

United States at a time when prices were rising rapidly and Canada was experiencing an investment boom. To stop the drain on Canada's dollar reserves, certain dollar-saving measures were introduced under the Emergency Exchange Conservation Act. Restrictions were placed on imports of certain consumer and capital goods, as well as limitations on funds for travel. The primary purpose of these measures has been to cut down on the spending of American dollars, but every effort is also being made to build up exports to hard currency countries and to produce in Canada more of the type of goods that were formerly imported from the United States. As a further safeguard against dwindling dollar reserves, an emergency line of credit of \$300 million was obtained from the Export-Import Bank of the United States, all the drawings on which, amounting to \$150 million have since been repaid, and replaced by a private loan of the normal type.

Question 13

If your government is responsible for the administration of non-self governing territories which are not participating in the work of the United Nations regional economic commissions, describe the policies designed to maintain full employment in these territories in the light of the above questions.

Answer:

Not relevant.

Question 14

Comment freely on any subject relevant to the problem of achieving or maintaining full employment and economic stability which is not covered by the preceding questions.

Answer:

As the answers to the preceding questions may not give a very coherent picture of Canada's policy for maintaining full employment, a brief summary of the principal features might be useful. As Canada is now in a period of full employment and in an inflationary, rather than deflationary period, the policy outlined in such documents as the White Paper on Employment and Income do not represent present economic policy but indicate the lines which government policy would take if the country were moving into a period of declining economic activity. Pervading all the Government's economic policies is the desire to keep the Canadian national income and employment at high and stable levels, and the problem is being tackled on a number of different fronts. The Government's plans for maintaining full employment are based on a combination of fiscal, monetary and economic measures, and all these measures are designed to be put into effect on an appropriate scale as the need arises. The strengthening and stabilizing of Canada's export trade and the maintenance of consumer and investment expenditures are the primary objectives toward which these measures are directed.

Canada's dependence on exports makes it vital that every effort should be made to re-establish peacetime markets for our export commodities to remove trade barriers and restore multilateral rather than bilateral trading. Participation in international measures for world recovery, such as the European Recovery Program or commodity agreements to stabilize demand for exports at a high level, the promotion and facilitation of trade at home and abroad, are all measures aimed at supporting Canadian trade with other nations.

Fiscal and monetary measures will help to keep both consumption and investment expenditures at a stable level. Unemployment insurance family allowances, and other social legislation, payments to primary