

REPORTED IN PARLIAMENT BRIEFLY

ASSASSINATION OF GANDHI. Leaders of Opposition parties in the House of Commons joined with the Prime Minister in expressing their deep regret at the assassination of Mahatma Gandhi.

The Prime Minister read the following message he had sent to the Canadian High Commissioner for India for transmission to the Prime Minister of India:

I desire to express to you, and through you to the government and people of India, the profound regret with which the news of the tragic death of Mahatma Gandhi has been received in Canada. It is particularly shocking that a life so selflessly devoted to the avoidance of violence should have been brought to its close by an act of violence. It is to be hoped that the principle of non-violence for which Gandhi stood will gain renewed strength as a result of his assassination.

May I add, Mr. Prime Minister, the expression of my profound sympathy with yourself and with the people of India at this time.

W.L. Mackenzie King,
Prime Minister of Canada.

PARTICIPATION IN MARSHALL PLAN. John Bracken, Progressive Conservative leader, asked in the House of Commons, January 30, whether the United States had made any official representations to Canada with respect to the part Canada should play in the Marshall plan.

Mr. ST. LAURENT (Secretary of State for External Affairs): I can answer at once that there have been no official representations from the United States government to the Canadian government in that regard. I would not say that there have not been discussions of what we have already done and of what some United States newspapers have held up as an example of the way Canada acts without fanfare in such matters, as an indication that if the United States wished to do likewise, having regard to proportion of population or proportion of national revenue, it would involve sums substantially larger than those which are now being considered. There have been conversations between members of our embassy in Washington and members of the state department, and the matter of what the United States government will do is now being considered by congress. But there have been no official representations. The conversations have been as to a subject matter that was of interest to all those who wished to see the economies of the devastated nations restored as rapidly as possible so that normal world trade may have some prospect of being carried on in accordance with the new arrangements worked out in this long Geneva trade conference.

Mr. BRACKEN: May we take it that the United States has made no definite and specific rep-

resentations as to Canada's part, in association with the United States or otherwise, with respect to this plan?

Mr. ST. LAURENT: Up to the present time no definite and specific representations have been made by the United States government, and no official inquiry has been made as to what Canada might wish to consider with respect to this plan.

HYDE PARK AGREEMENT. T. J. Bentley (C.C.F. Swift Current, Sask.) asked in the House of Commons February 3 whether there were any details of the Hyde Park agreement unknown to Parliament and if so would the Secretary of State for External Affairs table a copy.

Mr. St. Laurent (Secretary of State for External Affairs): My information is that there are no details unknown to Parliament, and that there was no document signed at the time; but after the meeting between the President and the Prime Minister on April 20, 1941, a statement was issued to the Press, of which a copy was printed in the Treaty Series 1941, No. 14, of the Department of External Affairs, which was tabled in Parliament at the time. I have not had time to ascertain the date when it was tabled, but it was at the time the declaration appeared in the Press. There is nothing else to evidence the Hyde Park agreement but this joint statement which was issued to the Press at the time.

EMERGENCY EXCHANGE BILL

SECOND READING CARRIED. On a vote of 84 to 70, the House of Commons, January 30, gave second reading to the Emergency Exchange Conservation Act (Bill No. 3). The Bill authorizes quotas and other restrictions of imports in connection with Government plans to meet shortage of U.S. dollars.

Closing the debate, the Minister of Finance, Mr. Abbott, said that at November 13, our exchange holdings were down to slightly over \$500 million. While import restrictions of a reasonably extensive nature were being imposed, it was realized at the time that they could not become effective overnight. From the experience of other countries, it was thought likely that our exchange reserves would fall to approximately \$400 million following the imposition of import restrictions before the restrictions could become effective.

Actually, the results had been even a great deal better. At the end of November, reserves had fallen to approximately \$480 million and the decline was continuing. On December 17, the low point was reached of just under \$461 million. However, we ended the year 1947 with total holdings of \$502 million and at the close of business, January 29, 1948, total holdings of gold and U.S. dollars were \$513,-

884,563. That record was a very encouraging one.

Mr. Abbott added:

I would not wish to suggest that this rise in our reserve position which has been going on since about the middle of December would continue without interruption; or that we have as yet reached a level which would be regarded as satisfactory. Undoubtedly there will be periods when our reserves will fall off for a time. I do not venture to prophesy how long it will be before we shall be able to build up our reserves to what I would call a satisfactory or comfortable level as a result of the various long run measures we are taking to get our economy into a better balance with that of the United States. In that connection I want to say that in order to increase our holdings of actual cash reserves to a more satisfactory level we may later this year deliberately draw upon the loan which we recently negotiated with the export-import bank at Washington. I say that now in order that hon. members and the country may not jump to misleading conclusions when and if we actually begin to draw on that loan.

Replying to Opposition criticisms, Mr. Abbott said that the prohibited list covered only about \$2½ million of U.K. imports or less than 1½ per cent of total imports to Canada from the United Kingdom.

Mr. Abbott held that the restriction programme, instead of hindering imports from the United Kingdom, would stimulate them because of the quota basis. Take textiles as an outstanding example. Imports from the United States would be cut down to about one-third of last year's exports to Canada; whereas Great Britain could export 200 per cent of her last year's exports to this country. And that would apply to a great many commodities.

There has been talk in this debate, Mr. Abbott continued, of economic domination by the United States. Let me say this, that a nation which loses its exchange reserves loses its independence. Let there be no mistake about that.

HIGH COST OF LIVING

PARLIAMENTARY INQUIRY. The Prime Minister, Mr. Mackenzie King, moved in the House of Commons, February 2, for appointment of a special fact-finding committee to investigate increases in the cost of living. The committee, under the motion, will examine and report from time to time as to:

- (a) the causes of the recent rise in the cost of living;
- (b) prices which have been raised above levels justified by increased costs;
- (c) rises in prices due to the acquiring, accumulating or withholding from sale by any persons, firms or corporations of any goods beyond amounts reasonably required for the ordinary purposes of their businesses.

The committee will consist of: Messrs. Beaudry, Cleaver, Fleming, Homuth, Johnston, Knowles, Lesage, Martin, Maybank, Mayhew, McCubbin, Merritt, Nicholson, Pinard, Smith (Calgary West), Vinters.

MR. BRACKEN'S AMENDMENT

John Bracken, Progressive Conservative leader, moved, in amendment, that the committee be given not only wider terms of reference but also authority to make recommendations. To the paragraphs of the Prime Minister's motion cited above, Mr. Bracken's amendment would add:

And in particular to examine and report upon:

- (d) the effect of present government policies in lessening Canadian agricultural production;
- (e) the advisability of continuing the present controls on prices of farm products when there are no controls over farmers' costs of production;
- (f) the advisability of reverting to payments of subsidies on essential commodities of consumption;
- (g) spreads between prices received by producers and prices paid by consumers.

Mr. Bracken's amendment would also add the following clause:

That as well as reporting its findings the committee shall from time to time make recommendations to the House of Commons, as in the opinion of the committee may be considered necessary, to secure as far as possible, fair and just returns to producers, employees and employers and fair and just practices in marketing and distribution that will safeguard the interests of consumers as well as of producers.

Submitting his motion, the Prime Minister said the motion was for one specific purpose, namely, the appointment of a special committee to investigate the rise in prices and the cost of living with special reference to what were ordinarily described as profiteering and hoarding. The motion was only one of a series of measures which the government had already adopted in relation to solution of the problem and also of other measures that would be brought forward later in the session.

For obvious reasons, Mr. Mackenzie King added, some other parts of the government's programme could not be disclosed at this time. For example, it has been stated in the press that the proper way to bring down the cost of living is to make certain changes in the tax schedules and the like. As hon. members know, the government cannot disclose its programme regarding taxation until the budget itself is brought down.

Mr. Bracken charged that the government was trying to sidestep the issue through establishment of the committee, that it was trying to place on others the blame it should assume for mishandling controls.