

Productivity and Trade

Mr. Gillespie: Mr. Speaker, I will be very pleased to answer any questions at the end of my remarks. When the hon. member was speaking I resisted the temptation to interrupt him, so I hope he can do the same with me.

If you are going to set up a national corporation which is going to purchase rice from China, you have to ask yourself whether you should not also ask that corporation to purchase textiles from China, and footwear and other products. I put it to you, once you go down that path just a little way, you are likely to find yourself edging out the private enterprise system that the hon. member and most of his colleagues support. It is a very dangerous path.

I would suggest that perhaps it might be more profitable to look at the private sector. Hon. members would find that there are close to 700 trading companies in Canada, most of them small and capable of growing. I would think that is where the emphasis should be placed, and I can tell hon. members that is where the Canadian government is placing its emphasis—behind the small, private sector traders. A number of measures have been introduced to support these trading companies in Canada and I hope to deal with them before the end of my remarks.

Another aspect of the remarks of the hon. member for Qu'Appelle-Moose Mountain was very interesting. I suppose it might be described as a statement—I do not want to overdo this—to some extent replete with contradictions. I think it was a sincere speech but there were built-in contradictions. I have already mentioned one. On the one hand he was assailing restrictions, and on the other he was intervening through the back door, through a government agency. There was a second straight contradiction in his speech. He said, "You must push"—that was the verb he used—"You must push them", referring to the Canadian private sector corporation. Later, talking about productivity, he used the phrase "You must not drive them". I ask the hon. member, what is the difference between pushing and driving?

I listened very carefully to the speech of the hon. member for York-Simcoe. Since he had so much experience on the hustings lately, I had expected him to give us a real tub-thumper of a speech. I would have thought he would have refined some of his views rather more precisely, but I was disappointed, as were other members in this House.

The hon. member for York-Simcoe has to make up his mind if he wants Canadian exports to increase. For example, why does he attack the Export Development Corporation for lending too much money? We have heard this in the House and we have heard it in committee. If he really wants to support Canadian exports, why does he not support the Canadian Export Development Corporation, a corporation built to sustain Canadian exports? Instead of trying to create the impression that very few Canadian companies are benefiting from Canadian Export Development Corporation financing, why does he not tell the Canadian people that hundreds or thousands of Canadian companies are benefiting from it?

He tries to create the impression that there are a few large contracts and the only beneficiaries of Export Development Corporation financing are a few large companies. Anybody who knows the situation knows that is patently untrue. I should like to give a couple of examples of some not untypical Export Development Corporation

[Mr. Hamilton (Qu'Appelle-Moose Mountain).]

financing transactions in the last little while. The average number of Canadian companies supplying over \$5,000 in goods and services would be in excess of 50 in most transactions; that is, 50 companies with over \$5,000 in goods and services in a typical transaction.

Take the recent Export Development Corporation loan on telecommunication equipment to Turkey. The number of Canadian companies supplying in excess of \$5,000 worth of components was 87; not one big company, but 87 companies participating in that contract with a minimum value of \$5,000 of goods and services. Eight companies supplied over \$100,000 worth of components each, for an aggregate of \$2.4 million. The largest subcontract amounted to \$971,000. Clearly, there are a large number of beneficiaries of Export Development Corporation financing, and they are spread across the country.

Let us look at another example, the sale of railway passenger cars. The Export Development Corporation loan to Mexico was \$51 million. Some 38 Canadian companies supplied in excess of \$10,000 each in components, the four largest companies aggregating \$9.3 million, with the largest individual company securing \$4.2 million of the business. I think this makes it very clear that large contracts are not for the sole benefit of a few very large corporations but are spread through the whole industrial fabric of Canada.

If the hon. member for York-Simcoe and the Conservative party are serious about being able to compete internationally—and I thought this was the burden of the remarks of the hon. member—it would seem to me they would then endeavour to inform the Canadian people of the benefits of Canadian Export Development Corporation financing, not the reverse. I would have thought they would have voted for the government's wage and price control measures as did one of their members, a former minister of trade and commerce.

Mr. Paproski: Why don't you say why we did not?

Mr. Alexander: Why did we not?

Mr. Gillespie: I think it is of some significance that a former minister of trade and commerce, the hon. member for Prince Edward-Hastings (Mr. Hees) alone among members of the Tory party had the courage, the insight to see that a system of wage and price controls was essential in Canada.

Some hon. Members: Hear, hear!

Mr. Paproski: Tell it the way it is.

Mr. Alexander: Tell the whole story.

Mr. Gillespie: We had a problem of rising unit wage costs and we had to do something about it. We did something about it, and the only member who had the courage to say it had to be done was the hon. member for Prince Edward-Hastings. He understood the problem, but other members of his party had their blinkers on.

Mr. Alexander: Where were you in 1974?

Mr. Gillespie: Let me give some of the numbers that have been referred to. I understand the problem opposite.