

*Export Credits Insurance*

ciples of the Atlantic charter it will be left to Britain and the dominions to carry the bag after the elections are held next November in the country of our great ally to the south.

Section 7 of the lend-lease agreement covers the very countries which are named in this resolution; it covers the very same territory. As I said the other night we should first decide—and it has to be decided before this corporation can operate—what the policy of the government regarding empire countries is going to be after the war. What is the policy going to be regarding Russia and the United States? Russia has an agreement with Britain, outside of section 7 of the lend-lease agreement, for trade with Russia, to which the dominions are not yet a party, for twenty years. It was made in Moscow last year. The United States is going to have a similar agreement. I think we should have all the cards laid on the table, because the way we are spending money we are just approaching a totalitarian socialist state in so far as capital and maintenance and everything else is concerned, without proper protection. If this continues, no business man will be able to carry on his business. Who are the exporters of this country? Many of them have been driven to the wall by high taxation. Look over the exports at the present time. I think they have been very well covered by the lend-lease agreement. We had a similar situation after the last war, and some of the money has not been paid back yet.

I do not wish to delay the passage of this resolution, but I hope when the bill is introduced it will give us a little more information than is contained in the resolution. I will tell you this; the way we are doing business at the present time, outside of section 7 of the lend-lease agreement to which the United States is committed, I believe we are going to get into a whole lot of trouble. I doubt whether it is going to mean anything. Take the case of the Pacific. Some of this corporation's work will be in the Pacific. Russia is not at war with Japan, and Russia may be out of it when the time comes to take advantage of this legislation. Are we going to stand all the risk in the Pacific? Are we going to stand behind guarantees to the amount of \$200,000,000, with another \$100,000,000 in loans? The war with Japan may continue for a year or two after the war with Germany is over, for the situation in the east is very difficult. Japan still has a very powerful fleet. Suppose some of our ships carrying these goods are sunk; is this country going to stand the loss? Or is Canada going to embark upon a lend-lease policy of its own, lending money to all sorts of countries, many of them unfor-

[Mr. Church.]

tunately bankrupt? These are some of the questions that will have to be dealt with, and I should like a reply from the minister.

Mr. MacKINNON (Edmonton West): I might reply very briefly at the moment because, as the hon. member has just said, all these matters can be discussed when the bill is in committee. To deal with just a couple of points, this measure is just supplementary to other legislation, and in no way cancels that other legislation. The hon. member suggested that this legislation might be against the best interests of the United Kingdom. I would reply that similar legislation is in effect in the United Kingdom at the present time.

Mr. CASTLEDEN: I understand that under this legislation the government will be underwriting risks in the export business which private enterprise will not underwrite. Is that the idea?

Mr. MacKINNON (Edmonton West): That is the intention; not all, but selected contracts. All these matters will be dealt with when the bill itself is brought down.

Mr. CASTLEDEN: The purpose of the second part of the bill, then, is to insure against loss by making loans to those countries to which the exports are to be made?

Mr. MacKINNON (Edmonton West): It is anticipated that part 1 of the bill will not become operative to any great extent for the time being.

Mr. GREEN: That is the insurance feature?

Mr. MacKINNON (Edmonton West): Yes. Part 2 will be operative during the transition period. The first part of the bill is essentially peace-time legislation; the second is not.

Mr. GREEN: Will the minister—

The CHAIRMAN: I would refer hon. members to standing order 69 of Beauchesne, citation 740:

Unless the motion for leave be opposed, this is not the time for a lengthened debate on its merits. When an important measure is offered by a minister or other member, this opportunity is frequently taken for a full exposition of its character and objects; but otherwise, debate should be avoided at this stage, unless it is expected that the motion will be negatived, and that no future occasion will arise for discussion.

The minister distinctly stated his hope that the discussion going on now might take place on second reading of the bill, so I would ask hon. members to avoid any duplication of discussion.

Mr. GREEN: Surely we are not going to be choked off like that. On second reading of