

*Export Development Act*

importance of a corporation such as the EDC and the assistance it can bring to the Canadian businessman. It is unfortunate that this parliament does not recognize these facts and pass this legislation so that this money can be provided before the corporation runs out of funding in June of this year.

It is all very well to stand up and criticize the government because of a slow increase in the number of jobs in the manufacturing sector, but one should take into account the facts. Let me give one example. There have been a number of comments regarding a steel company in the United States which was provided with Export Development Corporation money. No one has ever said what the situation actually is regarding this company. Perhaps a few facts about this will wake up my hon. friends in the New Democratic Party.

This is referred to as a unique concept in the production of steel. This mini steel mill has vaulted the small community of Whitby, Ontario, into prominence in the export of Canadian technology and the creation of employment in Canada. Does that name Whitby ring a bell with hon. gentlemen opposite from the NDP? Is the Leader of the NDP (Mr. Broadbent) going to go to Whitby and say he is against this EDC program which is helping out a Canadian company located in his constituency? You go there and tell them this is a bad thing!

The Whitby-based firm of Co'steel International Limited already is operating mini steel mills in Canada, the United Kingdom, and the United States. It is now launching a similar venture in Perth Amboy, New Jersey. The equipment will be built completely in Canada, providing at least 1,350 man-years of employment in 130 companies across Canada.

**Mr. Hogan:** Name them.

**Mr. Anderson:** I will if you would like.

**Mr. Hogan:** Go ahead.

**Mr. Anderson:** I have them here. In a brief ceremony—I will not go into the details of that meeting. Raritan River Steel Company of New Jersey, a subsidiary of Co'steel, will operate the mill which is expected to go into production in 1979. The project consists of steel-making and rod-rolling facilities. The rod mill will utilize billets produced by an arc electric furnace and a continuous casting machine. The projected output of 450,000 tons a year is tailored to supply the market for the steel rod, wire mesh, and fastener industries along the U.S. coast from Maine to Florida. That is a traditional Canadian market, the Maine to Florida market.

Despite strong competition from the U.S., Germany, the United Kingdom, and Japan, Canada is assured of the sales of the equipment going into the proposed mill. Some 130 small and larger Canadian firms engaged in engineering, metal working, and electrical equipment manufacturing, will provide equipment, supplies, and services for the Perth Amboy mill.

The interesting fact here is that, first of all, the mill is not competing with Canadian products. Secondly, regardless of whether the EDC is involved or not, the mill would have gone ahead. The only question is whether the jobs in Whitby would

[Mr. Anderson.]

have been provided. I suggest rather they would have been created in the United States. I would ask the hon. gentlemen in the NDP if they are willing to go to Whitby and tell the people there that the EDC has hurt their chances for jobs. I am afraid they would be laughed out of town. I am certainly sure that the Leader of the New Democratic Party is not going to go to Whitby and stand on a stump shouting "Down with the EDC". It is all very well to do that in other parts of Canada, but I am sure he will not be doing it in his own riding because that would obviously be foolish.

One of the gentlemen from the NDP asked me to name some of the companies. I will name some of them if he wants and he has the time. I have a list of them here. They include Co'steel International Limited, 1601 Hopkins, Whitby, Ontario, and the amount of the loan is \$47 million. Suppliers include Provincial Crane Division of Dominion Bridge Company Limited, Niagara Falls, and that company will be supplying cranes to the value of \$2.6 million; Lake Ontario Steel Company of Whitby will be supplying reinforcing steel to the value of \$461,000; Canadian General Electric of Scarborough will be providing main drive DC motors to the value of \$1,780,000, generating 77 man-years of employment; Whiting Equipment Limited of Welland will supply an arc electric furnace to a value of \$1,521,000; Concast Canada Limited of Montreal will be supplying a casting machine at a cost of \$2,230,000; and Brown Boveri Canada Limited of Pointe Claire will be supplying power supplies and controls to the extent of \$1,730,000, providing 54 man-years. Mr. Speaker, let me suggest that the point has been proven.

What would have happened in this particular instance had this particular mill been financed by the United States, Japan, or the United Kingdom? I suggest the jobs which have been created in Canada at the various companies I have mentioned would just not exist. We would not have those jobs. We must bite the bullet and realize that if we are to compete on world markets there may be instances in which the products produced by the companies assisted will be in competition with Canadian produced products, whether those products are manufactured in Poland, Indonesia, or elsewhere. This is what we must realize, and this is the heart of the matter. These projects will go ahead, with or without Canada, and it is up to us to determine whether we want some of the man-years employment in time devoted to these projects, or whether we want to kiss it off by saying we will not take part because these projects may be in competition with our own. I submit that such action would be cutting our own throats.

We are not dealing with an "either or" situation. This involves simply a question of whether Canada participates and jobs are created as a result of that participation. It is utter and absolute nonsense to say that such financing is reducing jobs in Canada. Competition may be involved but, as sure as God made little green apples, we would be getting that competition from Japan, Germany or the United Kingdom whether Canada participated or not. Their factories would produce the equipment. Either we accept that fact, or realize we are ridiculous as economists—as are our friends opposite.