also be registered. Canada's decision to enter the war in its earliest days in order to help defend the territorial integrity of states against international aggression was not an easy one. In the years that followed many Canadians suffered and died in that terrible conflict. We take satisfaction that totalitarian aggression was defeated and that former deep-rooted enmities have been overcome through ever-increasing cooperation among free, self-governing peoples. The U.N. organization have made a valued contribution to this

process of renewal. There remains a great many unfinished tasks in securing in peacetime the ideals for which we fought. Our priority now must be not to revive dead or dying enmities nor to stigmatize the citizens of any of the countries involved in that tragedy. Instead, let us address together the challenges which still face us. Only in this way can we demonstrate that the lessons of the war have been truly learned.

5. From the beginning a lasting peace was integrally linked to provision for effective international economic cooperation, and it is here that the ECE has its special significance. Not only can the ECE look back on many worthy accomplishments as the regional forum that has done the most within the U.N. system in the economic domain, but it has also forged important institutions and mutual interests among its members which may contribute even further to a balanced growth of relations on a broad front.

6. The member countries of the ECE are cooperating within an almost unique regional framework - one where a

great variety of trade and economic linkages exist, at several levels, and where all member states are conscious of their broader multilateral roles and responsibilities as well. Nevertheless, the need for cooperation is just as pressing today as it was at the time of the Commission's founding 40 years ago. The C.S.C.E. process and the conclusion of the Helsinki and Madrid documents constituted recognition of this fact. Both these documents also bear witness to the fact that economic cooperation cannot exist in a vacuum - it must proceed in tandem with measures for improved security in the region and improved performance in the areas of human rights and person-to-person contacts.

7. In other words, the ECE must develop its role within a regional framework of relationships, commensurate with the prevailing political possibilities. These possibilities appear somewhat brighter now than in the recent past.

8. Looking at the general economic situation we can point with satisfaction to significant improvements in

recent years. The recovery is entering its third year and indications are that it should be sustainable through 1986. There has been a continuing decline in inflation and modest, but steady growth in GNP in most countries. More generally, there has been a significant increase in world trade. Our experience in the last couple of years should also give us some confidence that the international financial problems which still confront us are manageable if we continue to face up to them with determination.

9. Despite the generally optimistic outlook a number of serious problems and uncertainties persist. The economic recovery is still not broadly based and the persistence of high real interest rates remains worrying. The magnitude of budgetary deficits is a source of grave concern and the pressures for protectionist action have been exacerbated by continuing high levels of unemployment and major, and sometimes unpredictable, shifts in exchange rates.

10. Most observers seem agreed that our most recent recession arose as much from fundamental structural

disequilibria as from deficiencies in demand management, and reflected, in particular, the impact of successive oil shocks. Those shocks have, however, to some extent masked the erosion in the competitive position of many industries that have been overtaken by new technologies or other changes in production or consumption patterns. The sudden diminution of foreign lending that occurred in many economies of both East and West in the early 1980s has revealed internal rigidities in allocating productive resources that continues to pose major problems to a renewal of growth.

11. In the early 1970s a good deal was written about the existence and nature of limits to growth on a global scale. The rising costs of extracting natural resources and of combatting a growing menace of pollution were identified among the most active limitations to providing sustenance for a growing world population. There is less debate on this issue today, since few now dispute the existence of ecological limitations to economic activity, or, on the other hand, the absolute necessity of improved



economic performance for coming to grips with them. What is needed, however, is a higher level of national and international disciplines, integrating the ecological and economic factors.

12. These reflections bear upon the work of the ECE in a number of ways. They indicate the importance of maintaining a high level of expertise and dialogue on economic and environmental subjects, and their linkages. They underscore the need for the ECE to keep in close touch with other organizations, and not least with the OECD, the CMEA, UNEP, IIASA, and the World Commission for Environment and Development, where important work is taking place, and to seek to ensure that the ECE's efforts are complementary to theirs. They serve to remind us that there are often complex and sometimes ill-understood processes underlying the immediate issues before governments, crying out for dispassionate analysis, but also for concrete action on immediate priorities.

13. There have been some significant achievements within the ECE framework that give us hope that it can

make a real contribution to meeting these challenges. In particular, the signing of the protocol on financing of EMEP was an important step, and the progress achieved recently towards a protocol on sulphur emission reductions could prove to be more important still.

14. It is for these reasons, also, that Canada has been a consistent supporter of Concentration and Integration within the Commission and its Secretariat. This has been a recurring theme at sessions throughout the past decade, but as yet progress in concrete terms has been quite modest. To my government the logic of pursuing it further seems inescapable...given the weight of opinion among ECE member states in favour of budgetary restraint, and the desire of most member states to see high priority programs properly supported. The Executive Secretary has taken very commendable initiatives in seeking to get better, regular, feedback on the usefulness of ECE publications and seminars from their recipients and participants respectively. This should be supported, and we should all try to get our replies returned.

15. The Canadian authorities therefore attached a good deal of importance to the ad hoc meeting planned for 4-8 February on concentration and integration, and were disappointed that it proved impossible to get it underway. The principle involved in the dispute on procedure was an important one for us, however, since we would not wish to contemplate total inaction due to inability to agree on a Chairman.

16. The Sessional Committee will be examining ways in which its own procedures might be improved so as to better contribute to the Session's work, and this could, in the view of my delegation, make a very real contribution to Concentration and Integration. If the Sessional Committee were regularly to be given suitable analytical information on the activities, participation, and the resource intensity of the programs of the subsidiary bodies, and were charged with making appropriate recommendations on them, then it would have much greater potential to become an active and ongoing organ of the Commission for the purpose of coordinating their activities.

17           Whatever emerges in regard to the Sessional Committee, however, we are still likely to be faced with some fundamental problems in agreeing on priorities and in applying the consensus principle to matters regarding them. Put in the starkest terms, we are presently faced with a situation where virtually the only foreseeable source of additional resources for the ECE over the medium term are those which can be freed internally, through Concentration and Integration. Yet any one country, or group of countries, can withhold consensus on proposals to abolish or amalgamate an existing subsidiary body or work program item. This can happen even where the body or activity concerned has been moribund for years and where participation has diminished to the point where it is no longer representative of more than a handful of established 'regulars'. In such a case ECE priorities could be dictated by a self-perpetuating process that ignores the changing needs of most members.

18.           These considerations call for a more active role by the annual session in evaluating the activities of

P.S.B.s and influencing the allocation of resources accordingly, since P.S.B.s are sometimes ill-equipped to judge the relative value of their work in relation to other potential ECE activities, and do not reflect the views of countries that are not participating in their meetings.

19. Every country has its own list of projects that it believes deserves a high priority - and the Executive Secretary last year in document E/ECE/1070 made some interesting suggestions along this line as well. Any discussion of new priority areas, however, risks being academic if there are no new resources to sustain them and no possibility of freeing up resources internally.

20. In the Canadian view, the first claim on ECE resources belongs to programs of proven value, where ECE is doing work for which it is particularly well equipped, and where potential for further expansion exists. This is the case, we believe, with programs relating to long-range transboundary air pollution, to statistics, to the

transport of dangerous goods, and to certain other programs in the fields of transport, economic analysis and trade facilitation. We also recognize that these can remain priority activities only inasmuch as they continue to produce results and attract the participation of a sufficient number of key players.

21. There are a number of other ECE activities that have some usefulness, even though not in the first order of priority. These might be broadly classed as exercises in information sharing, policy reviewing, market forecasting, consulting, and organizing seminars and study tours.

22. My government sees little value in the elaboration of long-term regional plans and strategies when this is done by a simple amalgamation of national statements. If this type of exercise is to be productive it must involve a high level of agreed methodology, extensive provision of hard data by member states, and active research by the Secretariat. The ECE is not yet equipped to undertake studies on this latter basis.

23. There are some cases, such as the Committee for the Development of Trade, where the importance of the topic is such that even somewhat non-productive discussions may be worth pursuing, in order to keep the consultation mechanism alive and functioning. This does not absolve members, however, from making every effort to make the discussions worthwhile.

24. The Canadian authorities are convinced that the ECE can and should focus on some of the emerging issues of this decade such as:

- the impact of revolutionary new technologies,
- the pressing need to protect and enhance the environment,
- the harmonization of divergent systems of economic infrastructure.

In some cases, such as under the Long-Range Transboundary Air Pollution Convention, it has already got some significant achievements to its credit, and we very much look forward to further significant steps being taken at the third session of the Executive Body in July in Helsinki.

25. The Working Party on Trade Facilitation is another body that in recent years has made a useful contribution in a contemporary field, by making progress towards agreement on the utilization of automatic data interchange for trade purposes.

26. It is important to be realistic, however, when addressing issues where countries and enterprises have billions of dollars at stake and where the rewards and penalties of leadership are high. Only in certain respects, and at certain times, will there be incentives to take combined action on a regional basis. The ECE will, frankly, only be able to afford the 'entry fee' in terms of time and resources in respect of a few selected aspects, and will retain a lead role only so long as it can adapt quickly to changing circumstances.

27. Modern technologies may nevertheless come to affect many aspects of the ECE's work, including its own use of meetings, documents, and publications. Critical examination may reveal that some functions now served by



these means could be better performed by electronic means - by maintaining data banks, high-speed facsimile transmissions, teleconferencing, etc. In an age of inter-connected word processors joint drafting might be able to proceed even among parties thousands of kilometres apart. The expertise within the Secretariat might thereby find new applications and new tools for developing further. This is an area where we would be very interested to hear further ideas from the Executive Secretary.

28. Mr. Chairman, over the forty years of its existence the ECE has proven its value in many ways. It has always been, and will continue to be, an instrument which the members may use for whatever purposes they may collectively choose, and its virtues and defects will reflect, primarily, the choices made by its members. Canada has participated selectively in these activities, and benefitted from a good many of them. We would welcome a situation in which it became worthwhile for Canada to participate in a broader range of activities, and to which

we could attract more participants from the policy-making levels of government in Canada. Nevertheless, we understand and respect the choices of member governments reflected in the institutions and programs of the ECE as they stand at the present time and will make every effort to maximize the possibilities for cooperation they offer, in the future as we have in the past.

Thank you.