

FOREIGN EXCHANGE CONSERVATION

PROHIBITION OF CERTAIN IMPORTS AND PROVISION
FOR IMPORT QUOTAS AND PERMITS

The house resumed from Friday, January 30, consideration in committee of Bill No. 3, respecting emergency measures for the conservation of Canadian foreign exchange resources—Mr. Abbott—Mr. Macdonald (Brantford City) in the chair.

On section 1—Short title.

Mr. MACDONNELL (Muskoka-Ontario): Is the minister going to make a statement, or is he going to give the information which was asked the other evening and which I think he said he would furnish in due course; that is to say, the question asked originally by the hon. member for Stanstead with regard to changes in the fund? I think the minister will remember that.

Mr. ABBOTT: I recall that the hon. member for Stanstead asked what portion of our exchange reserves, the figure I gave to the house, was represented by gold and what portion by United States exchange.

Mr. MACDONNELL (Muskoka-Ontario): Yes, and I believe the minister said he would give a breakdown. That is what I understood.

Mr. ABBOTT: That is right. I do not know that I have the figure here at the moment. I was not quite sure that we would be going on this afternoon, but if I do not have it now I shall give it this evening. I have the approximate figures in my head, but I had better give the exact figures.

Mr. MACDONNELL (Muskoka-Ontario): Mr. Chairman, we have been jumping about so much from subject to subject, and it is so long since we had our minds addressed to this bill, that I think it would be desirable for me to recall the general background to the minds of hon. members before I begin to ask questions about the bill and comment on its details. I want to lay the foundation for some questions I wish to ask.

First, I should like to recall to hon. members that when this matter was brought up last autumn we were here for the so-called emergency session. During that session we jumped about from bill to bill, as we have been doing this session. I agree with what was said by the hon. member for Cape Breton South the other evening, that this jumping about from bill to bill is very confusing; and for that reason, as I say, I should like to take hon. members back to the reasons for this bill and the arguments which have been addressed to the house up to the present.

[Mr. Heon.]

In the first place, we remember that the bill is to meet an emergent shortage of United States dollars. We have suggested here that there was great delay on the part of the government; that what was originally a small cloud was allowed to grow until finally it darkened the whole sky.

We had this bill before us in December. We looked at it; then it was removed from our sight, and we did not have another look at it until we came back here a little more than a fortnight ago. Since then, we have gone on with a three-ring circus—this bill, the cost of living debate, and from time to time that poor despised debate on the address. So for a moment, as I say, I should like to recall the seriousness of the problem with which we are dealing.

We recall that the shortage of United States dollars goes to the very root of our economic life; that if we do not have United States dollars with which to buy necessary goods we face unemployment and all kinds of undesirable and difficult things. We say and have said—and I only mention it in passing, without dwelling on it—that in the main, if not exclusively, this was due to government mistakes. We say things were going along reasonably well in June, 1946, when the government decided to return to parity with the United States dollar, and that it was the decision then made which started a perfect avalanche of United States dollars from this country, to the point that last November the situation became so dangerous that the government was constrained to act.

I want to say a word about the debate. In one way I think it has been very disappointing. Apart from the ministers' speeches I think the government side contributed some fifteen minutes to the debate, or about two minutes a day. I quite realize that a government desiring to get business done does not encourage its own members to speak much, but it seems to me a great public loss that those who represent a very large section of the community should not be allowed to intervene at all in this debate. It seems to me that the process whereby a government, in order to expedite business, has muzzled its own members has been carried to a very injurious extent. As a matter of fact, in addition to muzzling its own members the government would like to muzzle us a bit. As I say, I can quite understand that governments dislike talk unless it is done by themselves, because talk is apt to produce criticism, and naturally governments do not want criticism. In passing, it does seem to me one