

*Canagrex*

**Hon. W. Bennett Campbell (Minister of Veterans Affairs):** Mr. Speaker, I welcome the opportunity to make some brief remarks at report stage of the Canagrex Bill. I have been present in the House since two o'clock this afternoon and have been listening very intently to the debate. I would like to discuss Canagrex in the context of the Province and the area of the country which I have the privilege to represent. I might say, Mr. Speaker, that it is the only Province in the country where the primary industry of the Province is agriculture.

**Mr. Malone:** That is false.

**Mr. Campbell (Cardigan):** It is true.

**Mr. Malone:** No, what about Saskatchewan, Manitoba, Alberta?

**Mr. Campbell (Cardigan):** But not the primary industry.

**Mr. Malone:** Yes.

**Mr. Campbell (Cardigan):** Well, Mr. Speaker, then at least we can share in the industry. But I do want to comment within that context. I have listened very intently to the discussion this afternoon. Members of the Official Opposition have indicated to the House that the Canagrex Bill really sets out to do three things, two of which they can support, the third of which they have objections to.

The first objective of Canagrex is the question of promotion and marketing. I think that, generally speaking, most Members of the House can accept that particular objective. Coming from a Province as small as Prince Edward Island, I can say that within the Province there are numerous producers and quite a number of exporters who are not in a financial position to promote and identify markets for themselves, particularly dealing with the major export, that is, potatoes, and more particularly seed potatoes. Opportunities do exist for the export of these products to many countries around the world.

I am certainly pleased by the report that I have received dealing with trade surplus in agricultural products, but I am concerned that there are opportunities there which are not being taken advantage of. After eliminating wheat and oil seed from that surplus and dealing only with non-grain, what is left? We are left with a \$2 billion deficit. This should indicate to all Members that there are opportunities which are not being taken advantage of.

Exporters and promoters in a Province the size of mine are in no position to travel to the Middle East or to the Caribbean to promote their products. They simply cannot do it. They cannot afford to do it. Yet the opportunities are there, so from my perspective I support wholeheartedly the promotion and marketing aspects of Canagrex.

Let us look at the financing aspect of Canagrex. If there has been a problem in terms of exports in many areas of the country, it has been the inability to put a financing package together. I will give you a very real example of this, Mr. Speaker. An exporter from my Province had the opportunity to make a sale of seed potatoes to a Caribbean country. He went to the banking system to try to put a financing package

together, and he was successful in doing so. But do you know what it cost the potato producers of my Province to do that, Mr. Speaker? It cost them eight cents per hundred above and beyond the going interest rate. Why? Because the country to which the product was exported happened to have a low credit rating. The additional cost of that interest charge was passed on to the suppliers, the farmers for that particular package. So here is an excellent opportunity for Canagrex to play an important role in exporting.

Dealing with the buying and selling aspects of Canagrex, there is no question that concerns were expressed about this. While I do not want to dispute any comment made in the House, I must draw something to the attention of all Hon. Members. With respect to the comment made by the Hon. Member for Capilano (Mr. Huntington) who said that Canagrex has been brought forward in the dying hours of the House at a time when closure is being invoked to force it through, I would ask you, Mr. Speaker, when this legislation was first introduced in the House. As I recall, it was first introduced in December of 1981.

**Mr. Taylor:** January.

**Mr. Campbell (Cardigan):** All right, January, 1982. So this legislation has been under discussion on a relatively ongoing basis for some 16 or 17 months. Yet it still has not gone beyond report stage.

Let us deal with the buying and selling aspects of Canagrex. Most Canadian Crown corporations have that capacity. The Hon. Member for Bow River can tell us that the Crown corporation in his own Province has the ability to buy and sell because there are situations when it is necessary for it to have that ability. However, to address that particular concern, amendments have been accepted by the Government. When can buying and selling powers be activated? They can be activated in only two instances. The first instance is when Canagrex is requested to do so by a developer, an entrepreneur or an exporter. The second instance is on a state-to-state package. Again, I—

**Mr. Malone:** That is the point.

**Mr. Campbell (Cardigan):** Mr. Speaker, the Hon. Member has said that that is the point. Let me give him a very excellent example of how Canagrex could have ensured an export deal for the Province of Prince Edward Island. Officials of one of the Middle East countries said: "We want to buy seed potatoes and we want to buy Prince Edward Island seed potatoes, but we will not deal with the individual seller because the package has been put together by the Department of Agriculture of our country and we would like to deal on a government-to-government basis." Do you know what happened, Mr. Speaker? The deal was never signed because the instrument to facilitate it did not exist.

How could this deal have taken place? Canagrex would act on behalf of the exporter. Canagrex would in fact buy the product from the exporter and sell it to the Government