

HOUSE OF COMMONS

Tuesday, March 3, 1970

The House met at 2 p.m.

[Translation]

ROUTINE PROCEEDINGS

TRADE

SIGNING OF PROTOCOL EXTENDING AGREEMENT WITH U.S.S.R.

Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce): Mr. Speaker, I wish to inform the House that I have on behalf of the government of Canada signed a protocol, extending for a further three years until April 17, 1972, the trade agreement between Canada and the Union of Soviet Socialist Republics. Mr. M. R. Kuzmin, First Deputy Minister of the Soviet Ministry of Foreign Trade, signed on behalf of the USSR.

This represents the fourth extension of a trade agreement originally negotiated in 1956 which has provided a framework for the development of trade between the two countries on a most favoured nation basis. The renewal of this important agreement is further evidence of the desire of both Canada and the USSR to maintain and strengthen the commercial relations which have been built up between the two countries.

In 1956 when the trade agreement was first negotiated the levels of our mutual trade were very low. In the 14 years which have followed, Canadian exports have amounted to \$1.3 billion. In the same period the Soviet Union has been a major customer for Canadian wheat, purchasing in total more than 760 million bushels.

The Soviet Union has also been taking a range of other Canadian materials and manufactured goods amounting to \$5.5 million in 1968. Soviet exports to Canada have increased from \$1 million in 1956 to \$21.6 million in 1968, the last complete year for which official statistics are available.

[English]

Mr. Speaker, in the negotiations, which preceded the signing of the protocol, the Canadian and Soviet delegations reviewed the history of our trade in Canadian wheat. This

trade has been mutually advantageous both in terms of Canadian capability to supply and recurring import needs in the Soviet Union. As regards the future, the leader of the Soviet delegation has provided the assurance that when the U.S.S.R. has requirements for the purchase of wheat, the Soviet buying agency shall, in the first instance, apply to the Canadian Wheat Board.

This ensures that the Soviet Union will turn to Canada as a preferred source of supply of wheat when demand arises. We therefore anticipate that the U.S.S.R. in the years ahead will continue to be a significant market for the sale of wheat. As hon. members are aware, the Canadian Wheat Board concluded a contract with Exportkhleb last December extending the 1966 master contract, which will provide for continuing substantial shipments throughout 1970.

● (2:10 p.m.)

In addition to these important discussions on wheat, the two delegations reviewed other elements of the trade between the two countries and agreed on the need to expand and diversify trade in both directions. As a result of the discussions the two sides look to growing opportunities to sell an increasing range of products, materials and manufactured goods in each other's markets. The protocol which I have signed indicates that the two governments will facilitate the exchange of goods between them within the scope of the laws and regulations in force in their respective countries.

I am confident that this extension of the agreement will provide the framework for an increasingly valuable trading relationship between Canada and the U.S.S.R. which will be of benefit to all segments of the Canadian economy and to the generality of our relations with the U.S.S.R.

Pursuant to Standing Order 41(2), I wish to lay on the table copies of the protocol, in both official languages.

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, it is pleasing that the trade agreement between Canada and the United States which goes back, basically, to 1956—