

Canagrex Dissolution Act

betrayal because of tax increases on fuel and because of a lack of action on debt—

Mr. Malone: False.

Mr. Langdon:—and increases with respect to taxes on fuel in the past Budget, as my hon. friend, a former member of the joint committee, is all too well aware. There was no action with respect to prices and there was a decrease in the agriculture budget.

Mr. Dick: Are you speaking on Canagrex?

Mr. Langdon: As a consequence of this dismal record, which includes Canagrex, of course, the National Farmers Union, which has not been a significant force in Ontario for a decade, has launched a massive recruiting drive in my county. There is a new local in existence, Local 309 of the National Farmers Union, which is signing up members like wildfire. There is a spirit of rural revolt in southwestern Ontario which is spreading throughout the country and, frankly, it will shake the very foundations of farm support for the Conservative Party.

In my constituency, as in many constituencies with rural constituents in Ontario, those farmers who voted for this Government last September have lost confidence with respect to this Government. How else can we explain the move of the National Farmers Union with its radical commitments to parity pricing and significant change in our agriculture policy sweeping up members across the townships in my constituency? I welcome the move with great pleasure. I wish to tell Hon. Members that it will not stop at the boundaries of the Essex-Windsor constituency. The movement is sweeping across Ontario. There are contacts which have developed between what is happening in Essex County and similar revolts in other parts of rural Ontario. All I can say is thank God for the capacity of farmers to fight back. They have learned that that is the way to make the Government listen. They have learned that they have to fight and push to make the Government realize the dismal error of its ways. Of course, it is tough to do that. In the time which is left I wish to try to do just that with respect to Canagrex. I want to do it knowing that I speak, unlike the Minister of State for Mines (Mr. Layton) and it is interesting that the Minister of Mines should be here today defending the demolition of an agricultural exporting agency. The Minister of Agriculture has not seen fit to come and defend his action in winding up this agency here in the House. I want to express my strong view that I stand here speaking on behalf of farmers and on behalf of farm organizations across this country.

● (1550)

My fellow members on the joint committee on trade this summer know that the Canadian Federation of Agriculture came to us in Winnipeg and said that it was a mistake to do away with Canagrex, that Canagrex was doing a good job. The National Farmers Union came to talk to us here in Ottawa. They said it was a mistake to do away with Canagrex and that excellent work was being undertaken by the agency.

I know for whom I speak and I hope the record shows that this Government with this action speaks not for farmers but for the large grain companies for whom it fought a battle against this agency when it was first proposed by my predecessor.

Economists have an approach to assessing institutions and initiatives called cost-benefit analysis. They look at the costs of an institution and they look at the financial benefits of an institution. Usually if the costs are just a little bit less than the benefits they recommend going ahead.

Let us do that with respect to Canagrex. We can do so with official statistics provided by the Minister of Agriculture himself. I quote from the Order Paper, December 21, 1984, in which the Minister of Agriculture indicated that the total expenditure to October 31, 1984 to establish Canagrex, everything, setting it up, putting it in place, starting it off, cost \$2,659,000. That is the cost side of the equation. He was asked how many sales have been explicitly and then indirectly established by Canagrex. The total number of explicit sales was \$60 million, according to that answer and there were in addition, said the Minister, transactions in process worth a potential \$100 million expected to be finalized March 31. If this Government could even come close to a benefit to cost ratio of \$100 million to less than \$3 million in any other aspect of its economic policy, I would be the first to congratulate it. Its record is a record of a billion dollar loss to the banks in the case of the Canadian Commercial Bank and probably another \$500 million to be expected that it will lose with respect to the Northland Bank. So for these guys to even have a cost-benefit ratio that is marginally positive should be something to celebrate, but with an unerring instinct for choosing good programs to get rid of they chose a program with a benefit to cost ratio of over \$100 million in benefits to under \$3 million in costs. Magnificent accounting, Mr. Speaker.

I quote from my own hometown newspaper in Windsor, January 24, 1984, in which the Minister now responsible for the Wheat Pool said that his Party would take an objective look at Canagrex before doing away with it.

Mr. Speaker, what did they do when they got their chance? The reality is they did not even sit down and talk with the management of Canagrex. They did not even do them the courtesy, before winding them up, of sitting down to get an objective evaluation from the people who were managing this agency, people who incidentally all came from the private sector and made quite clear in their testimony to the Agriculture committee that they wanted to operate as an agency which would work hand in glove with the private sector. But no, Mr. Speaker, they did not have the common decency to sit down and talk in order to give this supposed objective look to which they had committed themselves before they got power. Instead, not only did they move to wind up this agency without consideration, without looking at the costs and benefits, but they put on the record statements coming from the Minister of Agriculture that to my mind represent a major libel, a slander of the people in charge of this agency. They suggested that this agency was in fact endangering export sales.