at any time since confederation. In days gone by, we used to ship gold to Washington before the bricks were cold, but nowadays Mr. Abbott is holding on to his gold religiously.

Hon. Mr. KINLEY: He does not need it now.

Mr. BIRKS: He may if the exchange goes against us.

Hon. Mr. KINLEY: The story we were told about the export of minerals is not quite right. I think it looks very good.

The CHAIRMAN: There has been no evidence of Russia offering gold to the free world.

Mr. BIRKS: Not that we know, but we do know that when Russia overran all the western countries the first place they stopped was the National Bank. They picked up all the gold bars and all the gold coins that could be found, and all the European countries they have overrun have been stripped of all their gold. That is one way we have of arriving at their treasury, because we know how much they stole from Germany, Czechoslovakia, and Austria. They just backed their trucks up to the First National Banks, and with the threat of machine guns, they cleared all the gold out. That gold is now in Russia.

Hon. Mr. CAMPBELL: Are you familiar enough with the gold question to be able to say what effect an increase in the price of gold would have upon the economy of the United States under present conditions where the United States dollar is not definitely tied to gold?

Mr. BIRKS: I am not, sir, but I think the economic committee have reported that if it were properly handled there would be no inflationary tendency. That is contained in the report by the committee of experts of the United Nations. We feel that it would not disrupt the American economy.

Hon. Mr. CAMPBELL: I never quite saw how it would, but I would like somebody to elaborate on it.

Mr. BIRKS: There is one thing that might be said. There was a certain well-founded rumour that Great Britain and France and the other countries proposed to the United States that they revalue their gold from 23 billion—increase it 50 per cent, which would be about 11 billion, and give them the 11 billion for their foreign aid, and so on, and then it would cost the American taxpayers nothing.

Hon. Mr. EULER: That gold does not all belong to the United States, does it?

Mr. BIRKS: The 23 billion does. For our figuring, 23 billion belongs to them. Incidentally, they have not gained anything in the last year or two, have they, Mr. Wansbrough?

Mr. WANSBROUGH: No.

Hon. Mr. TURGEON: I understand that the United States is afraid that Russia might start an influx of gold. Supposing the price went up and the United States refused to buy new gold, what would be the effect of that?

Mr. BIRKS: I would think that the United States should not be saddled with the responsibility. I think the prices should be so many shillings in England, so much in the United States and so much in France.

Hon. Mr. TURGEON: If the United States refused to buy, would the other countries be afraid to buy?

Mr. BIRKS: I don't think so, sir. I do not see why they should. It is the best currency in the world. For example, I do not see why Canada should hesitate. There is another story, that when the United States was complaining about the price of tin and rubber in the Malay Peninsula the suggestion was made that they offer gold. They did make a tentative offer of gold, and when they found the terrific price gold commanded they withdrew the offer right away, because in the far east and in the north east the people like gold coins,