

*Canagrex*

Canadian agriculture abroad somehow it is original sin, is to miss the facts of the history of our country.

When one looks objectively to see what Canagrex actually succeeded in doing, one sees that it was not the great fire-breathing dragon trying to get rid of the private sector as the previous Member suggested. It was, instead, a pragmatic, sensible agency meant to try to broaden our markets throughout the world and penetrate new markets which we had not previously succeeded in penetrating.

For instance, I quote from the comments of the President of Canagrex when he spoke before the Standing Committee on Agriculture in 1985. He described some of the things which Canagrex was actually carrying out. He said, "We were determined that we would leave the buying and selling to the private sector", which makes quite a mockery of the heart of the argument of the previous speaker who said that what was really devastatingly wrong with this dragon called Canagrex was that it was going to buy and sell. The head of Canagrex told us quite clearly and bluntly that it did not intend to buy and sell in the private sector. Instead, the objective of Canagrex was to "facilitate sales and provide information". What more common-sense, pragmatic approach could you possibly look for than that? I could go on with some of the actual facts which demonstrate what Canagrex was all about. I will continue to quote from the remarks of the President and Chief Executive Officer of Canagrex. He said:

For example, we had a pork producer accompany our mission to Singapore. We had a potato producer travel with us to Cuba. We also had tobacco growers travel with our group to Egypt, Hungary and Czechoslovakia, where we initiated the negotiation process to assist in selling tobacco to these markets.

● (1730)

I might say that the Minister of Agriculture (Mr. Wise) would have far less of a problem facing his constituents in Elgin if he could point to Canagrex and say that the Government managed to find new markets through Canagrex which have succeeded in expanding their potential market, despite the fact that tobacco consumption in Canada is declining so dramatically.

Mr. Story went on to say:

We were in the process of building close relationships with central buying agencies and private buyers in these and many other markets. We also conducted similar market development programs in the Phillipines, Colombia, Panama and Venezuela. The valuable market information which we gathered was fed back to the Canadian industry.

It was not sent back to that building of bureaucrats which the Member who spoke previously held up as somehow being the symbol of Canagrex. Rather, the information was fed back to the Canadian industry itself where it could do a good job in opening up new markets and providing that industry with new potential.

I see the Minister ducking in and out behind the curtains because he is undoubtedly embarrassed by the fact that tobacco farmers in Elgin County could have gained so much more from a Canagrex that was carried forward in this common-sense, practical way.

I am certain that is why the Minister first supported the notion of Canagrex when it was brought before the House. It was only through the pressures from his colleagues from the west, who I believe have always perhaps taken too ideological an approach to the farmers in our country, that he was forced to change his mind. I believe we must recognize that this common-sense, practical agency had managed to build new markets and new potential for all of us. Let me also say as an economist that it had done so at a most remarkably cheap price.

The question was asked: What was the cost to the Government of all aspects in establishing Canagrex? I want the House to remember this price when we are given this image of a huge building full of bureaucrats. The total price in establishing Canagrex was \$2.659 million. Let us compare that to the free trade negotiations which have cost the Canadian taxpayer almost \$2 million and so far have brought us nothing but disaster. When I make that comparison I cannot expect that less than \$3 million for Canagrex would have represented some kind of colossal expenditure which would bankrupt the Canadian taxpayer. It is exactly the contrary.

In addition to that very low cost we must recognize that this agency was also succeeding in expanding its activities considerably. We see the same answer from the Minister of Agriculture, which tells us quite clearly that we had total sales of \$16 million which Canagrex carried out. In addition—noting that this is not the head of Canagrex but the Minister who is providing this answer—there were transactions in process worth a potential \$100 million, expected to be finalized by March 31, 1985. This agency, which cost less than \$3 million, established this dramatic record within the first year of its operation. It achieved a sales record of potentially close to \$116 million.

We have the further testimony from the head of Canagrex itself, which suggests that this was very much underestimated. Speaking to the same Standing Committee on Agriculture, he suggested that as of March 11, 1985, Canagrex was involved in potential projects of approximately \$162 million.

It seems to me, as trade critic for our Party, that this kind of trade expansion, the penetration of foreign markets, and tremendous thrusts into the rest of the world are exactly what we should be doing in the context of our agriculture. This expansion is being severely limited by the United States Farm Bill. I believe all of us in the House have expressed our regret about that Bill, but as one who went to Uruguay as an observer with the GATT negotiations which took place there, I must address the previous speaker's comments that, "We have worked as hard as we possibly can in order to reduce that pressure from the United States with respect to the U.S. Farm Bill". In fact, through the Cairns group in which we rather weakly participated, and through the GATT conference itself in Uruguay, we experienced a major defeat which should be recognized as such.

While it is quite true that the question of agriculture was put on the agenda, it was not taken on in such a way that it