

*Bretton Woods and Related Agreements Act*

to pay back his loan, then that would affect the creditworthiness of the whole group. They all worked together and they paid back their loans. This man found a new way to run a bank. It was very significant. It said to me that there was another approach. He put the highest value on human development, on the development of the human community, and on the rescue of those people who live in poverty, not by doing something for them but by arranging things in a way that capital could be put at their disposal to do the kinds of development they wanted, which was very small-scale development.

The question before us today is about values, about what we think is most important. Do we agree with the large western banks which seem by their behaviour to put the highest value on the dollar? Or, do we agree with this person from Bangladesh who started a bank that could operate in the poorest corners of the globe and who put the highest priority on the human person? That is what I think is essential to the question of international debt today. What is required is a spiritual reawakening in the sense that the human person will be treated as sacred, as the highest value, and that capital be used to serve human development, the development of the community and of shared responsibility.

I want to say that while we do not oppose this legislation since it makes some money available for poorer countries and communities, there is a greater challenge. The challenge is to make some fundamental shifts in direction.

One of the things this gentleman who started the bank in Bangladesh said was that we need a commitment. We need to renew the commitment or make a commitment to eradicate the pollution of poverty from this planet. It is enough of a surprise actually to find a person who is doing something that makes a difference for poor people, someone who can actually change their situation while at the same time allow for their development and give them control over what is happening to them. That is enough. Then this person challenged us to say that poverty on this planet is a pollution. In other words, it is something that threatens our survival.

I think there is a greater challenge than that which has been faced up to in this legislation. While I will not vote against it, it is about time that we in the western world in particular take up the challenge to change the direction of how we approach the use of capital and make a real difference in regard to poverty on this planet.

**Mr. Jim Hawkes (Parliamentary Secretary to Deputy Prime Minister and President of the Privy Council):** Mr. Speaker, I will be brief. I would like to begin by thanking members of the Opposition and government Members for the co-operation that we have had since supper hour. I think you will find, Mr. Speaker, a predisposition to vote as soon as I am through my remarks and then we might see the clock as ten o'clock. It is a kind of reward for the co-operation that we have had this evening.

I was lucky enough to be asked by the Government in the fall of 1984 to attend the General Assembly of the United Nations for 11 weeks as the Canadian representative to the Third Committee where we dealt with issues of poverty, health and so on. I came away convinced that what we as western and so-called rich nations could do most effectively is co-operate with other nations, and to be a moral conscience at times, as well as to be a prodder and developer, in order to get international co-operation in place. A great many people live in poverty. A great many people could use and benefit from our help.

If someone reads our *Hansard* and hears about the Bretton Woods Agreement, they will see that it is not a very descriptive title. It does not say much about what it is we are engaged in as the House of Commons and as a country. This initiative, these few paragraphs, spell out what we are intending to do. At this point we are really carrying out the consequence of the June 1987 Summit where western industrialized nations, and Canada as represented by our Prime Minister (Mr. Mulroney), agreed that the International Monetary Fund should increase its resources significantly, for the specific purpose of helping low-income countries by establishing what is referred to in English as the Enhanced Structural Adjustment Facility, which are very complex words. The essence of it is that western industrialized nations would provide more resources to the International Monetary Fund so that it could make them available to eligible countries once they have a program in place designed to promote structural adjustment and economic growth over the medium term.

I think it is self-evident to nations such as ours that if the structure in place which has produced the poverty is not changed it is not likely to change.

[*Translation*]

Mr. Speaker, through the Enhanced Structural Adjustment Facility, the IMF will be able to make loans to the poorest debtor countries on very favourable terms, by means of contributions made to two accounts. The loan account will facilitate the transfer of funds that will earn interest at market rates. The subsidy account will allow the IMF to lend loan account funds to eligible developing countries at one-half per cent interest per year.

Mr. Speaker, many countries have reacted favourably by transferring substantial amounts to the facility. Canada will give \$550 million in loans and \$250 million in grants.

[*English*]

France has pledged some 800 million in special drawing rights in loans. West Germany has committed special drawing rights of 700 million to the loan account and 300 million Deutschmarks to the subsidy account. Italy has contributed special drawing rights of 370 million to the loan account and a corresponding subsidy. In total these western nations I have mentioned pledged special drawing rights of 5.7 billion in loans and special drawing rights of 2.2 billion in subsidies.