

EXTRACTS FROM SPEECH MADE BY THE PRIME
MINISTER, MR. JOHN GORTON, TO THE
COMMONWEALTH PRIME MINISTERS' CONFERENCE

13 JANUARY 1969

Australia attaches great importance to the work of UNCTAD and we think it is bringing about a greater awareness of the problems of developing countries. Although there was, I know, a widespread feeling of disappointment among the developing countries that the concrete results from the second UNCTAD conference last year were not greater, resolutions on tariff preferences, commodity problems, increased aid and improved aid terms, all pointed in the right direction.

In 1966, Australia introduced a system of tariff preferences for exports of developing countries, which we have since enlarged. We believe that this system is the most effective way for us to help developing countries increase their exports of manufactured and semi-manufactured goods.

Trade is, in the last analysis, more important than aid. Whilst our hopes for really acceptable conditions of access to markets for agricultural products in the major industrial countries were not realised in the Kennedy Round, there were some credits, we now have a new international grains arrangement and a new international sugar agreement. Australia has always stressed the need for international commodity agreements in certain products and the arrangements for wheat and sugar, together with those that already exist for tin and coffee, are signposts for the future and show that if producers and consumers are both willing, we can get results.

We were greatly pleased at the inclusion in the sugar agreement of the special provisions for developing countries....the "hardship fund" for sugar and the preferential allocation of short falls. We also supported the Food Aid Convention for wheat. Let me emphasise here....we support in the strongest way the remarks of the distinguished representative from Jamaica. We would urge those countries which have not yet done so to take the necessary steps to accept the international sugar agreement.

On the broader front - in the international monetary field - I believe we can expect further action to see how the system might be improved and I hope that the International Monetary Fund will play a central role in any review. There is, I believe, a continuing need for a multi-lateral approach to international financial and economic problems. In the past year or so we have had no less than three crises in the international monetary field....the sterling devaluation, the gold

crisis and the recent run out of French francs into deutschmarks. But despite these crises some progress has been made by the two reserve currency countries towards a balance of payments equilibrium, which, if it is attained, must help all around this table.

We all know how severe were the measures imposed on the British people in the last two years and I understand Britain now expects to move faster towards first, a balance of payments equilibrium and then, a surplus which is necessary to meet debt obligations. I am sure we all wish our British colleagues every success in their efforts for they are as important to Britain as they are important to all of us.

The new Special Drawing Rights scheme will support the present structure of reserve assets. The scheme, as you know, is non-discriminatory and open to all members of the fund. We, in Australia, earnestly hope that other members of the Commonwealth who have not already joined will do so soon.

I have previously stated that Australia - which in one sense is a developed country, and in another equally valid sense a developing and underdeveloped country - is playing a part in international aid which is by no means inconsiderable. It will continue to play that part. We cannot, however, agree to support the proposition to contribute to a multi-lateral fund within the Commonwealth and under the control of the Secretariat. We shall continue to provide our aid under existing multi-lateral arrangements and bi-laterally for proposals discussed and agreed between ourselves and the country concerned - either within or without the Commonwealth.
