

Exemption of Payments from U.S. Balance

great significance of this announcement. There is no doubt about the basic underlying strength of the Canadian economy. All doubts regarding our access to capital from the United States have now been removed.

Mr. Douglas: Mr. Speaker, could I ask the minister a question before he sits down?

Mr. Monteith: Wait for a minute.

Mr. Douglas: I want to ask the minister a question to clarify one point, if I may. Does the removal of the United States balance of payments program so far as Canada is concerned include the matter of repatriation?

Mr. Sharp: Yes.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, I rise simply to say that we are pleased to hear of these arrangements made with the United States authorities and certainly hope they will provide further strength to our currency and our position.

Some hon. Members: Hear, hear.

Mr. Colin Cameron (Nanaimo-Cowichan-The Islands): Mr. Speaker, I presume we should greet the minister's comments with satisfaction although for my part some doubts are raised in my mind and I wonder whether there have been any special attacks on the Canadian dollar recently which have necessitated this arrangement with the United States for such a vast sum of money. It leaves me rather puzzled as to what can have happened in the last few days to cause this arrangement to be necessary.

With regard to the relief from the United States guide lines respecting foreign investment and repatriation of dividends I shall have something to say on that matter later today, I hope. I still think it is based upon a miscalculation of Canada's real needs or a miscalculation of the way in which we should deal with the problem of available capital in this country.

[*Translation*]

Mr. Réal Caouette (Villeneuve): Mr. Chairman, we are particularly pleased with the statement of the hon. Minister of Finance (Mr. Sharp) to the effect that Canadian investments in the United States will be better recognized and respected than they were previously, and that even the dividends on those investments will come back to Canada.

[Mr. Sharp.]

We feel that this will benefit Canada. Any country, not only the United States, acting in this fashion, would be helping to consolidate the economic position of Canada on the national as well as the international plane.

We are therefore quite pleased.

[*English*]

MESSAGE FROM THE SENATE

Mr. Speaker: I have the honour to inform the house that a message has been received from the Senate informing this house that the Senate have passed Bill C-197, an act to amend the Unemployment Insurance Act, without any amendment.

SUPPLY

The house in committee of supply, Mr. Tardif in the chair.

DEPARTMENT OF FINANCE

Administration—

4c. Grant to the endowment fund of the Vanier Institute of the Family—L'institut Vanier de la famille, \$236,869.

The Assistant Deputy Chairman: Order. House again in committee of supply, supplementary estimates (C), 1967-68, Department of Finance, vote 4c. Shall this item carry?

[*Translation*]

Mr. Grégoire: Mr. Chairman, before the hon. Minister of Finance (Mr. Sharp) made his statement, we were discussing the supplementary estimates, specifically those of the Department of Finance.

On scanning the speech made yesterday by the hon. minister, one realizes that it is rather likely to spread fear and anxiety with regard to the Canadian economy.

Indeed, one can read sentences like this one, that we must:

—take action which will buttress confidence in the Canadian economy and the Canadian dollar in the midst of mounting international financial uncertainties.

● (5:10 p.m.)

Mention is also made of new fiscal measures to replace the income lost through the defeat of Bill No. C-193.

There is also talk of further reductions in expenditures; of the need to slow down the increase in prices and wages; of the fact that the Bank of Canada has raised its bank rate from 6 to 7 per cent.