

*Government Orders*

In my view the bill has the merit of emphasizing the need for Canada to seek diversification of its markets. The emphasis in this government's policy since 1988 has unfortunately been squarely on the North American continent first and more recently on the western hemisphere. However, the merit of this bill in my opinion is that it does offer Canadian business the type of assistance it needs to diversify into export markets overseas, beyond the continent and beyond the hemisphere.

The second merit that is reflected in the bill is that it offers new dimensions for a 50-year old institution, the Export Development Corporation, to engage actively with smaller business. My colleague from Broadview—Greenwood who is expert in these matters of assistance to small business and how a greater stimulus might be provided to small business investment will no doubt wish to address in greater detail that dimension of the bill. I want to say that it is something that we on this side of the House have been calling for for a considerable period of time. We had in mind the fact that small business has not had the access to export promotion and export development support and the bill before us today does go some distance to enabling the Export Development Corporation to provide such support.

• (1545)

The minister in commenting on the bill has spoken of the need to equip the Export Development Corporation to match or indeed to compete with the comparable institutions in other major trading countries. I would only want to say in passing that there is always in these instances a potential danger of competition arising among export development institutions in the industrialized world.

We have seen in the past the competition—I can think of no better word—in the case of concessional financing. One country offers more attractive concessional terms in its export lending and another country attempts to match that and the escalation sets in. I trust that we are pursuing within the OECD and other international organizations opportunities to discuss with our trading partners the need to avoid such escalation in export promotion that in certain circumstances can become subsidies and that of course is to the benefit of no one.

The only other comment I wish to offer before touching for a moment on the more specific aspects of

the bill is that there has been some concern expressed about the possibility that the expansion—or perhaps more accurately the diversification—of the role and potential of the Export Development Corporation could lead to some unwarranted competition with the private sector. This I do not think should be a matter of prime concern if the Export Development Corporation is committed, as for my part I understand it is, to co-operating and working with the private sector.

I cannot think that there is not an ample challenge within Canada for a co-operative effort between the private sector and the Export Development Corporation. I would assume that when the Export Development Corporation officials or the minister appear before committee in support of this bill we will receive that assurance that the corporation will work actively and imaginatively with the private sector to provide the services that Canadian exporters need.

The bill is innovative in terms of the traditional practices of the Export Development Corporation—as I said it is a 50-year old corporation—in that for the first time we see the possibility for the corporation to take an equity position in certain circumstances to act as a catalyst to mobilize other investors. This opportunity will be something I am sure the corporation will use with discretion and work to ensure that its presence brings credibility to the project as a whole.

The second major innovation offered in the bill is the matter of insuring receivables. The Export Development Corporation has of course in the past been involved in the insurance of export receivables. Now for the first time the corporation will be able to provide some coverage for domestic receivables as well. There is obviously a balance to be struck in that activity, but it is one that we for our part will welcome from the corporation.

• (1550)

On leasing matters the inability of the corporation to offer its clients support for exports through leasing arrangements has been a hindrance in the past. The minister spoke of the corporation pressing the bounds of its legislative authority to seek ways in which it could offer such support to Canadian exporters. It is good that we are now moving to make leasing arrangements part of the mandate of the corporation.