of liquidation, how the liquidation is to take place. The essential point in the case of liquidation, or an important point, is that members do undertake that they will permit the unrestricted use of their currencies held by the fund for current account purchases. So that if the fund was a complete failure and went into liquidation, Canada would get a certain parcel of currencies, some American dollars, some sterling, some Bulgarian leva, some Greek drachmas and so on, with a commitment on the part of the countries concerned that those currencies could be used to make purchases in those countries. So that the likelihood would be that, in the event of complete liquidation, we would be able to recover at least some proportion of the original investment of $300,000,000. One cannot say that we would recover the whole of the $300,000,000, because one does not know whether after liquidation the foreign exchange value of the currencies held by the fund would have depreciated or not. But the likelihood is that the money loss to the Canadian government in the event of complete liquidation would be something substantially less than $300,000,000.

Q. Are you speaking only of the fund now?—A. I am speaking now only of the fund, Mr. Bracken. With regard to that loss, however, the Canadian dollars which would have been lost under this pessimistic assumption are Canadian dollars that would have been used to buy goods in Canada. Any loss would in fact have taken the form of the production, manufacture, growth and creation and export of goods that might not otherwise have been exported.

Q. To that extent it is no more a loss than putting the money into an unemployment project?—A. To the extent that what I have said is true, it is no more a loss than putting the money into an unemployment project.

Q. I think you have substantially answered my question, Mr. Rasminsky. I definitely asked and tried to get from you what might be the maximum loss. You have spoken of the fund.—A. Yes.

Q. You have not spoken of the other $325,000,000.

Mr. Coldwell: We have not dealt with that yet.

The Witness: Well, I could deal with that very briefly, Mr. Bracken, by saying that as regards the $325,000,000, the entire amount is at risk.

By Mr. Coldwell:

Q. We do not put up the $325,000,000.—A. We do not put up the $325,000,000. All that we put up is 20 per cent.

Q. Of which— —A. Of which 2 per cent is in gold and 18 per cent in Canadian dollars, that could be used only to buy Canadian produced goods.

By Mr. Low:

Q. That is initially?—A. That is initially. The balance remains as a sort of guarantee fund subject to recall.

By Mr. Michaud:

Q. That is the international bank?—A. That is the international bank.

Mr. Coldwell: Which is our next project.

The Chairman: Yes.

By Hon. Mr. Bracken:

Q. You have indicated what might be Canada's monetary loss under the worst conditions we could conceive. What we and those we represent would want to know is what might be the maximum advantage we would receive. You answered that last night in what to me, as a layman, was somewhat technical language. Could you say briefly, in laymen's language, what we might get out of this, not in money but in maximum trade or avoidance of depression or avoidance of inflation? Can that be stated very briefly?—A. Well,