question of the transfer of real resources to the developing countries as it relates to monetary reform.

● (1410)

With the permission of the House, I should like to table a copy of the communiqué issued at Dar-es-Salaam following the meeting which reflects the wide range of topics discussed.

I am pleased to announce in this House that the Commonwealth Finance Ministers accepted Canada's invitation to meet next year in Ottawa.

The annual meetings of the IMF/IBRD in Nairobi were preceded by a meeting of the Committee of Twenty on Monetary Reform on Sunday, September 23. This provided an opportunity for the committee to review the work of their deputies. A good deal has been achieved since the committee was established last year, but many ministers, including myself, expressed a degree of impatience over the pace of progress to date.

I am concerned that, if results are not soon achieved, the momentum of the discussions may be lost. The issues that have to be dealt with include suitable techniques for redressing payments imbalances, rules relating to converting currencies into primary reserve assets, methods for dealing with the problem of excessive holdings of currency reserves, the role of gold in the system, and the problem of valuing the SDR in terms of currencies and deciding what rate of interest it should carry.

The committee, and the governors of the fund as a whole, are cognizant of the urgency which is attached to resolving these questions. In my interventions in the committee and in my statement at the annual meetings, I stressed the importance of proceeding to implement reform in a sequential way as changing economic conditions permit. Specifically, I pointed out that more effective consultation over matters such as adjustment problems and exchange market developments could begin now. This could be done through special meetings of the executive board of the fund attended by representatives from capitals. I also believe that SDR valuation problems might well be solved through the deliberation of the fund executive board, and that progress with respect to the role of gold and the reduction of excessive currency balances through bilateral funding also need not await full-fledged reform of the system.

I believe it unlikely that an ideal environment for the implementation of a fully revised monetary system will emerge in the next few months. In particular, it will not be possible to complete the reform until the United States balance of payments, which is now improving, has achieved a much stronger position. This should not, however, impede progress in particular areas which could even now contribute to improved stability and confidence in world monetary arrangements.

[*Translation*]

The Committee of Twenty Ministers have set for themselves a deadline of July 31, 1974, for the settlement of the outstanding issues needed to achieve an agreed outline of reform. In working to this objective, the committee will meet in January and again in the spring. At the same time, our deputies will pursue with a new sense of urgency the work program which we have set for them.

The House will be interested in the position we took on monetary reform. I made our position quite clear in my statement to the governors, elaborating on it at some length. I should like, with the permission of the House, to table this statement for the information of hon. members. For the convenience of members, I will also table a copy of the Report of the Chairman of the Committee of Twenty to the Fund Board of Governors, as well as the First Outline of Reform prepared by the deputies and the statements made by the managing director.

With respect to the World Bank group, the principal issue was the Fourth Replenishment of the resources of the International Development Association, the World Bank's concessional lending arm. In his statement to the annual meeting, which I am tabling today, Mr. McNamara stressed the urgency of reaching agreement on the replenishment so that the association could continue lending operations in the poorest developing countries after July 1, 1974.

[*English*]

I am glad to report that representatives of donor countries were able to agree at Nairobi to recommend to their legislatures a total replenishment of $4.5 billion U.S. for the period 1974 to 1976. On behalf of Canada I pledged a contribution, subject to the approval of parliament, of $274.5 million, or 6.1 per cent of the total. I also assured Mr. McNamara that the Canadian government would do all it could to ensure that Canada's contribution can be made on time.

[*Translation*]

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, first, I would like to thank the minister who sent us a copy of his statement along with the related documentation in time to allow us to study it, at least partially. It is true that the minister had sufficient time to think about his statement and prepare a text with somewhat ambiguous passages to embroil matters a bit, because it should be noted that the minister was reporting on his participation in two conferences. First, he participated in the conference of the Finance Ministers of Commonwealth countries, which have particular problems and are bound by special ties. Then, he took part in a much more important conference in Kenya, where he discussed international problems, inflation and the reform of the monetary system with his colleagues.

Mr. Speaker, in the text which we have been given, the minister has confused these meetings; however, he was probably unable to indicate the problems which are still unsolved or suggest an acceptable solution.

[*English*]

It was interesting to hear the minister start out to speak on a subject in connection with which he needs nothing better than the situation in Canada as an inspiration for his concern. I refer to the lack of control over inflation in Canada which this government displays. The hon. gentleman could therefore attend both conferences as a great expert on the problems of inflation, though he did not tell us what might be the solutions. In this regard, at the foot of the first page of his statement he says: