

Canagrex Act

They have to have a profit to survive. Increased export sales of their products would be one way of accomplishing this.

Some hon. Members: Hear, hear!

[*Translation*]

Hon. J.-J. Blais (Minister of Supply and Services): Mr. Speaker, first I wish to congratulate the member for Grey-Simcoe (Mr. Mitges) on his speech. Indeed, the main objective of this legislation is to promote exports of our agricultural products. It is therefore clear that we are not going to discuss other priorities until we have dealt with the main purpose of the bill. Second, the hon. member referred to the matter of the Crown corporation. I agree that a study is essential. I do not see why he is against the principle of Crown corporations, because in the agricultural sector, the most effective tool we have at the present time is the Canadian Wheat Board.

[*English*]

The Canadian Wheat Board, as the hon. gentleman knows, is one of the most efficient operations in the international marketplace in terms of marketing grain. I commend to the hon. gentleman a book which was published last year entitled, if I recall correctly, "The Merchants of Grain", which does a pretty good job of describing the international grain market. The only institution not in the private sector which is mentioned as being an efficacious one and a very profitable one is the Canadian Wheat Board. In effect, Canagrex is coming in with a good Canadian history of the use of Crown corporations in terms of marketing effort.

Mr. Thacker: Do you believe that? If you do, you believe in Santa Claus.

● (1620)

Mr. Blais: I believe in that. I have the proof. We can look at Canadian history in terms of the profitable use of Crown corporations in order to fill huge gaps that the private sector has ignored. If there is one gap it has ignored, it is the marketing of agricultural products for exports.

The hon. member for Kamloops-Shuswap (Mr. Riis) identified this bill as being one of the major pieces of legislation to be introduced. I fully agree with him. For that I commend the Minister of Agriculture (Mr. Whelan). When we were dealing with the initial stages of this bill last week, one member of the opposition had the temerity to state that this Minister of Agriculture had not been very active. I asked for a review of the highlights of this minister's career. I identified 50 major policy issues and initiatives taken by this minister. This measure is one of the most important he has brought forward. It is not only important for today but will be crowned with satisfaction and glory because of the benefits it will provide to Canadian farmers.

I commend and congratulate the hon. member for Parkdale-High Park (Mr. Flis) on his participation in this debate. I can understand his interest. He was chairman of the Special Committee on the National Trading Corporation. That committee recommended the establishment of a national trading

corporation. It does not yet exist. However, Canagrex is directly in accordance with the recommendations of that task force. I am pleased that Canagrex is now going to assume an aggressive role in the international marketplace in order to market Canadian products.

There is a tendency in some commercial circles to feel that because we are Canadian, somehow those who need our products will come here to place their orders because we have these wonderful products to sell. Nothing could be further from the truth. The major trading nations today are the most aggressive, most profitable and have the most viable economies.

Japan is always given as an example. The reason for its economic state today is that the Japanese go into the international marketplace and peddle very efficiently. Before introducing a product, they conduct a market analysis to see what requirement there is for the product being contemplated. Once a demand for the product is identified, they encourage its production.

Taiwan is another example. I spoke with a member of the opposition who had made a recent trip to Taiwan. The hon. member for Peace River (Mr. Cooper) indicated quite candidly that he was impressed with the marketing efforts of the Taiwanese. I, too, made a trip to the Middle East and south-east Asia. In Hong Kong, Taiwan and Malaysia the major activity was marketing. Without marketing, you do not liquidate your inventory. If you do not liquidate your inventory, you do not manufacture. Without manufacturing, there is no employment. Without employment there is unemployment.

This sector of the economy is essential. Canada has been an agricultural country since its very beginning. When my ancestors came here in the late seventeenth century, they did not trade furs. They began farming on Isle d'Orleans. Subsequent generations also engaged in farming. The family of the Minister of Energy, Mines and Resources (Mr. Lalonde) have occupied the same farm for nine generations. Therefore, we have been an agricultural-based country since our inception, and it shows. As the hon. member for Kamloops-Shuswap said, we are a net exporter. In 1980 we had a \$4.3 billion surplus in agricultural products. As he indicated, without grain there would be a net deficit of close to \$300 million in agricultural products. We have a surplus in that area of agricultural production in our international trade stimulated by a very strong Crown agency, the Canadian Wheat Board.

We have a deficit in the other sector because we are not marketing our agricultural products in the way we should. Most international dealings with regard to agricultural products are government to government and are handled through the export supply centre acting on behalf of the Canadian Commercial Corporation. Last year I signed a contract on behalf of the CCC with Algeria for the sale of \$66 million worth of canola oil. That was a marketing effort made by Industry, Trade and Commerce. They identified the market and filled the requirement.

Our record in terms of marketing agricultural products has been very aggressive. Canola oil is a typically Canadian product. It is a research and development effort of the Department