

copper mining. We also happen to be involved in copper mining. We have a certain amount of expertise, which is fairly vaunted when it comes to our ability to develop techniques and the machinery for mining. Chile has a great need for this expertise and the capital equipment involved. We could supply it.

Why is it that a South American country which received a very considerable amount of the loans extended by the EDC over 10 years from 1951 to 1972 finds itself suddenly cut off, and another country starts to receive the lion's share? We can certainly ask ourselves a very legitimate question. Are there political considerations that enter into the decisions of the EDC? When I say political, I hope the House will understand that I am not talking about our partisan political considerations here in Canada but major political considerations having to do with the view that the EDC has of the worth and value of certain regimes in other countries. There is no doubt that there has been a major political change in Chile. And it seems to me that there has been a major change in the assessment made by the EDC as to the worthiness of Chile as a recipient of the largesse of the EDC. What I want to put before the House is really very simple. It consists of two or three points.

First of all, we should not kid ourselves that the efforts of the EDC cost the people of Canada no money. Of course, they do. The EDC lends money at a very cheap rate. It uses the borrowing ability of this parliament to advance relatively cheap money to private corporations, and of course they avail themselves of it. As has been pointed out time and time again, particularly by the officers of the EDC and the Exporters Association of Canada, it advances money for ventures which the private money market would not necessarily support. Otherwise, they would go to the private banks, the chartered banks, to get the money. But the chartered banks say, "The venture you are asking us to support is too long term, and too uncertain for us to advance the money at low rates. We would rather not be involved in that at all."

Let us make that point quite clear. We, the people of Canada, are supporting certain ventures which are uncertain, which are perhaps risky, and it is costing us something. If it is costing us something there must be a payoff; there must be a benefit, and the justification given to us by the government is that it creates jobs in Canada. But we have to ask ourselves a very important question. Does it create the right kind of jobs in Canada? Does it create the jobs in the right places in Canada? Do we not have in this country programs that have to do with ridding ourselves of regional disparities?

• (1710)

If it is the case that the Export Development Corporation lends money to corporations which use it in the central provinces of Canada and not in the less favoured provinces of Canada, it seems that it is working at cross purposes with another agency of the government and that these programs might cancel each other. Perhaps that is an indication why some of the regional expansion policies of this government did not work, if one department tries to do something and other departments are working against it, in effect. Let us lay this clearly on the line so that the next time we look at the Export Development Corporation Act we will be able to read into it certain safeguards to

protect the regions of Canada which need this kind of capital investment.

The other point that I want to make is that in this country we have often made very fine commitments to the developing world and then, when the occasion arises to make great speeches at university convocations or on the hustings at election time or even addressing banquets, conferences and meetings we have made the point that aid to developing countries should not be tied to our political considerations but should be freely given with the welfare of the recipient in mind. Let us ask ourselves if any consideration of this kind is brought to bear in the act which controls the Export Development Corporation. It is not. What we have, Mr. Speaker, is an arrangement to allow for the export of capital goods, and an arrangement which permits the expansion of Canadian corporations in Canada. Related to that point again, might we not ask ourselves if one department of government is working at cross purposes with another. We have the CIDA which has fairly explicit terms of reference and is involved in more or less the same kind of operation as the Export Development Corporation, so may we not have here two departments of government whose efforts cancel each other? This is something else which should be looked at when the act is before us again.

It would not do for me to fulminate against this bill, Mr. Speaker, because having made our point we are going to support it. We have decided, however, that we will support it on the clear understanding that certain questions will have to be answered, on the clear understanding that this whole act will have to be brought back at a fairly early date and that the kind of considerations I have raised will have to be brought to bear in future. I hear a thumping from the Liberal benches, Mr. Speaker, but I think there is an interloper over there.

If this is not done, Mr. Speaker, all the pronouncements that we make about being neutral in our involvement with the developing world are false. All the statements that we want to make to the effect that we are interested in seeing the third world develop in a way of its own choosing are also false. It is all very well to make general statements at convocation time or at election time, but when it comes to dollars and cents we operate with our self-interest in mind and not only Canadian self-interest but the self-interest of particular aspects of our community.

Mr. W. B. Nesbitt (Oxford): Mr. Speaker, I was interested in the remarks of the last speaker, particularly those concerning Chile and some of the antics that have been going on in the Export Development Corporation and in the practise of other branches of government as well. Some hon. members may recall that I brought this subject before the House on second reading of this bill and asked questions the other day as well. There is very little doubt in my mind that economics are obviously not the only consideration taken into account in financing the sales of Canadian products abroad. It is quite clear that there are political considerations as well, particularly the number of jobs created in Canada.

On the one hand the government tries to promote good will in Latin America. I remember that the Secretary of State for External Affairs (Mr. Sharp), with I do not know how many ministers and aides, went to Latin America a