

Export Development Corporation

Mr. A. D. Hales (Wellington): Mr. Speaker, I appreciate the opportunity of making a few brief remarks before Bill C-183 is referred to committee for study of the provisions setting up an Export Development Corporation. The house appreciates the explanation that the minister has read into the record outlining the proposals in regard to this new corporation. I would have much preferred, as I am sure would other members of the house, if the minister had forgotten many of the flowery phrases and platitudes that he used and got to the nuts and bolts issues by giving the house some concrete examples of how the provisions of this new act are going to operate. For example, the minister could have mentioned the hydro-electric plant for the government of Ceylon, how it was financed, who the exporter was, the date of the contract, the amount of the contract, how the contract operates, what the government does, how the plant is covered in transit by insurance, how it is insured against non-payment and so on. He could have given the house one or two such examples in layman's language that all of us might have been able to follow a little better.

I should like to ask the minister why it was necessary to bring in this bill when the Export Credits Insurance Act has done a remarkably good job. I would not want to see the Export Credits Insurance Corporation passed over without paying tribute to it for the wonderful work it has done in providing export credit insurance and the help it has given many Canadian companies. Its profit and loss statements and its record of performance have been nothing but the best. Therefore I am at a loss to know why we need a new, fancy-named act. Why not amend the Export Credits Insurance Act by making the few changes to which the minister has referred? The changes are so few that I do not see the necessity for introducing a new act to be known as the Export Development Act. It seems to me that this government is prone to change for the sake of change. I do not think the minister has presented any really good argument for not amending the existing act. However, the government has seen fit to scrap the old act and to bring in a new one, and the bill is now before the house for a vote on whether it should be sent to committee for further study.

Since the bill is going to committee my remarks will be brief. Members of the committee will have the opportunity to ask many questions. I hope the minister will be present

at all times in the committee or, if not the minister, his assistant, and also the officials of the Export Credits Insurance Corporation so that all questions members may wish to ask in regard to the proposed new Export Development Corporation may be answered fully and completely.

I do not think I need take the time of the house to deal with the necessity for legislation in this field. This subject was dealt with fully when the house set up the Export Credits Insurance Corporation. We all know the great value of exports to our country; indeed, they are vital. There are 21 million people in Canada with the ability to produce four or five times the production we require, whether of primary or secondary products. Therefore it is essential to export and export to the limit of our capabilities. It is good that this insurance has been made available to our exporters. I do not suppose that many hon. members, particularly those representing urban areas, have in their constituencies manufacturers who have not availed themselves of the credit facilities offered by the former corporation. Similar facilities will be made available under the new legislation.

• (4:00 p.m.)

I wish to direct a few questions to the minister in order that the committee may have the benefit of the answers. Before doing so may I say that the answers to these questions will not meet the problems faced by our exporters. One of their greatest problems is the non-tariff barriers, for want of a better term, of other countries. For instance, there is a non-tariff barrier in the United Kingdom with regard to electrical products. They will not allow a Canadian manufacturer of heavy electrical equipment to tender in their market; they do not accept tenders from offshore countries. Canada allows United Kingdom electrical apparatus manufacturers to tender here. Their tenders are accepted from time to time and we purchase equipment from offshore countries that will not accept tenders from our manufacturers. This illustrates one problem facing our exporters which is not covered by the new bill.

Italian manufacturers paying low wages export their products to Canada and our local manufacturers have to compete against those products. The competition is severe, particularly in electrical appliances. The Department of National Revenue imposes corporation and income taxes on our manufacturers, taking up to 50 per cent of their income from them,