

that theory. He was full of it, and was very enthusiastic about it. But as far as any definite action is concerned, I do not think any has been taken as yet. We are having a world conference in Vienna next month, and thirty Canadians will be going over to that Conference, and that is one of the questions which will come up.

Hon. Mr. LAMBERT: Has your Chamber committed itself to such world control?

Mr. NELLES: The Chamber does definitely approve of such institutions as the Monetary Fund, the World Bank, and so on. We do say, however, that the functions of some of these institutions were not sufficient to cope with the whole problem today; therefore, it is suggested that some means of converting funds be found as a way of getting quicker action.

The Chamber in the past, in our discussions, has found it obvious that the International Monetary Fund has not operated as it was intended to operate. For instance, as we have heard, it has not used its fund of three billion dollars. So we definitely do advocate co-ordinated control of all these things. Some method would have to be established of dealing with your special problems. But all the problems of convertibility are general now and the solutions will have to be co-ordinated.

Hon. Mr. LAMBERT: You want to see some kind of an organization which will certainly attempt to control this world situation?

Mr. NELLES: I would like to see the existing institutions do their jobs better.

Hon. Mr. LAMBERT: How will you do that?

Mr. NELLES: I think it has come to a point where we should have an entirely new approach to the existing institutions to deal with these things. These convertibility funds would be still under the control of national governments, and I think the governments should consult amongst themselves in regard to their use.

Hon. Mr. LAMBERT: That is where they all start; The Monetary Fund, and the International Bank was worked out at Breton Woods by representatives of the national governments, and they were set up for the purpose of handling this very problem, which now most people would say has not been satisfactorily dealt with.

Mr. NELLES: The difficulty in working out a perfect economic world is complicated by the policies of governments, sometimes by national ambitions and the personal ambitions of dictators.

Hon. Mr. PIRIE: Mr. Chairman, I would like to point out an illustrative case. Last fall we tendered on a one million dollar order for Uruguay. The reason they asked this country to tender was because we have a particular commodity they could not buy in certain other countries, and we might have had a little preference from that standpoint.

We received the order, and we were obliged to put up a \$100,000 deposit with this Uruguan government on that perishable article. We had to go into the market to get a certain class of ship that they required, what are known as "Reefer" ships and they even specified the particular line. Just imagine the risk and the hazards involved. They gave you a certain time limit to deliver the goods C.I.F., Uruguay. I think it is one of the worst pieces of business into which a person can possibly enter. I do not know of any other way, if you want the business, that you can get around it. Uruguay will tell you just exactly what you have to do, and if they accept your tender, then you have to go into the market to get the ships. The shipping companies, knowing that, have you "right over the barrel".

Hon. Mr. HUSHION: They would not do that, surely?