

Export Development Act

agree in principle that tied with trade you probably have to have some government-type of agency help with the financing. But it is extremely important that that financing not get somehow into the category of simply concessional financing; it is finance you are selling and not trade in the sense of competitive goods and services.

Now, what finer way to guarantee that you get an EDC oriented to competitive, sound practices than to ensure that its board be private-oriented? The average person coming from the private sector, Mr. Speaker, understands what we are talking about here. He realizes that there is always a day of reckoning. If you are paying, as the Government paid today, over 12 per cent for its money and it turns around and lends that to somebody such as the Metropolitan New York subway system at, say, 9 per cent, somebody has to make up that 3 per cent. It is as simple as that. It is a concession, a subsidy. Unfortunately, in our case, when the Government does it through EDC it is ultimately the people of Canada that must cover that 3 per cent subsidy in the example that I gave. So I am saying, Mr. Speaker, that this amendment would at least ensure that we would have more private, if you like, oriented directors on the Board of EDC if it is accepted.

Now, I have said that is only one aspect of the EDC financing that I think a private board could have influence on. The second thing I suggest a more privately oriented board would do in EDC is to ensure that in fact EDC is used only where those private board members feel it is needed. The EDC can very easily become a crutch, as I would suggest it has become for many organizations in Canada. If you are one of the privileged companies which has been getting most of the financing through EDC, it is very easy to get near that company, come up with some kind of proposal, that you would like them to finance, and as quick as a wink you have got your deal, your financing, and it is the people of Canada who pay a tremendous subsidy, all in the name of trade.

Now, I think a private sector person, much more than a bureaucrat sitting on the board of EDC, would understand what I am talking about. If you agree, then I hope that the Minister would accept our proposal and in turn would ensure that that new private orientation does not only help to ensure that EDC engage in only competitive financing, but that it accept what I started off by saying, that it is in fact trade with developing nations that we should be attempting to encourage, not just aid.

On another point, Mr. Speaker, I would like to refer Hon. Members to a very interesting article called "Development Assistance: Trade versus Aid and the Relative Performance of Industrial Countries", written by Alexander J. Yeats of UNCTAD in Geneva. In this article you will find that Canada's record as a nation that gives trade and aid is extremely poor when you compare it to virtually any other industrial nation in the world. I emphasize, in relation to trade with developing nations. We have shortchanged not only those developing nations but ourselves, and I will hopefully have more to say on this later in today's debate.

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, the motion put forward by the Conservative Party is really to try and make sure that the Government does not appoint the chairman of the Export Development Corporation and all 14 directors, that instead the Government would appoint three directors of the corporation, and the chairman and the other directors would be appointed from the outside.

I listened with care to many of the speeches and I heard the Member who has just taken his seat talking about the necessity of making sure that the other directors are from the private sector. I could accept the fact that some of these directors should be from the private sector, Mr. Speaker, because many private corporations are exporting their goods around the world and many are indeed using the services of the Export Development Corporation. I also think that in principle it is very good to have some people who are not Government appointees from the Public Service on the board of directors of a Crown corporation because it does open it up and make it more democratic.

I do have several concerns with the way the Conservative Party has drafted this amendment because I think they have left it wide open with regard to making it really accountable and democratic in the true sense. The Conservative Party is talking specifically about the private sector. I can accept some of those people on the board as well. However, there is no reference in the motion before us today to the Provinces, and I think the Provinces are very important when it comes to trade. Many of the Provinces have a lot of people very active in the trade field. I think of my own Province, for example, and the tremendous exports from Saskatchewan. I think of British Columbia, Ontario, Quebec and many other Provinces as well. But there is no reference here to having anyone on the board from companies which are apart from Government departments but are Crown corporations. There are many Crown corporations exporting very actively into the world market. There are many corporations, such as the Potash Corporation of Saskatchewan, Hydro-Québec and others that are also exporting. Perhaps they should have representation on the board of the Export Development Corporation.

• (1140)

The other thing missing here in terms of opening up the EDC and making it more democratic is any specific provision that the workers in the export field be represented. There is no provision here, for example, that one of the directors or two or three of the directors should be people working for the EDC or people who work for companies that export goods. In other words, they could be appointed or elected by the relevant trade unions or whatever may be the case. But I do not see anything spelled out in the Motion to make sure that the working people who produce the goods and services and who make these companies productive are going to be represented in any way whatever.

The other point is that when we leave a motion absolutely wide open and say, such as is stated in Section 3, that the balance of the Board of Directors shall be appointed by the