

- (i) Every effort is to be made to effect sales on a cash basis;
- (ii) If sales on a cash basis cannot be negotiated, limited credit facilities may be extended provided the quantities involved are significant, with every effort being made to keep the credit period to a minimum and to obtain a cash down-payment.
- (iii) In any event credit granted may not exceed a period longer than 180 days and a maximum value of \$75 million.
- (b) The Minister of Finance be authorized to increase the Government guarantee under which bank loans are made to the Canadian Wheat Board in an amount not to exceed \$75 million, to permit the Canadian Wheat Board to implement credit sales to China under the conditions set forth in (a) above.
- (c) The Government will seek parliamentary approval to assume the direct obligation to reimburse the Canadian Wheat Board in the event of default by the buyer.
- (d) The Governments of the United States and Australia should be advised of Canada's intention at the appropriate stage.

DONALD FLEMING
Minister of Finance

ALVIN HAMILTON
Minister of Agriculture

GEORGE HEES
Minister of Trade and Commerce

788.

PCO

Extrait des conclusions du Cabinet
Extract from Cabinet Conclusions

SECRET

[Ottawa], March 9, 1961

Present

The Secretary of State for External Affairs and Acting Prime Minister (Mr. Green) in the Chair,
The Minister of Finance (Mr. Fleming),
The Minister of Trade and Commerce (Mr. Hees),
The Minister of Transport (Mr. Balcer),
The Minister of Veterans Affairs (Mr. Churchill),
The Minister of National Defence (Mr. Harkness),
The Minister of Citizenship and Immigration (Mrs. Fairclough),
The Minister of Fisheries (Mr. MacLean),
The Minister of Labour (Mr. Starr),
The Postmaster General (Mr. William Hamilton),
The Minister of Mines and Technical Surveys (Mr. Comtois),
The Minister of National Health and Welfare (Mr. Monteith),
The Minister of Agriculture (Mr. Alvin Hamilton),
The Minister of Defence Production (Mr. O'Hurley),
The Associate Minister of National Defence (Mr. Sévigny),
The Minister of Forestry (Mr. Fleming),
The Minister without Portfolio (Mr. Halpenny).
The Assistant Secretary to the Cabinet (Dr. Hodgson), Mr. D.F. Wall, Privy Council Office.

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