

Export Development Act

giants. I assure you, Mr. Speaker, that if we cut off this aid to companies like Ford, INCO, Brascan and others of similar calibre they would not suffer very much.

I often wonder if the policies pursued by EDC work hand in hand with policies advocated by the Secretary of State for External Affairs (Mr. MacEachen). The EDC is involved in important political choices. It decides to which corporation it will lend money and where those corporations will sell their commodities. It has also helped countries like Argentina as well as other countries. Clearly, its activities overlap the field of foreign policy. Therefore, no matter how you look at the Export Development Corporation, you must ask what are its foreign policy objectives, and are they complementary to the objectives of the Department of External Affairs? We must look at these matters carefully before we sign the cheque which will give EDC power to lend more money to the large corporations operating in this country.

I am also concerned about another aspect of EDC activities. When it is involved in foreign investments abroad, which is a field in which Canadian financiers are active, is it good and desirable that the corporation should insure companies against rebellions, uprisings or other unspecified acts of God which may take place in other countries? Should EDC be involved in such a role? It is also pertinent to ask about the activities of EDC in Chile both during the Allende years and in the period since. These questions must be answered and, as the hon. member for York-Simcoe said, the government must come clean.

Finally, is it fitting that most of the money made available by EDC should be for the benefit of corporations operating in central Canada, particularly in southern Ontario? Why should EDC be big business oriented? Why should the corporation make money available largely to concerns of southern Ontario and thus help an area which is already affluent. The policies of the Export Development Corporation may counteract the policies of DREE which are designed to reduce regional disparities in this country. By providing the bulk of its assistance to the more sophisticated industries of central Canada, I suggest the corporation is working at cross-purposes with DREE. It is working against the interests of DREE and it is making a co-ordinated and planned economy in this country difficult to attain. Its policies will not reduce regional disparities, and for that reason should be examined carefully.

The provisions of this bill will expand the capitalization of the corporation and its lending power in this country. Those increased powers will have ramifications in this country and abroad. As I said at the beginning of my remarks, the corporation is involved in activities of all sorts and is involved with other countries. For example, it has helped foreign importers buy grain and wheat from our country. This helped those other countries and was beneficial to us. I want the minister to comment on the questions I have raised. I am asking about the corporation's foreign policy and about other matters. I do not think the corporation should be involved in the buying of resorts and hotels in the Caribbean. On the other hand, an EDC loan helped Cuba to purchase more oil tankers. Other loans have helped other developing countries to raise their standard of living.

[Mr. Nystrom.]

● (1500)

We should not tolerate the Export Development Corporation helping exporters sell something to an Arab state, such as Iran, which does not really need any special arrangements. I look forward to hearing the minister's reply. I hope he will clarify many of the points raised not only by members of this party but by members of the other parties, for example, the hon. member for York-Simcoe, who took part in the discussions at the committee stage.

Mr. Bill Kempling (Halton-Wentworth): Mr. Speaker, I have a few remarks to make on this bill. We were happy to participate in the study of this measure affecting the Export Development Corporation. I was involved in the proceedings in the twenty-ninth parliament and again in this parliament, both in the House and in the hearings before the committee. We are in favour of the passage of this bill because we know that exports are softening, and we realize we must do everything we can to maintain them at a high level. Nevertheless, the task of the committee is to probe and find out as much as it can about the operation of the Export Development Corporation. With considerable difficulty we did manage to extract some information from the president of the corporation.

I felt sorry for the minister at the committee meetings. I must say, frankly, that I was embarrassed by the testimony of the president of the EDC, as I believe were many of the members of the committee. There is a growing feeling that the EDC is a sort of private finance company whose services are available only to large corporations. The minister has a duty to dispel this notion. We keep seeing on the record the names of the same corporations opposite ever-increasing amounts. I believe the time has come for the corporation to move into a different sphere.

Another thing which rather annoyed me at the committee meetings was the constant inference that our questions were holding up a number of big deals, that we might be causing unemployment because there were several contracts about to be signed. I resented this. We are looking at a piece of legislation involving a sum of about \$5 billion; we have a right to examine it in detail, and we should be given the information for which we ask. I recognize, of course, that there are certain areas in which confidentiality is required in conformity with good business practice, but I would point out that meetings can always be held in camera if it is felt necessary to do so.

My feeling is that the information given by EDC each time it appears before the committee leaves something wanting. For example, in the twenty-ninth parliament we received the annual report the first day the committee met. When we looked at the report we found it contained a disqualification by the Auditor General. Then we witnessed an unbelievable performance by the President of the Export Development Corporation and by the representative of the Canadian Exporters Association. I can only say that their presentations deepened the suspicions of many of the members regarding the operations of the corporation.

However, this time we were fortunate inasmuch as no representations were received from the Canadian Exporters Association, and I can say we were grateful they