play a role in the work of the bank and fund in keeping with our growing economic stature in the world.

In specific terms, it is proposed that Canada's quota in the international monetary fund be increased from $300 million to $550 million. This increase would involve outlays to the fund of gold to the value of $62.5 million and non-interest-bearing government notes in an amount of $187.5 million. For the international bank the proposal is to increase our subscription to $750 million compared with the existing figure of $325 million.

Mr. Martin (Essex East): What is the United States increase?

Mr. Fleming (Eglinton): The United States increase is set out in the table which I have placed on the record. The United States subscription to the bank will be raised from $3,175 million to $6,350 million; in other words, it will be doubled. This increase on the part of Canada from $325 million to $750 million in its subscription to the international bank would call for payments of $1 million in United States dollars and $9 million in non-interest-bearing government notes, usable only with Canadian concurrence. The remaining $415 million will be in the form of a guarantee only. To clarify the financial implications of the increases in our contributions I wish now, with the permission of the committee, to submit a table showing these implications in detail.

The Chairman: Is it the pleasure of the house to agree to the table being included in *Hansard*?

Some hon. Members: Agreed.

(*Editor's note: The table above referred to follows*).

Financial Implications of Canada's Increased Contribution to the I.M.F. and the I.B.R.D.

	Canada's quota and subscription	Payment in gold or U.S. $	Payment in Canadian currency or non-interest-bearing notes	Guarantee
		(Millions of U.S. dollars)		
I.M.F.				
Present quota	300.0	75.0	225.0	
Proposed increase	250.0	62.5	187.5	
I.B.R.D.				
Present subscription	325.0	6.5	58.5	260.0
Proposed increase	425.0	1.0	9.0	415.0
	1300.0	145.0	480.0	675.0

Mr. Fleming (Eglinton): The payments in gold and U.S. dollars in respect of the fund and the bank will be made from existing holdings in the exchange stabilization fund. No other cash payments will be required. The increases in Canada's quota in the fund and in our subscription to the bank will appear as loans and investments in the public accounts and accordingly do not affect the level of the net national debt.

The amendment that I am proposing involves not only an appropriate increase in the ceiling on funds to be provided for our subscriptions to these two international institutions but also a change in the form of the ceiling. This is really a technical matter but a word of explanation may perhaps be helpful. As hon. members will see from the first table which I have submitted, all subscriptions are, under the Bretton agreements, denominated in terms of United States dollars. In other words, the United States dollar is the yardstick used. Therefore the amendment which I am proposing expresses the ceiling on Canadian funds to be appropriated in terms of United States dollars. The actual sum is $1,300 million United States dollars. In this we are following the practice of the United Kingdom and other countries.

When the original act was passed by parliament the ceiling was expressed in Canadian dollars. The sum named, $700 million Canadian, was higher than the amount actually required at that time. The excess provided, shall we say, a cushion against the possibility of a fall in the exchange value of the Canadian dollar. Parliament at that time, in effect, made provision for a possible depreciation of 12 per cent in the value of the Canadian dollar in relation to the United States dollar. The size of any such "cushion" must be rather arbitrary, particularly when taking into account the fact that our dollar, which was then fixed in value in terms of the United States dollar, is now free to fluctuate on the market. Accordingly, under the new circumstances, it seems expedient to follow the terms of the agreements themselves