

Bretton Woods Agreements Act

Title agreed to.

Bill reported, read the third time and passed.

● (1300)

Mr. Baker (Nepean-Carleton): On a point of order, Mr. Speaker, I think it would be quite appropriate if at this time the House sang the national anthem.

Some hon. Members: Agreed.

[*Editor's Note: At this point hon. members stood and sang the national anthem.*]

Mr. Deputy Speaker: Order, please. It being one o'clock I do now leave the chair until two o'clock.

At 1.02 p.m. the House took recess.

● (1400)

AFTER RECESS

The House resumed at 2 p.m.

BRETTON WOODS AGREEMENTS ACT**MEASURE TO INCREASE AMOUNT OF SPECIAL DRAWING RIGHTS**

The House resumed from Friday, June 13, consideration of the motion of Mr. Bussières that Bill C-5, to amend the Bretton Woods Agreements Act, be read the second time and referred to the Standing Committee on Finance, Trade and Economic Affairs.

Mr. Douglas Roche (Edmonton South): Mr. Speaker, the House had a wonderful hour between twelve o'clock and one o'clock p.m. today when all of us felt very good indeed in coming together in a moment of great symbolism for our country. This is excellent beginning to our celebration of July 1, the birthday of our country.

For the next little while in the House we will be plunged into the depths of the international financial arena. This is not as an emotional subject to be sure, but one that I submit is of importance to our country and to the role Canada plays in the important subject of world development.

As hon. members know, this debate was commenced on June 13 when the Minister of State for Finance (Mr. Bussières) introduced Bill C-5 with a brief speech which I found acceptable and which, indeed, I support.

● (1410)

His speech was followed by that of the hon. member for St. John's West (Mr. Crosbie) who made some observations on the use of the international monetary fund. He was speaking in his capacity as a former minister. At that time he said that, with regard to the whole subject of north-south dialogue, the hon. member for Edmonton South would be speaking later in the debate. Now, sir, we have arrived at that point.

It is very timely and instructive for us to consider that we are resuming our discussion on the amendments to the Bretton Woods Agreement Act following the Venice Summit last week. The Venice Summit issued a very important communiqué dealing with the whole subject of economic relations around the world. A section had to do with relations with developing countries, particularly their monetary problems. If we refer in this debate to the Venice Summit as a launching point, we bring very sharply into focus what this bill is asking us to do.

As I say, I support the general increase in quotas for IMF members. That is a good step toward the creation of a more stable world monetary system. I am buttressed in that comment when I read from the Venice communiqué issued earlier this week paragraph 28, which I now wish to put on record as it is central to the direction of this bill. What this bill is asking us to consider is very neatly conveyed to us in paragraph 28 which states, and I quote:

Private lending will need to be supplemented by an expanded role for international institutions, especially the International Monetary Fund. We are committed to implementing the agreed increase in the IMF quotas and to supporting appropriate borrowing by the fund, if needed to meet financing requirements of its members. We encourage the IMF to seek ways in which it could, within its guidelines or conditionally, make it more attractive for countries with financing problems to use its resources. In particular, we support the IMF's examination of possible ways to reduce charges on credits to low-income developing countries. The IMF and the World Bank should work closely together in responding to these problems. We welcome the bank's innovative lending scheme for structural adjustment. We urge oil-exporting countries to increase their direct lending to countries with financial problems, thus reducing the strain on other recycling mechanisms.

That is the end of paragraph 28 of the Venice communiqué. I have put it on record so that all those assiduous readers of *Hansard*, whose number is legion, will know what the Venice seven said, since it is very difficult from following the Canadian media to know with precision what happened in Venice. Very little attention was given in the media in Canada to that section dealing with developing countries, and indeed the section I have just read is taken from *The New York Times*.

Along with the Venice Summit, there is another document I wish to refer to which puts our debate in very sharp focus, the Brandt report. It was compiled by a distinguished group of 18 leading world citizens headed by the former chancellor of the Federal Republic of Germany and the Nobel peace laureate. Following some two years study, they issued a report entitled "North-South, A Program for Survival". It is an extremely important report. One of its recommendations deals with the reform of the monetary system. The recommendation of the Brandt committee is as follows:

A key element in international policies to increase monetary stability is to relate the distribution of Special Drawing Rights (SDRs) to the financial requirements of developing countries.

Our debate this afternoon could not come at a better time, not only in light of the Venice communiqué and the publication of the Brandt report, which the London *Times* has called "the book of the year". It has not yet received sufficient attention or notice in our country. It is a report now published as a book. For the information of the readers of *Hansard*, I will mention that it is published by the MIT Press, the