

United Kingdom Financing, 1953

United Kingdom to us year by year at the present time, not merely on account of this loan but on account of other loans. I should like to know the position with regard to other advances we made, running to a good many hundred million dollars, to other countries. I should also like to know how much Britain is paying now year by year to the United States. I do not imagine the minister has those figures up his sleeve at the moment, but perhaps he will be good enough to give them to me. Perhaps I could get them from his office before second reading, but I should like them also to be on the record.

There is one other question I should like to ask the minister having to do with the all-important matter of convertibility. I think the last empire discussions were either last December or January, at any rate just about a year ago, and they are to be succeeded by discussions in Australia quite soon. I should like to ask the minister this question. The amounts involved are not very large, but I am wondering whether in the discussions affecting convertibility and going to the position of the British pound there was any discussion as to the desirability of deferring payments by Britain to us so as to increase to that extent the amount of her immediate purchasing capacity.

We all wish that by some magic we could suddenly increase British purchasing capacity. I would like to ask the minister whether that was discussed, or whether he feels the British attitude was that, in order to maintain the strength of their financial position which, after all, is at the very root of their working through to convertibility, the proper thing to do was to go ahead and pay their debts and not ask for any extension. I hope I have not asked too many questions, so that the minister will have any difficulty to carry them in his mind.

Mr. Abbott: I shall deal first with the latter part of my hon. friend's question. In the discussions which have taken place from time to time in the last two or three years concerning the position of the sterling area, the matter of convertibility, and so on, the questions of the obligation of the United Kingdom under this interest-free loan, and under the loan agreements covering a very much larger loan made after the war, were not introduced. In those discussions no indication has ever been given that the United Kingdom government did not intend to live up to its undertakings both in the letter and in the spirit.

I shall get the figures for which my hon. friend has asked, and give them to him when we are in committee on second reading. As he will recall, the loan which was made to

the United Kingdom after the war was something of the order of \$1,375 million. Payments on the loan have been made to date in accordance with the terms of the loan itself, and the same condition obtains with respect to the larger loan made by the United States at the same time.

So far as our post-war loans are concerned, they have all been met. The obligations under those loans have all been met in full on their due dates, with the exception of the loans to Czechoslovakia and nationalist China.

I believe the other questions my hon. friend asked involve matters of detail, and I can give specific information to him on second reading.

Mr. Macdonnell: May I ask one supplementary question. I do not know whether the minister would think this a fair question to put to him, but if he does not I am sure he will be able to answer it without indicating anything which would embarrass himself.

Would the minister think, from the participation he has had so often in these conferences, that the British would feel that any suggestion on their part in respect of concessions relating to their debts would have really operated against the strength of their currency or, in other words, would have been a deterrent and not an assistance in the matter of convertibility?

Mr. Abbott: I am sure my hon. friend would not want me to express even my personal views as to what the British, or my friend the Chancellor of the Exchequer, could or might think should be their attitude in connection with their external obligations. So that I do not think I should say anything more than I said a moment ago, that I have never gained any impression in any way that the United Kingdom government would wish to do otherwise than live up to both the letter and the spirit of the agreement it has made.

We all know that agreements, whether financial or otherwise, may need to be looked at again after they have run for some time, to see whether in the mutual interests of both parties some modifications might reasonably be made. I would not want any words of mine to suggest that it would not be quite appropriate to discuss that sort of thing; but certainly nothing of the sort has been discussed up to the present time.

Mr. Coldwell: The minister has made a most interesting statement this afternoon. I recollect very distinctly how this loan was made. I recollect clearly the arguments