

up? If not, will he explain where the line of demarcation is as between the international bank of reconstruction and this corporation?

Mr. MacKINNON: This corporation is not lending money at all; it is insuring sales. The loans in part II of the act are from government to government.

Mr. KNOWLES: Probably the last comment by the minister answers the question I was going to ask, but may I go ahead just to get it perfectly clear. I notice away down in section 11, on page 5, paragraph (b) refers to "any person ordinarily resident in such other country." Those words are being added to the act, so that loans now may be made, not only to a government or the agency of a government, but to any person ordinarily resident in such other country. Is it clear that loans are made to persons in other countries only with the backing of the governments of such other countries?

Mr. MacKINNON: I would suggest that we wait until we reach that section.

Amendment (Mr. St. Laurent) agreed to.

Mr. ST. LAURENT: I move:

That section 11 of the bill be amended by striking out paragraph (b) and substituting therefor the following:

"(b) 'Canadian services' means services performed by persons ordinarily resident in Canada, or by His Majesty in right of Canada or in right of any province."

Hon. members will notice that the amendment merely adds "or by His Majesty in right of Canada or in right of any province." That is because services are required to handle the goods.

Mr. GREEN: This is the first section of part II of the act, and part II deals with loans to foreign countries. When the bill was originally introduced we understood that those loans would be made only during the period of transition from war to peace, and those words actually appeared in the preamble which is being struck out by the present bill. Has there been any change in the intention? Are these loans still to be made only during the transitional period, or is it now to be a permanent plan running into the years that Canada is to make loans to foreign governments under this measure?

Mr. MacKINNON: This provision merely extends the time to the end of 1947.

Mr. GREEN: I am asking whether there has been any change in governmental policy.

Mr. MacKINNON: There has been no change in the intention.

Mr. GREEN: Then we have been told that a crown company known as Canadian Commercial Corporation is to be set up to assist in the promotion of both import and export trade. A resolution to that effect is on the order paper at the present time. Where does that new corporation fit into the working of the bill we are now considering?

Mr. MacKINNON: It has nothing whatsoever to do with this bill.

Mr. GREEN: It will have nothing whatever to do with the Export Credits Insurance Act?

Mr. MacKINNON: No.

Amendment (Mr. St. Laurent) agreed to.

Mr. ST. LAURENT: I move:

That section 11 of the bill be amended by striking out paragraph (e) and substituting therefor the following:

"(e) 'exporter' means a person, including His Majesty in right of Canada or in right of any province, who exports or agrees to export goods from Canada."

Mr. JACKMAN: May I just ask the minister a question, not so much in regard to this particular amendment, but as to the working of the whole act, since many of us are relatively unfamiliar with it. As I understand it, we do not expect that the government or the export corporation will lose any money. It is on a self-supporting basis; I believe that was in the original statement by the minister. This is a measure, including the amendment we are now discussing, designed to help exporters in Canada who cannot afford to assume the risk in connection with sales to foreigners during this reconversion period. If that statement is correct, why does the government need to help any financially strong corporation, and more particularly why does it need to help the government itself or War Assets Corporation, which is an emanation from the crown? In this particular case, why does the dominion government need to help a province, which we must assume is financially strong, in connection with exports to some of these countries which may turn out to be buyers? Unless the dominion government sees that it is going to face a loss on these exports and believes that loss is worth while in order to stimulate employment during the next year or two, I do not understand why the dominion government, much less a provincial government or even a strong corporation, should receive benefits under this act.

Mr. MacKINNON: I think the hon. member is somewhat confusing the two parts of the act. I would point out that part I, which