

Export Credits Insurance Act

act. It was done by some means outside this legislation, and I have been quite unable to find the authority under which it was done, or the method by which it was done. I for one take strong objection to that non-disclosure, because I say it is the responsibility of the House of Commons to pass on that kind of commitment of public funds, and we have not had any explanation as to why that kind of transaction was not done under this legislation.

The consequences of having it done under this legislation would not, so far as I know, have affected in any way the actual position of the fund but it would have enabled this house to know how much of a commitment of public funds was made and on what terms, and it would also have meant that the authority granted by the government for guaranteeing the credit would have been made available to the House of Commons for such action, if any, as the house saw fit to take. I want to repeat my point of view that all government action in this field of guaranteeing export credit or insuring the payment of exports of commodities from this country to other countries should be done under this legislation, and be brought within the ambit of this legislation so that parliament can exercise its traditional control of the commitment of public funds.

I think that is an important principle although I must admit, Mr. Speaker, that I may be slightly repetitious in asserting it again because I did assert it on the resolution stage of this bill. I think however I am quite in order in asserting it—

Mr. Speaker: I wonder if the hon. member is in order, in view of what he has already said. I raise the question for him to answer because of the way he himself put his argument. He proposes discussing a matter which he says is not within the ambit of the act, that it has been dealt with outside this act, and therefore would not be affected by the proposed vote of additional capital. If the hon. member follows me, I draw a distinction between a discussion on proper uses of the money now to be voted, and a discussion on a matter which, on his own statement, has been dealt with by the government under other powers. That is a separate matter which is proper to be discussed at an appropriate time because it pertains to government acts and to public funds, but it does not seem to come under the legislation before us.

Mr. McIlraith: I quite appreciate what you have said and I sought at the outset of my remarks in explaining the two matters I wanted to discuss, to do it in such a way as to make it quite clear I was within the rules in discussing this point at this stage. As I say,

there are provisions in the legislation under which I can do that. One is that the first clause of the bill has to do with the question of principle which was described in the resolution as a certain change in the administration of the act, and now contained in clause 1 of the bill—the increase in the board of directors. It seems to me that provision is of such a nature as to relate to the whole administration of the act.

Having said that I come to the second question of principle and that has to do with providing an additional amount of public funds for the granting of long term credit to exporters for commodities exported from Canada. That is where the second question of principle arises. The point I was seeking to raise was that this act is the only act granting that kind of authority to the government, and this other action that was taken in the China wheat sale, in the absence of some explanation by the government, must have been taken without authority because it was not under this act. Of course, if there is some other authority that I have not heard of, that enables them to do that, to commit the public funds, then my argument fails; but so far I have been unable to find the authority. I have gone on in my remarks to explain that in so far as action on similar wheat sales to communist countries is concerned in the long period of time—17 or 18 years—since the passage of this act it was done under this act. I presume that being so, and in the absence of finding any other legislative authority, this one should also come under the act.

That is my point, Mr. Speaker, and beyond that I cannot go. I quite accept the point of order you raised but I think I have answered it and brought myself within the rules of relevancy because I have brought that transaction under the principle in this bill. That is my point of order.

Mr. Speaker: I suppose that the hon. member might properly take the position that he would not wish to approve the increased amount of capital which this bill would make available unless the government uses that capital for all transactions of the kind that come under this bill. To that extent he could present the case on second reading, but it would have to be action of the government of the kind that would come within the bill. The hon. member knows that the government does act and disposes of public money under other powers and such acts could not be discussed under this bill. If he says the government has purported to act on authority outside of this bill, in one view he would be taking away from himself the right to discuss such act. However, I think there is enough to permit him to continue.