

CHAPTER 17 OF THE STATUTES OF CANADA, 1960-61

Hon. John N. Turner (Minister of Finance) moved:

That a ways and means motion to amend Chapter 17 of the Statutes of Canada, 1960-61, laid upon the table Monday, November 18, 1974, be concurred in.

Mr. Lambert (Edmonton West): May we have an assurance from the minister that the bill he intends to present and to which we are about to give first reading will be in conformity with the ways and means motions in order to avoid the difficulties experienced with a previous bill, Bill C-40?

Mr. Turner (Ottawa-Carleton): I hope the bill will be found, not in conformity with the words used by the hon. gentleman, but within the interpretation by the Chair of rule 60(11).

Motion agreed to.

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INCOME TAX ACT

Hon. John N. Turner (Minister of Finance) moved that Bill C-49, to amend the statute law relating to income tax be read the first time.

Motion agreed to, bill read the first time and ordered to be printed.

Mr. Speaker: Shall it be made to appear to hon. members that it is one o'clock? If so, I do now leave the chair until two o'clock this afternoon.

At 12.58 p.m. the House took recess.

AFTER RECESS

The house resumed at 2 p.m.

EXPORT DEVELOPMENT ACT

AMENDMENTS TO INCREASE AUTHORIZED SHARE CAPITAL,
CLARIFY DEFINITIONS AND POWERS

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce) moved that Bill C-9, to amend the Export Development Act, as reported (without amendment) from the Standing Committee on Finance, Trade and Economic Affairs, be concurred in.

Motion agreed to.

Mr. Gillespie moved that the bill be read the third time and do pass.

Hon. George Hees (Prince Edward-Hastings): Mr. Speaker, my speech will create a record in the House for its brevity; I think it will take less than five minutes.

We in the official opposition are now willing to let this bill dealing with the expanded operations of the Export Development Corporation pass, following a very good and wide ranging discussion in committee covering all aspects of the operations of the Export Development Corporation.

Export Development Act

As you know, Mr. Speaker, when this bill came before the House for second reading I pointed out, on behalf of the official opposition, that there was a very great need to remove the \$1 million floor below which export financing was not available under the act as it stood at that time.

I pointed out that this created very real hardship for small business in the country because it precluded businesses of small and medium size from obtaining and using the great advantages that accrue from export financing. In committee we spoke about this matter in some detail and illustrated to the government how, by making use of commercial banks in the countries where applications for export financing originated, financing of any amount, no matter how small, is practical and could be made available very simply.

I am very pleased to be able to report that the government was persuaded by our arguments that these suggestions were sensible, and as a result small business in this country will in future be able to make use of export financing. It is obvious, Mr. Speaker, that this will not only be of great benefit to small and medium sized businesses, but it will also be of great benefit to the economy of this country at a time when we are moving into a period where export sales are expected to be considerably more difficult to make, particularly in the next year or so.

● (1410)

In conclusion, let me say that what has taken place in respect of the consideration of this bill shows what very good results can accrue when the government listens to the sensible suggestions of the opposition.

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, I am pleased to have the opportunity to follow the hon. member who has just commented on this bill. As he indicated, we are willing to pass the bill, but I feel it is important that certain matters be put on the record concerning the activities of the Export Development Corporation to date. The assisting of exporters in Canada is a motherhood type of issue: few people would disagree with the concept. But I suggest that the operations of the Export Development Corporation could be handled in a much more effective way to ensure that small businessmen in this country receive the maximum benefit from the activities of this type of body. I say that because I think it is relevant to point out that only 51 companies in Canada have, to date, shared directly in the financing benefits of the Export Development Corporation. Those 51 companies have received \$1,528.5 million in financial assistance over the years.

What is more alarming, however, is that ten corporations in the country have received over half of the total financing benefits of the Export Development Corporation. Those ten companies have received benefits, in the aggregate, of over \$895 million. On the average, those ten favoured companies each received almost \$90 million in financial assistance. I think it is interesting to note that the number one benefactor of those benefits is Davie Shipbuilding Limited of Lauzon, Quebec. That corporation, in turn, is controlled by the Canada Steamship Company, which is controlled by the Power Corporation to the extent of 54.8 per cent, and has received \$137.9 million in export development financing. Is it coincidence, or is it