

Export Development Corporation

two days ago I returned from my home city of Vancouver. Thousands are out of work there because as a result of the severe winter logs are not available to meet the needs of the sawmills and processing plants. Yet ships are today loading unprocessed logs there to be exported to other countries. I admit I do not know whether this is being done on a credit basis, but this is my point: In such a situation, what control will there be over the corporation to ensure that export credits are not extended at times when, because of certain difficulties, our own people in Canada are out of work? I ask that this aspect be explained because it was not mentioned by the minister when he spoke this afternoon.

Of course I am in favour of exports and the expansion of exports. However, to my mind top priority should not be given to the exporting of our raw materials when they are required in our own country. I cannot feel that the Export Development Corporation or any similar institution should be able to assist such exports at a time when there are unemployed in our own country available to undertake secondary manufacturing. This is an aspect which I believe to be of the utmost importance and one which should be explained in great detail before a final vote is taken on this measure.

The third point made by the minister was that the Export Development Corporation would be used to provide financial support to expanded export credits. In the light of the two points which I have tried to put forward as being of importance, may I ask whether any indication can be given that the expanded credit will be limited to the extension of credit in connection with those things which are of advantage to Canada rather than to those which work to the detriment of Canada? Just think about what I said in regard to the log situation in British Columbia. Just reflect on whether or not credit should be granted with respect to commodities which are the key to the Canadian economy. The key to the Canadian economy lies in extending as far as possible credits for the development and utilization of secondary and tertiary industries based on our raw resources, in seeing that we do not extend credit for exports when our own people are out of work because of special circumstances. It lies in seeing that Canadians are employed first before we export raw materials, that our manufacturers are assisted first.

I conclude by returning to my original point because to me it is such an important

[Mr. Winch.]

one. The minister talks about extending exports through expanded credits. Will he please tell us what policy the government has in mind to meet the imbalance of trade, the imbalance of payments, so as not to endanger Canadian manufacturing and Canadian industry? If he can tell me that, I shall be the first to complement him.

Mr. Ed Schreyer (Selkirk): Mr. Speaker, I wish to say a few words in connection with Bill C-183, an act to establish the Export Development Corporation. I for one am more impressed with the contents of Part II of the bill than with Part I. I do not believe that Part I, having to do with the structure of the proposed new corporation, is really of much importance. Like many bills that have come before the house this session, Part I of the measure before us simply with the restructuring of an agency of the government and this, I suggest, is hardly of great importance. The important thing is what the corporation or agency intends to do, the policies it intends to carry forward once it is operational.

I am curious to know in what way the operations of the Export Development Corporation are likely to be substantially different in the next few years from those of the Export Credits Insurance Corporation in the past decade. I feel it is important and worth while for the proposed corporation to enter into arrangements to provide long-term credits to prospective exporters, to offer forms of guarantees and insurance to Canadian business firms which are engaged in the export business in an important way. Some of my colleagues may have expressed surprise that private enterprise oriented firms should want to avail themselves of the benefits of something that is state directed, but I am not surprised at that at all. Some of our largest firms have shown an amazing capacity to forget their ideological prejudices upon finding something of financial advantage to them. But let us leave ideology aside for a moment and look at the operations of the proposed Export Development Corporation.

● (5:10 p.m.)

For one thing I hope the corporation will have some guidance from the government as to making maximum use of its powers to provide and underwrite insurance for the export trade. Here I want to make specific reference to use of the port of Churchill, a matter that I am sure is close to the heart of the Minister without Portfolio (Mr. Lang)