

# HOUSE OF COMMONS

Tuesday, June 7, 1983

The House met at 11 a.m.

● (1105)

## GOVERNMENT ORDERS

[English]

### CANAGREX

#### MEASURE TO ESTABLISH

The House resumed from Thursday, July 29, 1982, consideration of Bill C-85, to establish a corporation called Canagrex to promote, facilitate and engage in the export of agricultural and food products from Canada, as reported (with amendments) from the Standing Committee on Agriculture; and Motions Nos. 1, 6, 7, 8, 9, 10, 11 and 12 (p. 19829).

**Mr. G. M. Gurbin (Bruce-Grey):** Mr. Speaker, it seems like only yesterday but in fact it was July 29, 1982, when I was interrupted in my speech on Canagrex. During that time little has changed. During that ten-month period the Minister of Agriculture (Mr. Whelan) has made two interventions in the House of Commons, one to bring in closure on Canagrex, and one to bring in closure on the Crow Bill. Little has changed and we are now forced to the end of a debate on a Bill for which there is no consensus and over which there is major concern. In the meantime, throughout those ten months approximately 10,000 agricultural and business bankruptcies have occurred in Canada.

This little Bill, as it is called by the Minister, would establish a Crown corporation for the promotion and facilitation of and engagement in the export of agricultural products in Canada. The root problems of Canadian agriculture do not lie in the failure of our export markets but in the inability of farmers to achieve commodity prices that can compensate them fairly for the high interest rates and high energy prices which are part of Liberal Government policy. The root problems of our ability to increase agricultural exports are tariff and non-tariff barriers in other countries, or the poverty that exists in countries where food is really needed and their inability to pay for our products.

All of Canadian agriculture, whether supportive of this Canagrex Bill or not, has been disappointed and dismayed at the neglect of the Government and the inability of the Minister of Agriculture to face agricultural problems in a constructive way. There is the Minister's failure to influence the Minister of Finance (Mr. Lalonde) to bring in, in the last budget, effective long-term financing measures. There is his continued support of Liberal Government measures which have doubled

fuel costs and added significantly to fertilizer costs for farmers in Canada, the failure of the Minister to support a stabilization plan for the hog and beef industries, and his failure to ensure a fair tax system for capital gains and farmers who must work off the farm to survive. None of these things would be quite so bad if he had not promised them repeatedly.

Canagrex has its supporters and its detractors. As part of its support, I would quote the Ontario Federation of Agriculture who said:

It appears to us, hearing the discussions to date, that many of the opponents to Canagrex have painted the worst possible scenario, depicting the crown corporation as a threat to free enterprise. We believe that it will be a boon to free enterprise, especially to small producers of agricultural and food products. Canada's farmers need the assistance and expertise such a body could offer, to allow us to compete effectively in the world marketplace.

The *Toronto Star* wrote an editorial in support of Canagrex. It said:

On the other hand, increased exports could allow farmers to produce more and receive the incomes they need without having to impose price increases on the consumer. In fact, properly handled, the Canagrex activity could allow Ottawa to move away from the use of food marketing boards which regulate food production and prices—and which have been shown to add considerably to consumer costs.

But it also has its detractors, Mr. Speaker, among whom are the Canadian Agricultural Market Development Advisory Council who make several points:

(A) Enabling legislation should be abandoned because the need for the formation and existence of Canagrex has not been justified in the discussion paper.

(B) Lack of qualified, experienced personnel.

(C) The proposed funding for Canagrex would be more effectively used if added to the budgets of I.T. & C., E.D.C., and C.C.C.

(D) The proposed "Policy Advisory Committee" for the proposed Canagrex might well be a good adjunct to assist I.T. & C. with their policies and programs, and to gain some inputs from the private sector.

(E) If Agriculture Canada would employ its resources for agricultural export marketing by assisting IT&C, this would be much more profitable and come closer to the 'one-stop-shopping' suggested in paper as being desirable.

● (1110)

Finally:

Agriculture Canada's concern with 'import replacements' could, and should, be handled by them but does not require Canagrex.

In addition, *The Globe and Mail* wrote an editorial opposing the proposed legislation of Canagrex as it has been presented by the Minister. I quote from it as well:

Those who oppose the bill believe that it is an unwarranted Government intervention in the agriculture and exporting businesses. Earlier this year the opposition parties kept it for four months in the Commons Agriculture Committee and forced a considerable number of changes, among them that Canagrex could not itself go into the producing end of farming and that its buying and