

trade in grains must continue to expand to meet this demand.

This meeting demonstrates that all countries, regardless of their size, location, stage of development or economic or political system, have a vital interest in these essential commodities. As history demonstrates, not only are production and trade in grains influenced by major events throughout the world, but they often affect the evolution of these events themselves. Canada has always believed that trade in food, predominantly in grains, is one of the means of bringing nations closer together, of improving their understanding and appreciation of each others' interests and, as a result, their ability to work together.

Thus, it is not a coincidence that Canada has been prominent in the search for the best possible arrangements for the production and trade in grains. We played an active role in helping to bring about the first International Wheat Agreement in 1933, as did a number of other countries represented here. We have continued to pursue strong international co-operation in the grains trade because we are confident that it is not only important to the sector itself but also to the promotion of peace and security in the world.

In recent years, the pursuit of new approaches for the grains trade, combined with broader humanitarian and developmental objectives, has led to the provision of food aid in a substantial and planned manner. Canada realizes that it must take both a short term and a longer term approach to strengthening world food security. In the short term, the hungry must be fed. To this end, Canada provides more than \$300 million annually in food aid. And given current conditions, this figure is likely to rise.

But it is also evident that our efforts must increasingly focus on assisting developing countries to strengthen their own production capabilities so that they can meet to a much greater extent the growing requirements of their populations. For this reason, Canada has made assistance to the food and agricultural sector the number one priority in its development assistance programmes. In the longer term, increased domestic production in developing countries and the economic growth which it will foster, will contribute to, rather than detract from, the international grains trade.

We are all conscious of the role that governments' domestic and trade policies, not to mention natural environmental conditions, have played in the evolution of the world-wide grain sector. Somewhat paradoxically, a situation of