

HOUSE OF COMMONS

Tuesday, June 28, 1966

The house met at 2.30 p.m.

HOUSE OF COMMONS

PRESENCE IN GALLERY OF PARLIAMENTARY
DELEGATION FROM U.S.S.R.

Mr. Speaker: I am pleased to bring to the attention of hon. members the presence in the Speaker's gallery of a parliamentary delegation from the Union of Soviet Socialist Republics.

Some hon. Members: Hear, hear.

Mr. Speaker: As hon. members know, this very distinguished parliamentary group has come to Canada under the leadership of the First Deputy Chairman of the Council of Ministers, Mr. Dmitri Polyanski.

Some hon. Members: Hear, hear.

Mr. Speaker: I am sure all hon. members are agreed that this visit will contribute much to strengthening the bonds of good will, understanding and friendship between our two countries.

[Translation]

On behalf of hon. members, I wish Mr. Polyanski and his distinguished colleagues a happy and fruitful stay in Canada.

[English]

● (2:40 p.m.)

COMMITTEES OF THE HOUSE

Third report of standing committee on public accounts—Mr. Hales.

First report of standing committee on northern affairs and national resources—Mr. Badanai.

DIVORCE—MOTION FOR CONCURRENCE IN
SECOND REPORT OF SPECIAL JOINT
COMMITTEE

Mr. A. J. P. Cameron (High Park) presented the second report of the special joint committee on divorce, and asked for unanimous consent to move that the report be concurred in.

[Translation]

Mr. Gilles Grégoire (Lapointe): Mr. Speaker, as the report requires that the committee be allowed to sit during sittings of the

house and as everybody knows that we are opposed to committees sitting while the house is in session, we ask that 48-hour notice be given for concurrence in the report of this committee.

[English]

[Note: Text of the foregoing reports appears in today's Votes and Proceedings.]

FINANCE

PROPOSED PURCHASE FROM U.S. RESIDENTS
OF INTERNATIONAL BANK SECURITIES

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, I should like to make a brief announcement related to the supplementary estimates which are being tabled shortly. It will be recalled that last December we entered into certain understandings with the United States concerning the application of their balance of payments guide lines program to Canada. I described these at length in the house on January 27. As part of these understandings we agreed that it would be appropriate for Canada's foreign exchange reserve position to fluctuate around a specified level.

As I explained in the house, I agreed with the Secretary of the Treasury of the United States that the government of Canada would be prepared, if necessary, to buy outstanding Canadian securities held in the United States to offset any excess flow of United States capital to Canada and thus maintain the net flow of capital at the level required to finance our balance of payments deficit. This was done in order to permit Canadian borrowers to continue to have full access to the long term issue market in the United States.

I informed the house on January 27 that we had purchased \$40 million worth of government of Canada external bonds from holders in the United States. I have now to inform the house that within the last few days we have purchased a further \$100 million United States worth of the issue of government of Canada bonds that mature in 1987. Of this amount \$69 million will be delivered in June and \$31 million in July. When this transaction is completed we will have acquired most of the bonds of this issue that were outstanding in December. It is possible that we may find it desirable to acquire further securities