

Canagrex

In addition, I think this bill is important because it addresses the export performance of the agricultural industry. We are all aware of the hard economic times we have been going through in which interest rates have been causing severe problems for small business and farmers. The one bright spot in the economy, probably the brightest, is the fact that agricultural exports from Canada continue to earn record amounts of foreign currency. Not only is agriculture important for our domestic wellbeing in providing us with a high standard of living, it is also important with respect to our foreign exchange. Every day in question period we are told by the Minister of Finance (Mr. MacEachen) and we are told time and again by the governor of the Bank of Canada that we have to protect the value of the Canadian dollar because if we let it fall our imports will cost more money. This includes imports of food such as oranges from Florida, and other fruit and fresh vegetables from California. As our dollar falls in value it makes those imports more expensive, which adversely affects the value of the Canadian dollar and adds to our interest rates.

To counter this reaction we are told that we must raise interest rates. I suggest one method for protecting the Canadian dollar without the necessity of raising interest rates to attract money into Canada which we have to repay is simply to sell those commodities which we produce. That is precisely what agriculture has been doing. I submit that it has been doing a good job here as well.

This bill basically deals with agricultural exports. I think that many of us justifiably feel that Canadian companies and producers have generally been doing a good job in maintaining exports. Certainly, the government has a role to play in the export field. The reason for my amendment is that many people feel that the government should not be directly involved in exports. Many of us feel that the government does have a role to play in helping not only agricultural exports but all exports of Canadian produced commodities. But I would submit that that role should be primarily to keep Canadian producers as productive and therefore as competitive as possible with foreign countries. Our chief agricultural competitor, as we all know, is the U.S. It should be this government's main job in terms of agricultural exports to see that the Canadian farmer is able to compete on a favourable basis as far as costs of production, interest rates, fuel prices, trading arrangements, and tariff and non-tariff barriers with the Americans.

● (2020)

We are dealing with a very important topic here this evening. Just to quote the figures, the total agricultural industry produced something like \$17 billion worth of goods last year. That is a lot of money. Of those goods, we exported a great amount. We also imported some, but if one takes the amount of goods exported out of the country and subtract that from the goods that we imported, one finds that agricultural exports were still in a \$4 billion surplus position. That is a very important factor in relation to our foreign exchange, keeping our dollar competitive and keeping us competitive with the Americans.

To discuss the bill in somewhat general terms, since the amendment before us this evening is to the long title, our basic concern on this side is with the buy and sell provisions of the measure, with the provision which will allow Canagrex, if passed in its present form, to engage in the export of agricultural and food products from Canada. The bill is presently entitled, "An Act to establish a corporation called Canagrex, to promote, facilitate and engage in the export of agricultural and food products from Canada". The motion would simply remove the words "and engage" from the long title, which would then read, "An act to establish a corporation called Canagrex to promote and facilitate the export of agricultural and food products from Canada".

We need the promotional aspects of this bill and some of the other things that the bill would provide. For instance, we would welcome the additional financing and credit guarantees that it would provide. If one looks at the list of amendments that we have proposed from this side, one will find that the majority of them express a concern over the buy and sell provisions of the bill. They are related to Clause 14 of the bill which would give this Crown corporation the power to become really involved through joint ventures and even to go as far as becoming engaged in the actual production of food in this country.

The government has a responsibility and a legitimate role to play with regard to exports. Among them would be the promotion of agricultural goods around the world. It also has a role to play with regard to credit guarantees when dealing with certain foreign countries where the risk may be great. The government may have a role to play in assisting private enterprise which is in the business of exporting agricultural products where the risk may be such that the private enterprise company could not stand the loss of a sale to a part of the world where credit may be a bit shaky. The government could assume some of that risk and assist in providing guarantees of credit.

Another area which is somewhat similar would involve export insurance, and I think the government has a legitimate role to play here. The fourth area which is implicit in the bill, and which we welcome, deals with the long-term and short-term assessment and analysis of the demand by foreign countries for certain agricultural goods produced in Canada. Many of these things are presently being done. The Department of Industry, Trade and Commerce has a very extensive program involving four or five areas to which I have just referred. In terms of the long-term supply and market demand and analysis of what is going on in other parts of the world, it would indicate to Canadian exporters where they should be looking. We do have trade commissioners in some 70 countries, the list of which I have in my hand. We do maintain commercial offices in our embassies, literally around the world. Just to name few of them, they include Algeria, Costa Rica, The Ivory Coast, Kenya, Morocco, Jamaica, Nigeria, Korea, Kuwait, Mexico, New Zealand and Pakistan.

The assessment of the witnesses we heard before the Agriculture Committee in relation to this bill was that those