

Canagrex Act

We have looked at the minister's document, which has been distributed, entitled "Challenge for Growth: An Agri-food Strategy for Canada". It does contain some very lofty challenges and proposals. We have considered the potential of annual farm cash receipts growing to \$35 billion in today's dollars by the year 2000 from the current level of \$15 billion. The minister talks about the thousands of jobs, not only directly related to agriculture but, indeed, in relation to the processing, distribution and transportation of agricultural products, which can be created, and the importance of the agricultural industry to Canada's balance of payments position.

I think we all agree that we have the potential and clearly the desire, as well as the people who are engaged in this industry who can put their shoulders to the wheel to produce, providing we have the right climate the right set of fiscal and monetary policies and the kind of incentives and markets necessary to ensure a continuity of supply.

I agree with the minister when he stresses the importance of trade in agricultural products, and to the extent that the creation of this organization will assist in promoting agricultural trade, to the extent it will strengthen the welfare of the production segment of agriculture, to the extent that this organization can strengthen our penetration abroad, we are naturally encouraged and will support the concept. To the extent it will provide greater opportunities for our farmers and to the extent it will provide greater equity, strength, stability and a better return for our farmers, we will support the objective.

We know at this particular time that the outlook for the agricultural industry is not very promising. Commodity prices have levelled off, in fact have decreased, while input costs are continuing to rise. We note that in the recent reviews of the agricultural industry it is predicted that net agricultural farm incomes will fall by 15 per cent in the next year. That is not a very healthy prospect. I note that the minister does not argue with that figure. I am sure and know he is concerned about this, but one has to change the agricultural policy in relation to that backdrop.

Many question the need for the creation of another Crown corporation, particularly when we already have a myriad of Crown corporations, government agencies and departments. If any criticism can be levelled at the export of agricultural products, it is the fact that they have not utilized these various agencies in an effective and co-ordinated fashion. Many Canadian farmers are becoming increasingly concerned about the creation of Crown corporations, government boards, task forces and advisory boards in order to create vacancies which can be filled by political appointments.

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In last week's edition of *Agriweek*, notice was given to the effect that provincial marketing directors criticized the creation of Canagrex. They claimed that the food export agency will duplicate what private firms and federal departments are already doing. A critique said that the agency is bitterly

opposed by many private exporters and not supported by most Canadians. I am not sure whether the case has been made for the need. Certainly we are not arguing about the desired objective with respect to agricultural exporting, but we should seriously question whether the mechanisms are in place now and whether we lack leadership and co-ordination.

The Department of Industry, Trade and Commerce has voiced some fears about the creation of this Crown corporation. It has commenced a campaign extolling the virtues of the work the department has done and is able to do to facilitate the export of food and agricultural products. While the objectives may be lofty and desirable, we really wonder whether the creation of another bureaucratic monster will serve the ultimate purpose for which it is intended.

A very distinguished Canadian who has spent his lifetime in agriculture had something to say about the continual encroachment of government within the production, marketing, distribution and transportation of agricultural products. I suppose these comments could apply to all industry in Canada, but Mr. Mac Runciman who led the United Grain Growers for many years spoke bluntly and openly. He suggested that the continual encroachment upon the lives of farmers, and indeed upon the lives of all people in the agricultural industry, will have grave and serious consequences with regard to their economic freedom in the future. He has signalled a warning which I think we should all heed.

The government seems committed to downplaying the worth and need of the private sector. I detected in the minister's remarks that in many respects the government is giving up on the private sector and that its major thrust is directed toward centralized government control. This was clearly evident in the opening remarks of the minister when he said, as reported on page 14288 of *Hansard*:

—I am convinced we will not be able to open up the necessary markets for food which Canada is ideally situated to supply unless we have a Crown corporation such as Canagrex to represent Canada in the world marketplace.

This statement is somewhat strong. He is really saying that we have been an absolute failure in the past and that without this bureaucratic monster we will never be able to achieve our place in the sun. I think that statement can be challenged, particularly when one looks at the remarks to which I referred wherein provincial marketing directors take issue with this corporation and make reference to the fact that many private exporters are bitterly opposed to it. This is a clear indication that they will be very seriously and directly affected by the role of the organization in the export of agricultural products.

We almost heard the same when the government brought in the bill to establish Petro-Canada. Members of the government said that we could never achieve oil self-sufficiency in Canada without Petro-Canada. This creature has cost Canadians approximately \$4 billion, and today we are more reliant upon imported oil than we were last year. Last year we were more reliant upon imported oil than we were the year before, and next year we will be even more reliant. Now we find that Petro-Canada is increasing its imports by 25,000 barrels per