

Federal agricultural export company planned

Agriculture Minister Eugene Whelan has announced that the federal Cabinet has approved the setting up of a federal agricultural export corporation to be called Canagrex.

"Canagrex's job will be to increase the volume and variety of sales of Canadian agricultural products," said Mr. Whelan.

The minister said he will soon submit legislation to Parliament to establish Canagrex. The new Crown corporation would have a budget of \$12.3 million for its first three years of operation. This would include funds for its grants, loans and investment program.

Canagrex will provide support such as export financing to would-be exporters. It may also engage in direct selling or

enter into contracts with existing firms or agencies.

Farmers, commodity groups, marketing boards, food processors, provincial governments and others will work with Canagrex in export marketing, promotion and related activities.

"It will identify new market opportunities and generally act as a comprehensive facilitator and marketer. As much as possible, the new corporation will make use of the institutions and mechanisms already in place to expand Canadian exports," said Mr. Whelan.

The new corporation will report directly to the Minister of Agriculture. A board of directors and a policy advisory committee are proposed.

The administration of the corporation would be carried out by a president, vice-president and general manager.

"Many foreign governments wish to deal on a government to government basis; Canagrex will make this possible," said Mr. Whelan.

Agricultural exports are vital to the prosperity of the Canadian food and agriculture sector. Traditionally, agricultural exports have made up 40 to 45 per cent of farm cash receipts. In 1980, Canada exported about \$8-billion worth of food and agricultural products and imported \$5 billion of supplementary products.

Beaufort output predicted

Dome Petroleum Limited of Calgary predicts oil production from the Beaufort Sea should reach 750,000 barrels a day by 1990 and 1.5 million barrels a day by 1995, reports the *Canadian Press*.

In a submission to the National Energy Board, Dome said the Beaufort Sea "has the potential to make Canada self-sufficient in oil production within this decade". Such development will stimulate enormous economic and employment activity, the company said.

Dome, which has been active in the area since 1976, said results from 33 exploratory wells in the Beaufort Sea during the past decade provide substantial evidence that giant oil and natural gas fields exist.

Exploratory drilling program

The exploratory drilling program now set for the area is expected to result in the discovery of five billion barrels of oil by 1985 and eight billion barrels by 1990.

The company said it bases its prediction on the oil discovery rate so far in the Beaufort and a correlation developed from North Sea experience relating to the number of exploratory wells drilled and the resulting oil reserves.

Taking into account exploratory drilling by all operators in the Beaufort, the company predicted that 70 exploratory wells will have been completed in the area by 1985 and 120 by 1990.

The company said that if its forecast production rates are to be met, major capital investments must be made during the next 12 months to create the necessary levels and to test production installations. Direct investments during the decade will be about \$40 billion, it said.

Secretary of State for External Affairs visits Austria and Hungary



CP Laserphoto

Secretary of State for External Affairs Mark MacGuigan (left) is welcomed by Hungarian Foreign Minister Frigyes Puja after his arrival at the Budapest Airport in Hungary.

Secretary of State for External Affairs Mark MacGuigan visited Vienna from March 12-15, to meet with foreign ministers of 11 "co-organizers" of the proposed North-South summit in Mexico.

In November 1980, the foreign ministers tentatively agreed to convene a summit in Mexico subject to further consideration at the meeting in Vienna. The summit would provide a forum for discussing issues involved in the dialogue between developed and developing countries and to consider ways of intensifying international economic co-operation.

Following his visit to Vienna, Dr. Mac-

Guigan visited Hungary, March 16-18, at the invitation of that government.

Canada's bilateral relations with Hungary have progressed rapidly since diplomatic relations were established in 1964, notably in the consular and economic fields. The visit provided the opportunity for review of Canada-Hungary relations and for exploring ways of expanding this relationship. The two sides also exchanged views on international issues of interest.

During his visit, the minister also opened the *Forrestall* art exhibit in Budapest, the first major cultural event sponsored by Canada in Hungary.