

**Hon. Duff Roblin (Deputy Leader of the Opposition):** Honourable senators, it would have been helpful had the minister—

**Senator Perrault:** You should be proud of that instead of knocking it.

**Senator Roblin:**—pointed out to the Senate that 70 per cent of our business is done with the United States and, therefore, it is natural that we should be particularly concerned about the Canadian dollar's relationship to the American dollar.

My question is to ask the minister to bring to the Chamber trade-related changes in values of these various currencies. In other words, the terms of trade as related to the volume of business we do in these other currencies as compared to the American dollar.

I have seen some figures in that respect and they indicate that we really have nothing to boast about. So, I ask the minister if he would bring in the trade-related comparison that takes cognizance of the fact that 70 per cent of our business is done in the American dollar arena.

**Senator Olson:** Yes, I would be glad to bring that information to the chamber, as well as other information that at least calls into question the premise that was running through my honourable friend's question. For example, on merchandise trade, our surplus has gone up rather significantly in the first quarter of 1982 vis-à-vis 1981. Indeed, even on a balance of national accounts basis we are doing better than we did a year ago, but particularly in the trade sector.

I may be even more specific than that and bring information to this chamber on the manufacturing sector. As you pointed out, our trade is done largely with the United States. Our position relative to the first quarter of one year ago has, in fact, improved over that of other countries.

**Senator Roblin:** I am sure that, with his departmental responsibilities, the minister will be the last one to declare himself satisfied with that change.

I certainly hope that his forecast is borne out, because we will need all we can get if our balance of payments as a whole is to be favourable toward Canada. So, if he can bring in figures that indicate we are making some progress along some lines, I think we would all be pleased. I encourage him to do so.

## GRAIN

### WHEAT—INTERNATIONAL MARKETING NEGOTIATIONS

**Hon. Duff Roblin (Deputy Leader of the Opposition):** I now wish to turn my attention to the Minister of State for the Canadian Wheat Board and tell him that he looks unchanged from the last time I saw him. He has been travelling since then, and we are glad to see him back.

On June 14 of this year, the minister was quoted as saying that there would be negotiations conducted among the world's major wheat producers to stabilize the market, and that that

[Senator Perrault.]

meeting would be at the officials level, with a ministerial meeting a real possibility this fall.

I ask the minister if he has been correctly quoted.

**Hon. Hazen Argue (Minister of State for the Canadian Wheat Board):** Honourable senators, I think the quotation is probably fairly strong.

The officials from the major grain exporting countries held a meeting in Ottawa a few weeks ago. Following that meeting, they issued a press statement in which they said that they hoped to be able to have another meeting at the officials level later this year. I had the opportunity to meet with Mr. Block, the United States Secretary of Agriculture when he was in Ottawa a couple of weeks ago. He expressed the hope that there could be a meeting at the ministerial level in due course to discuss the international wheat situation and the policies of various countries involved in the export of grain, with the objective of endeavouring to iron out some of the ups and downs in the international market and bringing greater returns to the grain producers. I think that is an accurate statement about the situation with regard to possible or prospective meetings.

● (1415)

**Senator Roblin:** Honourable senators, I hope that if the minister does attend such a meeting he does so with his guard up, because if he goes to an international meeting that is going to manage the grain trade in terms of price, he is going to find out very soon that they want to manage it in terms of supply. That means that Canada would be asked to consider supply management in terms of the provision of grain for the international market.

I am sure the minister is aware of the dangers that such a policy presents for us. I hope that before he goes to any ministerial meeting there is a very clear understanding of what the agenda is so that the interests of the Canadian wheat producers may not be compromised before we get there.

**Senator Argue:** I can assure the honourable senator that the position of the Canadian wheat producers will not be compromised before the meeting, during the meeting or after the meeting as long as I am playing the role that I am playing today. I had the opportunity to meet with the Secretary of Agriculture of the United States, and he explained to me, and to others at the meeting, what action the United States had taken in order to encourage their producers to cut back some acreage.

Undoubtedly, it would flow from his statement that if Canada could be encouraged to reduce its acreage, that would be well and good, but I pointed out to the Secretary of Agriculture that Canada has its system well under control, is well managed through our Canadian Wheat Board system, is managed that way because of the support of the producers of western Canada, and that we are not in any way contributing by our action to unmanageable world surpluses in wheat, oats or barley. In fact, the Canadian share of the international market for wheat has gone down from something well in excess of 30 per cent ten years ago to 17 or 18 per cent today.