

*United Kingdom Financing, 1953*

the agreement which would require ratification is the acceptance of the proposal that the balance of \$150 million should be spread over the period which I have indicated, and it was made clear in the exchange of correspondence between the chancellor and myself that that part of the agreement was subject to ratification by parliament. The extension of this agreement has been before parliament on two previous occasions. I did indicate to the chancellor—I indicated to him of course that the government would recommend it—that I felt there was little doubt that parliament would be prepared to approve.

But answering my hon. friend's question specifically, the agreement, so far as the \$150 million is concerned, spread over the next five years, has not the effect of law until it has been approved, and that has been made quite clear to the United Kingdom government. The agreement was signed, as these agreements always are in circumstances of this kind, subject to ratification by parliament.

**Mr. Cameron (Nanaimo):** Before this passes I should like to ask a question. Perhaps I misunderstood the minister. I understood him to refer to the War Appropriation Act of 1942 as having authorized a \$700 million loan to Britain. My recollection of that act of 1942 is that a loan of \$1 billion was authorized at that time. Has there been some subsequent arrangement, or have the British authorities not seen fit to take advantage of the appropriation that had been granted by parliament at that time?

**Mr. Abbott:** I have not of course the act before me at the moment, but I said in my statement that this non-interest-bearing loan was made under the terms of the War Appropriation (United Kingdom Financing) Act of 1942. From 1942 on we did not make loans; we voted the money as mutual aid under the various war appropriation acts. I will look at the act between now and second reading, but as those who were in the house at that time will remember, under those acts we frequently authorized a number of different transactions. I imagine in this case we are authorized to deal with the \$700 million non-interest-bearing loan and the \$300 million for the repatriation of Canadian securities. In all probability it may have covered some other matters.

**Mr. Macdonnell:** As a matter of fact I have *Hansard* right here containing Mr. Ilsley's speech on March 18. The hon. gentleman will find that there is reference to the \$700 million, but I think the \$1,000 million is another affair on another occasion.

**Mr. Nicholson:** I wonder if the minister, between now and when we meet again to discuss this, could tell us the amount paid to the United Kingdom under mutual aid since the war.

**Mr. Abbott:** Roughly \$5,000 million, but I will have the exact figure.

**Mr. Nicholson:** I think at some point we should have a look at the total and decide whether or not it is as large as it should be. Recently I had the opportunity to compare conditions in the United Kingdom and the other side of the Atlantic with those before the war. While we finished the war with very valuable physical assets, while our cities were not bombed and there was no destruction of property, the damage across the Atlantic was tremendous.

I realize the problem faced by the minister. It is not easy to convince the Canadian people that they should be taxed in order to be more generous. However, I am concerned about the future of markets in the United Kingdom and I think at some point we should have a look at the matter to decide whether the terms are too stiff. As other hon. members have indicated, I believe that the British are anxious not to be in the position of asking for charity. We all realized that the outcome of the war was vital to us and I think the cost of repairing the war damage should have been of more general concern to the people on this side of the Atlantic. When the minister has the figures available we can look at them to see what Canada has done toward repairing the damage since the war.

**Mr. Macdonnell:** I should like to make one comment on the interesting question asked by the hon. member for Macleod and the interesting answer by the Minister of Finance. It carried me back to another situation which it seems to me was quite similar, that is the Hoare-Laval agreement. Sir Samuel Hoare went to Paris and made an agreement, I presume with the authority of the British government of that day. But when he came back the thing was upset over the week end. Public opinion aroused itself to the point where it had to be abandoned. I do not think this is exactly the same but it seems to me that it does raise a point which the minister pointed out. Agreements of this kind, whether reduced to writing or not, are subject to final approval. Of course we are very hopeful that public opinion will begin to assert itself in some such way as that before long, but that time has not arrived yet.