

majority of cases where a subsidiary has been established in Canada, that subsidiary was established simply and solely for the purpose of meeting the need of the Canadian domestic market and, more specifically, has been excluded from seeking markets anywhere else. That is the case with the U.S. subsidiaries and is equally true in the case of the subsidiaries from Europe and, I suspect, will also be true in the case of the subsidiaries established from Japan as they become more prevalent. Canada will be treated as a sales territory and nothing more. The mandate given to the corporations established here will be a mandate to satisfy the domestic requirement and no other. I believe we are failing to speak to the serious problems that that will create in our country.

I believe the truncated nature of our industry is clear, and so I am suggesting that we stop bemoaning our inability to match the statistical information that previously flowed over the years; that we stop bemoaning our loss of markets and start addressing the fundamental problems that face us. One of those fundamental problems is that we do not take advantage of our ability to be self-sufficient in the areas where we are able to be so; and another is that we are being denied, as a result of the multinational nature of major corporations, any opportunity to seek those markets even if they were available.

[Translation]

Mr. Marcel Roy (Laval): Mr. Speaker, it is an honour to speak at the report stage of the Bill to amend the Export Development Act, especially after listening to the words spoken by the Member for Hamilton Mountain (Mr. Deans). I was already familiar with his philosophy on the importance of international trade, because I sat with the Hon. Member when a special committee of the House was formed to examine the international trade situation and to consider how trade structures could be made more effective, with a view to establishing a rapport with owners of small and medium-sized businesses and making them aware of the importance of our world markets.

If we consider that over 26 per cent of our Gross National Product depends on our export markets, it is clear that no one in this House can afford to ignore the importance of international trade and our substantial trade potential. Furthermore, I believe that the Government has also been made aware of the need to develop our export markets in a number of different areas. I am thinking, for example, of transportation and communications. Canada ranks among the most advanced countries in the world in these extremely specialized fields. I must say I deplore the attitude of the Progressive Conservatives who insist on taking an ultra-conservative approach and on providing criticism that is always on the negative side.

When the Committee tabled its report on the feasibility of forming a national trading corporation, we felt at the time that this country had the potential for exporting roughly \$10-14 billion worth of manufactured goods and capital projects, a figure that could mean increasing our exports by 15 per cent over present levels. If existing factories and small and medium-

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sized businesses were better informed about the possibilities of international trade, there was, in fact, a potential for \$8-12 billion. That was one of the conclusions reached by the Committee, which heard an impressive amount of testimony, considering the fact that 450 witnesses testified before it in the course of 270 meetings. We examined the entire organizational structure at the Department of Industry, Trade and Commerce and made recommendations. Regarding the Export Development Corporation we are discussing today, which provides financing and insurance services to Canadian exporters and foreign buyers of goods and services, the Canadian Chamber of Commerce made a survey to determine to what extent the Corporation, which is a tool at the disposal of small and medium-sized businesses, was known in Canada. The Chamber of Commerce informed us that 63 per cent of the business people surveyed were familiar with the Export Development Corporation and 29 per cent made use of its services. Some of the respondents mentioned that certain interest rates were too high, and there were all kinds of other considerations, but I am mentioning this one, because I think it is particularly important. I made enquiries at the departmental level to find out whether it was true that the Corporation made or guaranteed loans only in the case of large companies. In fact, according to the transactions for which assistance from the Export Development Corporation was received, 80 per cent of a total of 1,300 firms were classified as small and medium-sized businesses.

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I think this clearly confirms the Corporation's concern for helping small and medium-sized businesses. Furthermore, in 1982, 44 transactions out of 110, that is, 40 per cent of the businesses involved, were for amounts of less than \$1 million. I think that is a very important point.

Mr. Speaker, I could go on for some time about the role of the National Trading Corporation that was being considered at the time by the Government, an agency that would help small and medium-sized businesses. Its structure would be that of a shared enterprise, that is, its equity base would be provided by the Canadian Government and the private sector. The report I have here refers to the financing and start-up operations for this Corporation, and I must say it is rather disheartening to hear the Conservatives complaining again today about international trade, when the same Members refused to approve this report when it was tabled here in the House.

As for the Corporation's financing, I would like to mention here that the federal Government was to assume a 40 to 50 per cent equity position in the Corporation, with private corporate investors providing the other 50 to 60 per cent. It was to be a tool, a pipeline as it were from small and medium-sized businesses to international markets. It would identify countries and prospect markets for specific products. It was a tool for