

HOUSE OF COMMONS

Tuesday, April 5, 1966

The house met at 2.30 p.m.

TRANSPORT AND COMMUNICATIONS

CONCURRENCE IN FOURTH REPORT OF STANDING COMMITTEE

Mr. Joseph Macaluso (Hamilton West) presented the fourth report of the standing committee on transport and communications, and moved that the report be concurred in.

Motion agreed to.

[*Note: Text of foregoing report appears in today's Votes and Proceedings.*]

● (2:40 p.m.)

TRADE

MAINLAND CHINA—INCREASED WHEAT SALES AND QUOTA LIST ON EXPORTS

Hon. Mitchell Sharp (Minister of Finance): Mr. Speaker, I ask leave of the house to table a press statement being issued today by the Canadian Wheat Board announcing the increased quantities involved in the new long term wheat agreement between the board and the China National Cereals, Oils and Foodstuffs Import and Export Corporation.

Mr. Speaker: Does the minister have leave to table this document?

Some hon. Members: Agreed.

Mr. Sharp: Hon. members will recall that both parties concluded an agreement last fall covering the sale and purchase of from 112.0 to 186.7 million bushels between August 1, 1966 and July 31, 1969. It has now been agreed that the quantities involved will be increased to a minimum of 168 million bushels and a maximum of 280 million bushels over the three year period. At maximum levels the total value of wheat shipments under this agreement will be approximately \$550 million.

The board also announced the first sales contract under the revised agreement. The contract calls for the shipment of 59.7 million bushels of wheat during the first five months of the new crop year.

The new long term agreement provides for credit terms of 25 per cent cash and 75 per

cent in 18 months, which are identical to those in the previous agreement. A revolving credit level of over \$200 million was required to facilitate this agreement and the government will provide the credit guarantee which makes this business possible.

I should also like to advise the house that agreement has now been reached as to the quantities of sensitive goods which the Chinese export organizations may export to Canada for the year beginning August 1. It will be recalled that when the new long term agreement on wheat was signed last October it was agreed that the annual dollar value ceiling on exports of such products should be fixed at \$10 million per year. The individual product quotas were to be settled later. This has now been done.

With the consent of the house I would like to table this new quota list, and may I suggest that for the convenience of hon. members it be printed as an appendix to *Votes and Proceedings*.

Mr. Speaker: Is that agreed?

Some hon. Members: Agreed.

Hon. Alvin Hamilton (Qu'Appelle): Mr. Speaker, we have been expecting this announcement since last fall, when the Chinese delegation visited Canada and negotiations were started in relation to the additional approximately 30 million bushels per year. At that time some of us hoped that the agreement would be extended for a five year period, but be that as it may, I am very grateful, speaking for western Canadians and I hope all Canadians, that we have been able to supply the extra 30 million bushels to meet the Chinese needs.

I hope, too, that the government will consider very seriously not only the final establishment of the list of sensitive goods the Chinese can export to Canada, but the pledge the previous minister offered to the Chinese in relation to the setting up of a non-official trade office here in Canada. The Chinese have these offices now in more than a score of countries, and I am sure they would take it very kindly indeed if we gave them the opportunity of putting one or two of their people here so our importers could contact them in Canada to arrange for the import of