

*Canagrex Act*

veloping new facilities; providing a training program; or bringing together existing expertise in Canada. For example, Canagrex will in no way interfere in or interrupt the progress which has been accomplished in the area of pork exports by private industry and the provincial hog marketing boards. The objectives of Canagrex will be to work with the exporters to investigate the potential for Canadian pork in new markets, in developing the infrastructure necessary to enter a new market, and to provide needed follow-up and back-to-back contracts if required. There is often a need to meet increased competition from our competitors, particularly as related to credit. Canagrex could provide a long-term contract together with supporting credit arrangements.

Members have asked how independent Canagrex will be from the government. The responsibility of the board of directors is clearly noted on page 3 of the bill in Clause 6, which provides that the board—

—shall direct and manage the affairs of Canagrex.

Canagrex will, of course, be expected to operate within the framework of Canada's international agreements and policies. It will be responsible to the Minister of Agriculture (Mr. Whelan) and provision is made for directive powers as noted on page 8, Clause 14(3), of Bill C-85. It will be accountable to Parliament and its audit by the Auditor General of Canada will also be included, together with a summary of the capital budget of Canagrex which must be tabled in Parliament as noted in Clause 36(5), on page 16.

Some members have been concerned with the size of the staff of Canagrex. It will not be a big bureaucracy. In addition to the 11-man board of directors, there will be a small full-time staff of whom the president will be the chief executive officer, supported by two vice-presidents and the necessary professional and technical staff.

The annual corporate plan of Canagrex will be a key planning and accounting mechanism. This rolling three-year plan will be updated annually, although it is not foreseen that there should be radical changes from year to year. The annual plan will outline the cost, timing and financing of proposed projects in order to achieve commodity and country objectives of Canagrex.

To assist Canagrex in formulating its corporate plan, the minister will be able to draw upon the expert advice provided through the policy advisory committee, which is an expert committee representing all the provincial governments, the farm and food organizations and the business community.

I should note, Mr. Speaker, that in 1980 Canadian exports of agricultural products other than grains or dairy products to the Third World and countries with centrally planned economies totalled only \$650 million. Canagrex, working with individual farms, boards and co-operatives, should be able to expand this trade significantly by negotiating directly with the state trading enterprises in many of these countries.

Some of my colleagues expressed concern that the initial funding of \$12.3 million earmarked for Canagrex may be insufficient to allow it to play an effective role. I do not think

this is the case. Canagrex will proceed step by step and prove itself as it goes along. Once it has done so, it will be up to Parliament to provide it with the resources required to do the job.

Finally, it can be said that the Canagrex bill is innovative and visionary. It proposes a new direction for Canadian agriculture. The bill invites all sectors of Canadian agriculture into the arena of world trade. In the past, world trade in agriculture was basically in the domain of grain farmers. As a result, Canadian agriculture has not experienced its full potential. This potential is now within its reach.

In my riding of Niagara Falls, the tender fruit belt of Canada, the new bill will be welcome. I am sure that the grape growers' action committee in my area, the grape juice producers and the wine industry will take full advantage of Canagrex to expand their markets worldwide. I hope that the tender fruits and wines of the Niagara peninsula will soon be well known products around the world.

**Mr. Blaine A. Thacker (Lethbridge-Foothills):** Mr. Speaker, it is a pleasure to rise to speak on second reading debate of Bill C-85. Yesterday I spoke on second reading of Bill C-88 concerning the Farm Credit Corporation. Today's bill concerns Canagrex.

Before I start my major address, I want to respond to the Minister of Supply and Services (Mr. Blais) who praised the Minister of Agriculture (Mr. Whelan) so generously for over 50 major policy areas, many of which we agreed have been beneficial for agriculture and for which he has had the support of this party. But the Minister of Supply and Services left the very clear impression that the agricultural community was strong, buoyant and forging ahead in Canada because of the Minister of Agriculture.

If that is so, is the Minister of Agriculture prepared to take responsibility for the high interest rate policy of the government, for the high deficit in excess of \$90 billion and for the rate of inflation? Is the Minister of Agriculture, or perhaps even the Minister of Supply and Services, prepared to take responsibility for the fact that, while inflation is affecting all of the western industrialized countries, Canada's place in the standard of living hierarchy has, since the commencement of this Liberal administration, dropped from second place to thirteenth place?

● (1720)

So while all countries are suffering inflation and high interest rates, Canada has suffered even more. That seems strange, Mr. Speaker, when you realize that we are a small country of some 23 million people sitting on the assets of half a continent, with resources of unlimited scope, while the 114 million people of Japan sit on a rock in the middle of the ocean and beat us on every count. Perhaps, Sir, it has something to do with the policies of this government, and not as the Minister of Supply and Services claimed.

I wonder if the minister would agree that, while the family of the Minister of Energy, Mines and Resources (Mr.