

Bretton Woods Agreements Act

When the minister replies perhaps he might have a word to say with respect to whether this is a serious development and what would be the attitude of the government toward it in principle. In any event, if it takes place it will mean the addition of another economic and financial aid institution to the number I have already mentioned. Perhaps the time will be coming pretty soon when we should have a look at all of these institutions and see if we cannot pull them together in some way which will prevent overlapping and possible confusion. But I do wish to repeat what I said a few moments ago, that it is of first importance to make these agencies genuinely international if they are going to play the part in this field that they should play and for that purpose they should be kept in as close relationship to the United Nations as possible.

I know the difficulties in that and I know there are times when this work can perhaps be done more effectively by, if I may call them such, regional organizations like the Colombo plan, but if we are going to remove these activities from any taint of political suspicion or pressure the more international we can make them the better and the best way normally, though not always, is to bring them into as close association with the United Nations as can be done.

There is one other matter that I think is of some interest. It will be noted that in all the agencies I have mentioned, including the ones referred to in this resolution, neither the Soviet union nor any communist satellite of the Soviet union plays any part in this great international work of extending economic assistance which is going on in the world today. The Soviet union, which talks so much and so often at international meetings about its desire to help underdeveloped and "enslaved" nations and all the rest of it, that country which boasts about its economic and financial strength, is playing no part in this particular international activity. Perhaps it is just as well to remind ourselves of that fact now when a country like Canada, without the resources of the Soviet union, this great superstate, is being asked and has agreed, I presume and hope, to make additional contributions to these two agencies.

Mr. Fleming (Eglinton): Mr. Chairman, I thank hon. members who have spoken in this debate for the support they have indicated will be given to the measure on behalf of the parties for whom they have spoken. I shall be brief, Mr. Chairman, confining myself to answering questions which have been asked or endeavouring to supply information for which members have expressed a wish.

[Mr. Pearson.]

The Leader of the Opposition spoke about the necessity of preserving the international character of these institutions, the international monetary fund and the international bank for reconstruction and development. In that regard I think the best evidence I can cite is the fact that at the meeting at New Delhi last October, at which I had the honour to represent Canada, 68 countries were represented at that very important international meeting and more countries are continuing to join these two international bodies all the time. In the year and three-quarters that I have had the honour to represent Canada on the board of governors of both of these institutions there have been a number of additions to their membership.

Next, Mr. Chairman, may I comment on the question asked by the hon. member for Welland as to the basis upon which Canada's increased subscription to both of these institutions was arrived at. The basic increase, as I have indicated, was a 50 per cent general increase in the subscriptions to the international monetary fund and a 100 per cent increase in the subscriptions to the international bank. In addition, an opportunity was sought by a number of countries to increase their subscriptions to one or both institutions. This was sought by certain countries because of the fact that in their case they considered that the original subscriptions had been much too small in relation to their growing importance in the world, particularly in world trade, and in every case it was a matter of individual choice and individual application on the part of the country concerned. There was no coercion put upon any country to increase its subscription beyond the basic percentage of increase.

Mr. Benidickson: That would be done by the directors later. Is that so?

Mr. Fleming (Eglinton): First of all, it went through the hands of the executive directors and then came to a vote on the part of the governors. I have emphasized the fact that there was no coercion and that it was a matter of free choice on the part of each one of the countries which sought an increase in excess of the general rate of increase. In all, 17 countries obtained permission to subscribe on a larger basis than the general increase.

As one would expect, perhaps the most notable increase has been in the case of the Federal Republic of Germany. Having regard to the increasing importance of West Germany in the economy and trade of the world, it is not surprising that her subscription to the international monetary fund is being increased from \$330 million to \$787.5