

EXPORT DEVELOPMENT ACT

INCREASES IN AUTHORIZED SHARE CAPITAL AND IN CEILING ON LOANS AND GUARANTEES BY CORPORATION

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce) moved that Bill C-3, to amend the Export Development Act, as reported (without amendment) from the Standing Committee on Finance, Trade and Economic Affairs, be concurred in.

Motion agreed to.

Mr. Deputy Speaker: When shall the said bill be read the third time?

An hon. Member: Now, by leave.

Mr. Gillespie moved that the bill be read the third time and do pass.

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, in speaking in the debate on third reading of Bill C-3, I think various matters should be put on the record of this House. I feel that the activities of the Export Development Corporation should be reviewed in two basic respects. First, its activities should be reviewed in a national Canadian context. In short, in this corporation serving the businessmen and, in particular, the exporters of this country as productively and effectively as it might be doing. Second, this corporation should be reviewed in the context of what it is doing in terms of world trade. In particular, we must ask what is it doing to, or possibly for, underdeveloped nations in the world.

In considering the bill I think it is important for the House to take into consideration the general policies of the minister responsible for this bill. I am referring to the Minister of Industry, Trade and Commerce (Mr. Gillespie). In a speech delivered yesterday to the Canadian Club in Toronto, I believe the minister clarified much of the confusion that exists with respect to government policies as they are communicated from department to department and as understood within departments. In the course of his speech he makes the startling observation that it is impossible to develop an industrial strategy in Canada. This is a statement by the Minister of Industry, Trade and Commerce (Mr. Gillespie) a member of a government which has been in office for some ten years. He is now telling us that they cannot develop an industrial strategy for this country. Instead, he says, what they propose to do—and I emphasize that this is still in the future—is develop a strategy for sectors of the economy on an industry by industry basis. This, presumably, is the philosophy of the government. Then, he tells us, the time to start getting into shape for the game is now. It was not last year, or five years ago, or ten years ago, but now. The unfortunate thing, however, is that the indecision of the minister's department and of associated departments, is causing tremendous hardship to businessmen in this country.

• (1610)

It has been said before in this chamber that such industries as tanning, electronics, and shoe manufacture are being severely hurt by the absence of import quotas and the resulting flood of imports into this country from overseas. Spokesmen for these industries have appealed to the

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Prime Minister (Mr. Trudeau) and to the minister for relief. But to date no relief has been forthcoming. Asked what he intended to do to relieve the plight of these industries, the minister said the question had been referred to the anti-dumping tribunal and that he was still awaiting a report from this tribunal. When members of that tribunal appeared before the appropriate committee of this House they admitted a report had been requested from them as long ago as November of 1971 but that as of today no report had been made to the minister.

In the meantime, the industry is in a state of serious decline. Its spokesmen say that if the present situation is allowed to continue until 1975, the tanning industry in Canada will be extinct. I emphasize that when I refer to the tanning industry, I am referring to a 100 per cent Canadian-owned industry which the Department of Industry, Trade and Commerce, through its indecision and incompetence, is allowing to die. On the other hand, the Minister of Industry, Trade and Commerce has introduced Bill C-132, in which he proposes to set up an agency to scrutinize foreign take-overs and the expansion in certain circumstances of existing foreign subsidiary companies in Canada. I shall refer to this bill in the course of later debates, but I think it is safe to say now that these proposals amount simply to window dressing. I say this on the basis of the known history of the Export Development Corporation. That corporation has been signing up financing contracts to the extent of hundreds of millions of dollars with absolutely no reference, as was shown during the committee hearings, to the ownership or control of the companies in Canada which received the benefit of this financing.

The fact is that some \$1 billion had been committed by this corporation up to the end of December, 1972, of which amount approximately half had gone to eight corporations in this country. And of those eight corporations approximately half were foreign controlled. During our committee hearings a representative of the Canadian Export Association gave evidence that the total membership of the association amounted to some 400. On subsequent questioning of Mr. Aitken, the President of the Export Development Corporation, we were startled to find that only 15 Canadian companies had received direct assistance in the past year from the same Export Development Corporation. In other words, less than 4 per cent of the total membership of the Canadian Export Association received direct assistance from this plaything called the Export Development Corporation. I say it is a plaything; you should witness the signing of these contracts to which I am referring. The minister leaves this building in his chauffeur-driven limousine; an ambassador in a car comes in from the other side. They meet in the luxurious offices of the Export Development Corporation. They drink champagne, they sign big deals, and they drive back to their respective offices feeling they have done something of significance. I am referring to the fact that it has become a champagne circle as far as world activity is concerned.

Mr. Breau: You have not got to the hoochy-coochy girls yet!

Mr. Stevens: The government has often been accused, rightly, I think, of adopting yesterday's solutions for today's problems. Here, the opposite is happening. Now, it