

tion more carefully to eliminate cases where Eximbank's financing is not really needed.

Mr. Speaker, when dealing with a corporation the size of General Motors it is questionable that public funds should be used to finance their production which is being exported to foreign countries. The Eximbank's chairman also said they are placing special emphasis on transactions and programs which hold the greatest prospects for developing new exporters and helping small business to become large exporters. And, finally, he said that they are giving careful consideration in each loan request to ascertain any possible adverse effects on the United States economy.

In spite of questioning in committee, we were given no similar assurances by the Minister of Industry, Trade and Commerce (Mr. Gillespie). Basically, we have been asked to sign a blank cheque today to allow the minister and the directors of this corporation to have the complete say as to how funds will be disbursed. I believe it is an irresponsible approach, and I hope hon. members will insist that this corporation is constantly under review before the Standing Committee on Public Accounts and any other relevant committee of this House.

Mr. Deputy Speaker: The hon. member for Yorkton-Melville (Mr. Nystrom).

Mr. Kaplan: Question.

Mr. Nystrom: Are you putting the question or asking one?

Mr. Deputy Speaker: The hon. member for York Centre (Mr. Kaplan) wishes to ask a question. This can only be done with the consent of the hon. member who has the floor.

Mr. Nystrom: Agreed.

Mr. Kaplan: In his remarks, the hon. member for York-Simcoe (Mr. Stevens) said twice that the present policy of the corporation was to use its funds to benefit favoured Liberal friends of the government. I sat through those committee hearings, as he did, and if he is making an allegation like that I think he ought to stand up now and name the favoured Liberal friends of the government who he alleges are the present beneficiaries of that policy.

Some hon. Members: Hear, hear!

Mr. Deputy Speaker: Order, please. I certainly do not consider this to be a question. If the hon. member wishes to make a speech, he is entitled to do so, as is any other member.

Mr. Stevens: On a point of order, Mr. Speaker, I can assure the hon. member that if he reads my speech he will find the names he is looking for.

● (1450)

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, I rise to say a few words in the debate on Bill C-9. Let me begin by congratulating the hon. member for York-Simcoe (Mr. Stevens) for his excellent speech about the Export Development Corporation. As hon. members know, the bill before us, which is at third reading stage, is to expand the

Export Development Act

capital shares of the Export Development Corporation from \$125 million to \$400 million and to expand its lending ability from \$1.5 billion to \$7.25 billion.

As these are inflationary times, hon. members will not oppose passage of this measure. Because the value of the dollar is declining and the world economy is experiencing inflationary pressures, we are experiencing great difficulty in our foreign trade. Our balance of trade is unfavourable, largely because of the declining economies of our principal trading partners, the United States, Japan, and the European Economic Community, as well as because the gross national product of other trading partners has not been growing as rapidly as in the past. Normally, members of the House would be favourably disposed to passing expeditiously a measure like this.

Almost every trading country of the world has established a corporation like our Export Development Corporation, although the names may be different. I can assure you that if my party or the Conservative Party were charged with governing this country, we would introduce a measure similar to this because the corporation is needed to help the exporters of our country and to help developing nations buy goods and commodities with which to raise up their standard of living.

But we must ask some questions about the corporation. Will its activities complement our foreign policy? Will they be in tune with our foreign policy? I intend to ask some questions about these matters. As the hon. member for York-Simcoe has said many times, and as I have repeated, most loans to Canadian exporters are in fact loans to large corporations. I notice, from reading the annual reports of the EDC, that there are few loans to small exporters such as would be found in my riding and many others. Basically, EDC lends money to the very large corporations of this country, many of which are foreign-based. Such activity is not to the advantage of the Canadian people. For instance, why should the corporation lend money to giants like INCO or Brascan, about which the President of the Privy Council (Mr. Sharp) knows? The latter company, which operates in Brazil, has received aid. The corporation has given aid to INCO in Guatemala. Why would INCO need the assistance of the Canadian Development Corporation? I think that corporations of that size are able to generate their own money internally or go to the private investment market to borrow. I further think that the Export Development Corporation should help the small exporter, the small corporation which may be owned by a provincial government or a co-operative. These smaller companies should be helped in exporting their commodities. This would generate jobs in the communities in which they are located.

I am not satisfied with the way in which so much of the corporation's money has been made available to large, multinational corporations which are foreign-based. The time has come for our government to behave like a sovereign government and to tackle the economic position of the large, multinational corporations which operate under their own, rather than under our, priorities. The multinationals are powerful enough as it is. They are vertically integrated, operating around the world; they are transnational in their thinking and do not need EDC help. I think that EDC should help the small company compete with the