

Canagrex

numerous steps to build on Canada's potential as an agricultural trader. We have demonstrated in tangible terms that the key to agricultural trade development is not necessarily through the creation of new Crown corporations or new agencies. Rather, it is through the creation of a positive environment for exporters, through a stronger commitment to interdepartmental co-operation and through closer working relations with the private sector.

In retrospect, it is clear that the initiative announced two years ago to dissolve Canagrex was indeed a sound and responsible initiative, one which was in the best interests of Canadian agriculture. I would, therefore, urge all Members of the House to support the Bill which is presently before us.

Mr. Maurice Foster (Algoma): Mr. Speaker, I am not very happy to see this Bill before the House again today. However, I am glad to respond to the comments made by the Minister of Agriculture (Mr. Wise). Bill C-2 is essentially a plan to disband the Canagrex organization, to drive a few more nails into the organization so as to complete the work the Government started on black Thursday, November 8, 1984 when it cut all the funding to Canagrex. The Minister went into great detail with respect to what a great job he is doing, especially in terms of cuts.

• (1510)

When the Estimates regarding Canagrex were before the committee he told us he would outline in great detail how much funding there would be and how the Department would compensate for the loss of Canagrex. If one looks at the Estimates for the Department of Agriculture one is hard-pressed to find any mention about additional funding for agricultural commodity exports. In fact, the Government proposes to cut some \$50 million per year, as well as deindex department funding. I will never understand how agriculture, which is facing the most difficult times since the 1930s, can survive and regain its equilibrium with a Government that is constantly cutting to the bone the funds and resources of the Department of Agriculture. For instance, this year some \$23 million will be cut from the research budget. In 1984 the Farm Credit Corporation had something in the order of \$825 million in its budget for agriculture loans. This year that figure will be reduced to around \$200 million.

We have a Government which is hell-bent on assisting something in the order of 25 per cent of farmers get out of farming, and it brags about it. It is incomprehensible for me to understand how the Minister can face farm organizations and act as if he is really doing something for farming when in fact his motto is cut, cut, cut. Our agriculture economy faces incredible difficulties in terms of the grain sector, the farm debt crisis and the cost-price squeeze. It seems to me that the Government has its priorities mixed up when it puts at the top of its list in a new session of Parliament the destruction of Canagrex, when some two years ago the money was already removed from it.

Canagrex was designed to provide and assist the export by producers of relatively small quantities of agricultural commodities into the international market. Nowhere in the Government's manifesto of 1984 is there a comment about destroying Canagrex. In fact, the Prime Minister (Mr. Mulroney) talked about making Canada a superpower in terms of agriculture exports. Yet the Bill before us would destroy Canagrex. It is like many other promises made by the Government at the time of the 1984 general election.

For instance, at that time members of the Government said they would allow the Farm Credit Corporation to offer agribonds so that farmers could have access to reasonably priced funds. That promise was never kept. They also promised to revise Section 31 of the Income Tax Act to reflect the principles of equity. That promise was never kept. They promised to expand agriculture research and development by providing greater assistance to agriculture colleges to amend tax policy to encourage private sector investment. Those promises were never kept.

It was promised that a board of authority would be established to control tobacco production and prices. That promise was never kept. Members of the Government promised to expand the Prairie Farm Rehabilitation Act into a national farm and forest rehabilitation Act. That promise was never kept. They promised to allocate the necessary funding to assist producers in refinancing their loans at prevailing rates. That promise was never kept. They promised to impose an effective fast-track tariff policy so that responsive action could be taken to protect producers by imposing import restrictions when necessary. That promise was never kept. One need only ask the Canadian Cattlemen's Association in respect to that promise. Increased exports and stimulated production to meet those export demands were also promised. The Government's answer to that seems to be to destroy Canagrex, an agency designed to assist those producers of agriculture commodities which form a large magnitude of exports sales.

If Canagrex were operating today, and if the money had not been cut off two years ago by the Tory Government, the domestic and export sales of agricultural commodities would be promoted. Market analysis would be under-way in foreign countries. In fact, I think that in the five months that the entity was in operation it conducted analyses in some 17 countries. The markets were looked at to see how our agricultural commodities would have to be adapted, packaged, processed or delivered in order to make those sales.

Mr. Malone: How many silos did it build?

Mr. Foster: I would be glad to get to that, if the Hon. Member would listen.

If Canagrex were in operation today it would be working with producers in terms of group shipments for smaller volumes of commodities which are not practical to ship individually but where several sales from across the country could be co-ordinated and assisted. If Canagrex were in operation the Government would be working in joint ventures