

*Whaling Convention*

**Mr. Sinclair:** I would prefer not to get into a discussion on the \$65 million transaction, because it has nothing whatsoever to do with the 1942 United Kingdom loan.

**Mr. Wright:** Is any of the money that is secured in Great Britain for repayment of these loans from sales of bonds or stocks of private corporations in Canada?

**Mr. Sinclair:** Yes. Perhaps I did not make that point quite clear. The first \$300 million in 1942 was the proceeds of sales of Dominion of Canada bonds and C.N.R. bonds held in Britain which had been drawn in by the United Kingdom government. Incidentally, in Great Britain they drew in all the national securities of other countries, because those are debts by those governments payable to their citizens. From that time on it has been the maturity, redemption or sale of any Canadian security which is payable in Canadian dollars, held by anyone. If, for example, you had a C.P.R. bond which became due and which was to be paid up, the foreign exchange control board in Great Britain would take the proceeds in dollars, they would give you the equivalent in sterling and those proceeds would be applied to the reduction of this long-term, non-interest-bearing loan.

**Mr. Wright:** The parliamentary assistant used as an example exactly the bonds which I was thinking of when I asked my question, namely C.P.R. holdings. It was my understanding that in the last few years—that is, in the last five or six years, since the war—there have been large transfers to the United States of C.P.R. stock that was held in Great Britain. Just how does that take place without the proceeds being used to liquidate this debt?

**Mr. Sinclair:** We of course were not the only country to make loans to Great Britain at the time. The United States also made a loan. Their loan was not interest-free. They asked for 5 per cent. Just for my own satisfaction I worked out the difference with regard to interest which would have accrued on our loan up to date if we had charged 5 per cent. There would be another \$195 million. But of course we have charged no interest on this loan. The United States as well insisted that these securities be put up for collateral against their loan; that is, United States securities. There are quite a number of Canadian securities of the old days which were payable in United States funds, particularly the ones financed through New York, and these are the ones the United States have got in repayment of their loan; but the Canadian securities payable in Canadian funds are the ones which have been offset against this loan.

**Mr. Wright:** The C.P.R. stock held in Great Britain would be payable in Canadian funds. Why was it not redeemed and placed against this loan? Why was it sold to the United States, if it were sold there?

**Mr. Sinclair:** I am again just speaking from rather hazy memory. I do not believe that any Canadian C.P.R. stock or securities, whether floated in New York or otherwise, not having an obligation to pay in United States funds, was handled in that way. With regard to that stock, the British have been meticulous about placing maturities and redemptions of Canadian securities payable in Canadian funds against our loans of 1942.

Section agreed to.

Title agreed to.

Bill reported, read the third time and passed.

**WHALING**

IMPLEMENTATION OF INTERNATIONAL CONVENTION SIGNED AT WASHINGTON ON DECEMBER 2, 1946

**Hon. Alphonse Fournier (for the Minister of Fisheries)** moved the second reading of Bill No. 20, to implement the international convention for the regulation of whaling.

**Mr. J. W. MacNaught (Parliamentary Assistant to the Minister of Fisheries):** Mr. Speaker, before I deal with the principle contained in the bill I think I should give the house a brief outline of the history leading up to this measure.

For some time there has been much concern over the depletion of the whale population. Attempts were made from time to time to arrange an international agreement for the regulation of whaling. One of the first international conferences was held at Geneva in 1931 and resulted in what was termed the Geneva convention. Subsequent agreements were concluded from time to time at London; but as these agreements were of short duration there was no continuing method by which whaling operations throughout the world could be regulated. Consequently in 1946 a further conference was held in Washington. This resulted in the present international convention for the regulation of whaling. Eighteen countries were represented at this conference: Argentina, Australia, Brazil, Canada, Chile, Denmark, France, The Netherlands, New Zealand, Norway, Peru, U.S.S.R., the United Kingdom, the United States, Iceland, Portugal, Sweden, and the Union of South Africa.

The convention has been ratified by sixteen countries. It was ratified by the parliament of Canada by joint resolution of the