

We have a need to promote Canadian agricultural knowledge, expertise and food production. If we send the proper people into the markets of the world, many more markets could probably be found for various Canadian products than is presently the case. The department of agriculture of the United States sent some experts to the Middle East who found there a tremendous potential market for food products, and by creating the proper industrial capacity for processing they were able to open up a tremendous market for the farmers. They provided loans in order that these countries could purchase these food products on a long-term basis.

● (1440)

Until we begin to follow the example of some countries in the world, as we did in the 1950s when we were leaders in finding new markets, we may find that once Canagrex is operating it will not be able to compete with those countries who are now doing the job properly and competing with us.

There are very many capable farm commodity groups and agricultural exporters in the nation which are operating under very restrictive budgets at the present time. For example, the Alberta pork marketing board has had some success under a very restrictive budget.

Mr. Whelan: A pork marketing board in Alberta?

Mr. Schellenberger: It is a true marketing board, not a supply management board. It has been able to obtain contracts with Japan for the sale of hogs. It has sent a representative to New Zealand who found a market for a shipload of pork. We have been importing substantial amounts of lamb from New Zealand for years, but there has been no *quid pro quo* in terms of Canadian products such as pork going into that market.

Mr. Whelan: We have always sold pork to New Zealand.

Mr. Schellenberger: If we funnelled some funds into the management of these boards that have experienced some success under the direction of our better private exporters, they could expand their operations and assist Canada's trade embassies around the world in finding additional markets for our products.

We ought to question very thoroughly the amount of funds which are being set aside under this bill, as to whether they can be better spent for the benefit of farmers. I am somewhat concerned when I read Clause 14, which sets out the various purposes and powers of Canada. They seem far more than what is necessary for a trading corporation. If Canagrex does not like the produce of farmers, under these regulations it could become involved in the business. For example, Saskatchewan now has 165,000 quarters in the land bank. If Canagrex felt that the products of farmers of that province could not be sold, under the bill presumably it could take over the land and farm it. Clause 14(1) provides that Canagrex may:

(a) purchase agricultural products and food products and package, process, store, ship, insure, import, export or sell or otherwise dispose of products purchased by it;

Canagrex Act

Under the philosophy that centrally controlled is best Canagrex could become competitive with private co-operatives, crushers, processors and packers. I do not know whether we as a government should allow it such latitude. The clause continues by providing that Canagrex may:

(g) purchase, lease or otherwise acquire and hold real and personal property for actual use by Canagrex in the operation and management of its business—

“Otherwise acquire” obviously means expropriate. Approximately 20 opportunities have been provided in the bill for Canagrex. They have included everything but the kitchen sink, so that the corporation can do almost anything if, in its wisdom, it feels it will better operate as an export agency. All parties should take a close look at the various latitudes being offered this corporation.

In conclusion, we require some long-term leadership in the direction of our agricultural industry. There are serious difficulties facing farmers in being able to balance their budgets at present. Farmers are required to produce more and their costs are rising faster than their receipts. If we do not have the leadership faster than their receipts. If we do not have the leadership we require in transportation, even if farmers are capable of producing they will not be able to ship their products to port. We are importing more and more food into Canada, but we have the capacity and research capability to produce most of it in the nation. We require leadership, but we are not obtaining it from the Minister of Agriculture or the government. I hope a viable industry will be in place when we take over and provide leadership in the next few years.

Farmers realize the need for export capacity. They know it is in their best interests to increase exports, but as has been the case over the last number of years, if we allow our capacity to decrease to only eight or nine representatives in the world, undoubtedly farm groups will say that we should give Canagrex a try. This is why the minister has been able to raise some support for the bill. We in this party will study this piece of legislation very thoroughly in committee and attempt to amend it where necessary.

Hon. Michael Wilson (Etobicoke Centre): Mr. Speaker, I wish to address two particular aspects of Bill C-85 to establish a corporation called Canagrex, in particular, the role of Canagrex, its wide powers, its impact on the entire Canadian food producing industry and its relationship to consumers.

We in this party have never opposed Crown corporations just for the sake of opposing them. On many occasions in the past we have supported the incorporation of Crown corporations and in fact were instrumental in the creation of the Bank of Canada, the CBC, CNR and so on. It is essential that there be a very clear role for a Crown corporation before being subjected to the expense and potential disruption which can be caused by its creation.

Within that context I should like to look at the role of Canagrex, particularly in relation to existing export mechanisms and facilities. What can Canagrex do that the private sector is not doing or cannot do, if the correct policy environment is in place? Carrying it a step further, how can Canagrex