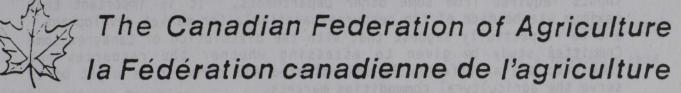
APPENDIX "C-2/1"



75 ALBERT ST. STE 1101 OTTAWA ONTARIC K1P 5E7

November 4, 1986

TELEPHONE (613) 236-3630 (613) 236-9997

Mr. Marcel Tremblay Chairman Legislative Committee 180 Wellington St. Ottawa, Ontario

Dear Sirs:

Re: Bill C-2

The Canadian Federation of Agriculture is regretfully unable on such short notice, to attend the Committee hearing on Bill C-2 - An Act to dissolve Canagrex.

The CFA was strongly in support of the development of Canagrex as a specialized agency to develop and service export markets of agricultural commodities. This support grew out of the experience of various agricultural marketing organizations that there was a lack of attention to the specific needs of the agricultural sector in many of the Canadian foreign posts; as well as a lack of programs, and integrated and co-ordinated services by Canadian government departments and/or agencies.

The CFA accepts that the Government has taken the decision to dissoive Canagrex. The needs continue, however, for the services for which Canagrex was organized although we recognize that various changes have been made to Government support structures. The Export Development Corporation now provides various insurance services to meet some of the needs which existed. Beyond that, however, there are different kinds of programs required for different commodities, with different marketing organizations, and for different markets. Specifically some of the kinds of services needed are for market development and promotion in potential markets; long-term financing; programs to ensure continuity of supply; integrated marketing programs; insurance; and assistance to ensure streamlined management of customs services, and the like.

Marketing services are now provided by Agriculture Canada; External Affairs; the Export Development Corporation, with certain