

*United Kingdom Financing, 1953*

advanced, and I remember very well that I was of opinion that when this interest-free loan was made we might ask the British to hypothecate certain securities held in Great Britain not as a guarantee of payment, but more particularly to give us some say as to the final disposition of the securities when they passed out of the hands of the British government.

I was going to ask the minister if he could tell us what securities were disposed of in order to meet the various payments on the loan, and where those securities are today. Were they sold in Canada or, we will say, were they sold in New York, and the proceeds turned over to Canada in payment of the loan in dollars?

The other point I had in mind was something that has been discussed by the hon. member for Greenwood—as to whether at any time any suggestion was made along the line we have been advocating for years and which I was glad to hear the hon. member for Greenwood, at least by inference, support today—

**Mr. Macdonnell:** You do not think I was advocating it, surely?

**Mr. Coldwell:** —and that is that amounts due on this and other loans might be deferred without interest if the British government desired to use the funds that had been appropriated by that government for the purchase of certain goods in our country. I have in mind, for example, some of our surpluses.

I am not suggesting that the British might have asked that as a concession. What I am interested in is as to whether our government ever gave any consideration to making that suggestion. We have had surpluses of dairy products, canned salmon, apples, cheese and other commodities. I am leaving out wheat because I am thinking of the smaller amounts that would be involved in the purchase of these other commodities. Have we ever given any thought to such a suggestion, or has it been made by the British? I do not imagine they would make it; but have we ever thought of making such a proposal, which perhaps on our part would be a concession, in a sense, to defer these amounts without interest for a time, provided the amounts appropriated were used to ease our own economy in the matter of some of our surpluses.

I am glad to note, as I anticipated at the time, that the British have honoured these obligations as they became due. I never had any doubt that they would; and the Minister of Finance has stated they have. I think it is good for our people in Canada

to know that the obligations undertaken in these particulars are being met and carried out.

I was interested to know, too, that with the exception of Czechoslovakia and nationalist China the obligations assumed by other governments are being carried out. That is somewhat remarkable when one considers the impact of the war on the economies of the various countries concerned and with whom we were associated during those years.

I was particularly interested in the first point I have discussed, as to where these securities have gone. As I recollect, at the time we were suggesting that we might secure for the people of Canada the ownership of the large amount of Canadian Pacific Railway securities held in the United Kingdom. We thought they might be placed in the hands of the government, perhaps. That was not done. But if these were some of the securities that were repatriated or disposed of in order to meet obligations under this loan, where are those securities today?

I have been interested in this problem because I have noticed—and I do not know just how it has come about—that the securities of the Canadian Pacific Railway are now owned very largely in the United States. I felt at the time that this might happen, and I had rather hoped that we might be able to preserve ownership, if not for the people of Canada, through their government, at least in Canada.

I realize the minister may not be able to answer today, but perhaps he would do so later.

**Mr. Abbott:** I shall be glad to answer.

**Mr. Macdonnell:** Would the hon. member let me make a personal explanation while the matter is fresh in our mind. I want to correct the impression which apparently I have given to the hon. member for Rosetown-Biggart that I was advocating the delay of these payments. I was not advocating that at all. I was asking the minister what he thought was in the minds of the British. As a matter of fact, the minister was very properly cautious in expressing what was in their minds—

**Mr. Coldwell:** I am sorry if I misunderstood. I thought that was the inference to be taken from the hon. gentleman's question. Perhaps I should not have taken it.

**Mr. Macdonnell:** I would deduce from what the minister said that the British felt that the only thing for them to do was to pay their way right along, and that was the strongest way to strengthen their currency.

**Mr. Abbott:** I am very happy to answer the first question asked by the hon. member for