

Export Development Corporation

I think we should endeavour to find ways of processing our raw materials in our own industries, in order to put finished products on the market, according to the physical possibilities of our country.

[English]

Mr. Harold E. Winch (Vancouver East): Mr. Speaker, unlike the hon. member who just preceded me I will not read from a prepared script and I hope I will be comparatively brief. It is not my intention to address my remarks directly to the bill now before us but rather indirectly following the statement by the Minister without Portfolio (Mr. Lang) who introduced the bill this afternoon. During the course of his remarks he made three rather important statements and it is because of these statements that I am on my feet now. I am certain that I took them down correctly and I would like to cite them now.

The minister said, first, that exports are an essential key to our Canadian economy. On the surface no one could disagree with that. Second, he said that stimulation of exports must have top priority. On the surface no one in this house could disagree with that. Third, he said that the Export Development Corporation would give financial support to expanded export credits. On the surface no one could disagree with that. But I am saying that in making those blunt statements without any explanation of government policy regarding the Canadian economy the minister was unfair because in order to appreciate our economic situation in relation to expanded exports and expanded credits it is necessary for the minister to put the principles he espouses in the context of the Canadian economy and of other government policies.

Let us consider his first statement. The minister said that exports are an essential key to our Canadian economy. Of course that is correct. But this house is entitled to know the relationship of the export sector of our economy to government policy on imports because if we expand our exports, as we must, we must be able to meet a trade and financial imbalance. So I say it is unfair to speak about a measure to increase our exports unless we have some understanding of government policy on how to meet our trade and financial imbalance or unless we increase our imports.

I am not an economist but I think I have studied the subject sufficiently to know that some adjustment must be made somewhere. It would simply be impossible to expand exports greatly unless we also expand imports greatly. I do not know whether my friend

has been here long enough to know that every time we increase imports certain manufacturing industries from the east to the west coast come to Ottawa to meet members of the government and to raise hell because they say they are being driven out of business. We know that four ministers are now in Japan. I believe that the purpose of their visit is not so much to expand our exports to Japan as to curtail imports to Canada because of the complaints that the government has been receiving with regard to what Japanese imports are doing to some of the manufacturing industries in this country, whether they be cotton, linen, pottery, or something else. So it is of the utmost importance for the Minister without Portfolio, when he tells us that exports are an essential key to our Canadian economy, which undoubtedly they are, to tell us what is the Canadian policy on imports. Imports must also expand in order to meet the imbalance of trade and the imbalance of payments.

• (5:00 p.m.)

How are we to face the manufacturers of Canada, now having a rough and difficult time, and facing increased competition, if we increase our exports? I hope the government has the answers. I believe that members of the House of Commons, having been asked to support this bill, are entitled to know what policy the government has in mind to meet the problem which is bound to arise in connection with a greater volume of imports because of increased exports. Anyone who says we cannot have greater imports and greater exports does not know anything about world economics, let alone in Canada. I hope we shall be hearing about this.

The minister told us that the stimulation of exports must be given top priority. Here again he left something to be explained. What is the policy of the government with regard to the control of exports or the stimulation of exports if our own economy is in bad shape? I followed closely what the minister said this afternoon. He gave no indication of what might be done to control the Export Development Corporation if its actions were likely to have a serious effect on the situation in Canada.

I draw the attention of the house to the situation at the present time in British Columbia where we have experienced the most difficult winter in recorded history. The result is that thousands are out of work because the sawmills and the processing plants lack the logs which they required. Only