

The Address—Mr. Diefenbaker

this country people are deeply indebted to the Minister of Agriculture for the effort he has made. It has been an effort in which the government as a whole has co-operated. It has been built on aggressive trade-seeking principles, coupled with the necessary credit being given to prospective debtors who in the past have shown a higher regard for their liabilities.

I still think of the volume of ridicule that was heaped on the government at the time of the announcement of the transaction with mainland China. Opponents said there was nothing to it, that it was ephemeral or nebulous. Well, in consequence of that deal Canada has secured not only a market for a large amount of wheat but a great increase in employment in our port and transportation facilities.

Now, I am not going to deal with the subject of trade in general except to say, as I have already pointed out, that action taken by the Department of Trade and Commerce has been as unique as it has been effective. It has been assisted by the Export Credits Insurance Corporation, which is a vital part of Canada's trade promotion program. The corporation operates in two fields, that of export credits insurance and that of long term export financing. The facility of export credits insurance, offered by the corporation, protects Canadian exporters against non-payment by foreign buyers. This insurance is provided on a break-even basis at no cost to the Canadian taxpayer. It would not be available through private enterprise.

During the past 12 months the corporation has insured more than \$110 million on a wide range of Canadian produced goods which have been shipped to more than 90 foreign countries. Commitments have been given to Canadian exporters covering a further \$100 million. It is hoped that a substantial portion of this business will be finalized during the next few months.

In addition to its insurance business, the corporation administers the government's long term export financing program which was authorized a little more than a year ago under section 21A of the Export Credits Insurance Act. Although the actual financing program has been operating for such a short time, a number of transactions involving heavy capital equipment produced in Canada have been satisfactorily concluded. These orders totalled more than \$50 million. Commitments have been given as well to Canadian exporters for substantial additional financing to cover heavy capital equipment exports totalling \$75 million. There is a very good possibility that the bulk of this business will come to Canada.

I point this out because in the speech from the throne there are still further measures, which I do not intend to particularize now to expand trade. It is of interest to note that the problem of securing trade and markets is not quite as simple as some of the opposition members would have us believe. I took it upon myself to look back and see what happened during those golden days that are looked back upon without respect. I find that in 1954 Mitchell Sharp, who was a Liberal candidate in Toronto and at that time was associate deputy minister of trade and commerce, spoke on the puzzles of policy when he addressed the Canadian Chamber of Commerce at its annual meeting in Halifax in that year. What did he say? We have been able to get into these markets; we have been able to expand, and we have been able to bring people to Ottawa. We have done these things in order to encourage the expansion of trade. We have not sat down and done nothing. What did he say at that time?

"Canada is far from getting a fair chance to compete in world markets, and particularly in the United States," he said. "In many respects the cards are stacked against us and we must exert every effort to get a better break, not only for our raw materials and food producers but also for our manufacturers, many of whom could, I am convinced, compete effectively if they were not restricted by foreign tariffs to production for the Canadian market alone.

"I am frank to admit that I do not know of any sure and certain method for bringing about this much to be desired improvement in commercial relations. If you have an answer which does not involve reductions in markets for our efficient export industries, I shall be glad to hear it and carry it back to Ottawa."

Well, at that time he was a deputy minister. In the cabinet of that day there were some outstanding men, and I look upon the faces of two or three of them now. They did not have the answer then. As a result of the efforts of this government we are able to come before you—I know the Minister of Trade and Commerce will do so in detail—and set forth what we have done. We are asking for a vote of confidence on the measures mentioned in the speech from the throne alone which, if implemented, will bring about a still further expansion in trade.

Now, sir, having merely touched the rim of the subject, leaving it to the minister to particularize, I now come to a matter that received a great deal of attention yesterday from the Leader of the Opposition and which also received quite a bit of attention during the intervening weeks when pronouncements were issued from time to time in regard to this problem of our foreign exchange situation. I noticed that he referred to what had been done by us in June as austerity. I have never called it that, but he and those associated with him have referred to it in