

Bretton Woods Agreements Act

Mr. Regier: The area of division is wider today than it has ever been before in history. Although we may have relative peace and although modern technology and automation are rapidly advancing standards of living in the western world we must be mindful of the fact that we are not necessarily advancing toward world peace. We in this group would like to see the day come when the Canadian government would adopt the United Nations recommendation and our over-all contribution would be 1 per cent of our annual gross national product. Merely for the sake of the record may I say that this year our contribution would have been in excess of \$300 million. That sum expended in this way would in our opinion be more effective than a similar sum expended through the Department of National Defence.

Mr. Pearson: Mr. Chairman, I should like to say just a word or two about this resolution which deals with a matter of very great importance even though the immediate impact on the treasury may not be considerable.

I have been listening with interest to the remarks of the last speaker and I hope that when the minister winds up this discussion he will remove any anxiety in the hon. member's mind that any irregular procedures were followed in our membership in the international monetary corporation or that we in any way violated what I think is an important convention of our constitution—if not a law—that no treaty that imposes any obligation on the Canadian people should be ratified without having been approved by the House of Commons. I do not think—the minister will correct me if I am wrong—that that principle is violated in any way in our activities and association with and membership in this international financial corporation.

We support, as my colleague the hon. member for Welland, has said, this amendment to the Bretton Woods Agreements Act. We support it because it will I think, make stronger, two international institutions which have played a useful part in the world since the Bretton Woods agreement. They have done something, though of course not enough, to reduce the gap which my hon. friend has talked about between the developed and the underdeveloped nations, between the peoples in those nations and which I agree, though, is perhaps increasing rather than decreasing.

We used to have many discussions on this subject in the House of Commons and the minister, I know, will be relieved on this occasion to know that we will be saved a great many hours of long debate on the iniquities of international finance because of

the absence from the House of Commons of some gentlemen representing another political party who are not here at the moment, especially one gentleman who would be good for at least three 40-minute speeches on this particular subject.

However, as I have said, I think the step which is being taken now is a useful one. Indeed, perhaps in the present circumstances, as the minister pointed out, it is a necessary step. This increase in the strengthening of those two international organizations is required not only by the increased value of international trade, which the minister mentioned, but also by the increase in price levels.

I have no complaints of any kind to make on Canada's increasing participation in these international organizations. I think in the past we have played a very good part in the bank and the fund, not only in the contributions we have made to them but in the intelligent and devoted direction that has been given to their affairs by the Canadian representatives, and I am not thinking only and perhaps not even primarily of ministerial representation.

The Canadian increase, as the minister has stated, is higher than that of the general percentage applied to certain other countries. I am not in a position, Mr. Chairman, at this time, any more than my hon. friend from Welland was, as he indicated, to come to any conclusion whether we have been fairly and equitably treated in this percentage increase or not. I feel pretty certain that the minister and his officials can look after our interest very effectively in that regard. I am also aware of the fact that we are one of the strong economic countries of the world and perhaps, on the principle of the graduated income tax, we may at times be expected to give a little more than our per capita percentage. I do not complain about that.

These agencies have been useful, as the minister pointed out, and I hope they will be even more useful, not always directly but certainly in an indirect way, in the expansion of international trade, which is so essential for the developing prosperity and indeed the economic stability of our own country.

As the minister pointed out, this expansion of trade which was discussed at the commonwealth conference in Montreal last year was also discussed in a broader, and perhaps even more imposing way at the meeting which followed in India when the representatives of the bank and the fund were present. The international monetary fund, I think, has been successful over the years in stabilizing currencies, strengthening exchange rates and helping countries out of temporary exchange difficulties. That, I take it, has been its main purpose and on the