

Export Development Act

to Florida. Perhaps that and other questions could be answered in committee.

Mr. Munro (Esquimalt-Saanich): Mr. Speaker, would it be in order for me to ask a question?

The Acting Speaker (Mr. Ethier): Order, please. I would recognize the hon. member for Nickel Belt (Mr. Rodriguez) in the ordinary course of debate. Surely we should have no more questions. We are not at committee stage now.

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, I would not dare ask any more questions because we are not getting a debate with the parliamentary secretary; what we are getting is a debate with the bureaucrats and nabobs in EDC who have written his spiel. I do not mind debating with the nabobs, but I want to do it in committee.

● (1742)

Some of the things that the hon. member for Comox-Alberni (Mr. Anderson) mentioned in his attempt at responding to the question I put to him, indicate very clearly that he is unaware of the controversy which exists on the board of directors of the EDC with respect to making EDC loans to multinational mining companies. There has been a great deal of turmoil and disagreement. I was told that by the president of EDC, for what it is worth. He said that it was a question which has divided the board of directors.

An hon. Member: He did not tell it to you in confidence either.

Mr. Rodriguez: And he did not tell it to me in confidence either.

No one in this House can expect me to stand in my place here after what we have been through in the Sudbury Basin with respect to the layoffs by Inco and Falconbridge and say that I think the EDC is doing a terrific job, that in effect I support the increase of its capitalization. It seems to me that it ought not to be supported by members of this House until an overhaul is made of the way in which the Export Development Corporation operates, along with their accountability to parliament and to the Standing Committee on Finance, Trade and Economic Affairs. I have been before the committee on three previous occasions. On each of those occasions it was for a matter to increase capitalization of the Export Development Corporation.

We heard the hon. member for Comox-Alberni mention in relation to the Inco operation that no nickel has come out of Indonesia or out of Guatemala as yet, so they could not have an effect on the market. We had better take a look at the whole situation, Mr. Speaker, for the edification of the bureaucrats who probably do not know a bloody thing about nickel. Maybe they ought to listen if they are in the galleries.

There are two kinds of nickel, namely, lateritic nickel and sulphide nickel. The sulphide ores are the kinds which are found in the Sudbury basin and at Thompson, Manitoba. The lateritic nickel deposits are found in the tropical countries.

[Mr. Anderson.]

These deposits are on the surface of the land and are scraped off. To reduce the lateritic ores to a semi-processed state—to remove the nickel—a great deal of energy must be applied to the lateritic nickel. For the sulphide nickel which is found in the Sudbury basin, the sulphur in the ore is an energy agent. In effect we do not need as much energy to reduce that ore to nickel.

With the cost of petroleum and the cost of energy in the world, it makes Canadian nickel extremely competitive with the tropical countries where the lateritic nickel is found at this point in time. But never sell the EDC short. Falconbridge and Inco are always willing to look for a friend, and EDC is always there to be the friend at hand.

It is said that a friend in need is a friend indeed. That is the problem with Falconbridge in the Dominican Republic. Nickel is now selling at approximately \$2.20 a pound. What do they have to find? They must find some energy deposits. So, what does Falconbridge do? It has one of its sister companies, Superior Oil of Canada, searching for oil and gas in the Dominican Republic. Who is the friend in need ready to put \$25 million worth of insurance on the operation? Of course, the EDC! You can just see the boys, Mr. Speaker! The picture and the story were printed in the paper. They even broke out the champagne when they signed the contract. There was Marsh Cooper as large as life. There was John MacDonald, president of EDC, bigger than Marsh Cooper, bigger than life.

An hon. Member: You don't have to scream.

Mr. Rodriguez: They sprung out the champagne and the boys were breaking the bottles. My, 1977 was a good year for Falconbridge Dominicana or Falcondo. A good year. And guess what, Mr. Speaker? Inco is not to be deterred. Inco will show the same initiative. As a matter of fact they are presently showing the same initiative. Right at this moment they are exploring for gas and oil off the coast of Guatemala and, guess what, Mr. Speaker? I will lay my neck on this table that the EDC will very shortly receive an application for insurance—

An hon. Member: What a neck.

Mr. Rodriguez: I hear the retentionist over there. He is touchy about necks these days. Now you have made me forget where I was.

Some hon. Members: Oh, oh!

Mr. Rodriguez: You can bet your bottom dollar—

An hon. Member: You hang in there.

Mr. Rodriguez:—that Inco will be shortly approaching and making a demand on the munificence of the taxpayers of Canada to get some insurance for their operations. That is the problem. It is not what you know, it is who you know in this world. Everyone will subscribe to that theory, and Falconbridge knows the president, Balaguer. He is a good friend. Marsh Cooper told me. He said, "I was playing golf with Colonel Balaguer". They have friends in high places and, guess