

Export Credits Insurance Act

permits are required, and which are therefore brought under control, and other goods for which export permits are not required and which therefore are not strategic materials within the meaning of the order in council setting up the list.

Mr. Hees: I am sure the Leader of the Opposition (Mr. Pearson) does not want to be unfair and will not mind my correcting him. I have made it very clear at all times that we follow the strategic list of NATO which is worked out in great detail by all of the NATO countries, including the United States, with the exception of Iceland. That is a list of goods which are considered by all of us to be strategic goods. I have said that any country to which the strategic list applies does not export goods that are on the strategic list to Cuba. The decision has been made by the NATO countries, not by us, as to what are strategic goods. We do not ship strategic goods that are on that list to Cuba. Other goods are not considered by the NATO allies as strategic and it is possible to ship them freely.

Mr. Pearson: I understand the position perfectly and what the minister has said does not get him off the hook. The NATO COCOM list about which he is talking has been drawn up by all but one of the NATO allies, of course, and in the drawing up of that list Canada played its part and has accepted that list.

Mr. Hees: That is right.

Mr. Pearson: That is the list of strategic materials and military supplies agreed on by NATO—

Mr. Hees: That is right.

Mr. Pearson:—for exclusion, if you like, from certain communist countries. But the Canadian government has gone much further than that. The Canadian government has drawn up its own list referred to in the order in council drawing up the list. I will come to that later and quote the exact words of the order in council as to strategic materials. That list is a much broader list than the NATO COCOM list, and on that list there are certain categories of goods described as requiring export permits and control because they are of a military character or are of potential strategic or military importance.

Mr. Hees: Is the Leader of the Opposition referring to the export control list?

Mr. Pearson: Yes, and I will refer to it in detail.

Mr. Hees: That is not the strategic list.

Mr. Martin (Essex East): We know that.

[Mr. Pearson.]

Mr. Pearson: The minister has made his point and I will make my point when I quote from the order in council establishing this list. We were talking about explosives last night, and I am informed that 125 tons of dynamite went to Cuba recently in one shipment. I have checked the list and the minister is right that dynamite is not included in the Canadian list for which export permits are required and over which control—

Mr. Hees: They are not included in the strategic list of NATO.

Mr. Speaker: Order. I wonder if I might interrupt for a minute. I understand that a debate of this kind was carried on at the resolution stage and it seems to me that the discussion of the export of goods should be related to exports under this act. I would think that it would be relevant to discuss the use made of the act in the past and whether the capital should be increased; but to embark on a general discussion of exports seems to me to be going beyond the scope of the principle on second reading. In other words, the discussion of exports should be related to exports made in pursuance of authority given under this act.

Mr. Pearson: Mr. Speaker, we discussed last evening and, indeed, have been discussing this afternoon certain categories of commodities which have come under this act for insurance purposes. The minister told us last night that some goods of this kind had been insured for Cuba. He also told us last night that the government had satisfied themselves that no goods of recognized strategic significance had moved to Cuba and that such goods had not been insured under this act.

Mr. Hees: Articles on the strategic list.

Mr. Pearson: But, Mr. Speaker, surely we should have a chance to look into the act and how it is operating in respect of the insurance of such goods shipped to these destinations. In Quebec city last December 28, I think it was, under the authority of this act dealing with the import and export of strategic and other goods the governor in council issued a revised export control list—

Mr. Hees: That is right.

Mr. Pearson:—and under that section which deals with goods for which permits are required, section 3(a) of the act, 166 items were included in the list of goods for which permits are required. That section is very pertinent to the insurance provision of the act and the amendment now before us. It provides that the cabinet may place goods on the export control list for the purposes of ensuring—