

OF THE GRAINS MARKETING OFFICE IN DRIE AND OF THE PRIVATE TRADE IN MEETING OUR EXPORT TARGETS. THE RECENTLY ANNOUNCED REORGANIZATION OF MY DEPARTMENT SHOULD ENABLE US TO CARRY OUT THIS JOB MORE EFFECTIVELY.

I SHOULD MENTION ONE OR TWO AREAS WHERE GRAIN TRADE ISSUES HAVE BEEN PARTICULARLY IMPORTANT IN DEVELOPING OUR FOREIGN POLICY. UNLIKE OIL, WHERE MORE THAN 50 PERCENT OF GLOBAL PRODUCTION IS EXPORTED BY ONE GROUP, ONLY 15 PERCENT OF GLOBAL GRAIN PRODUCTION IS EXPORTED, MAKING MOST COUNTRIES' FOOD SUPPLY LESS VULNERABLE TO SUPPLY INTERRUPTIONS AND BETTER ABLE TO FIND ACCEPTABLE ALTERNATIVES. TRADITIONALLY, CANADA HAS BEEN RELUCTANT TO ENGAGE IN RESTRICTIONS ON FOOD TRADE FOR ECONOMIC, HUMANITARIAN AND GENERAL POLICY REASONS. AS A RESULT, WE HAVE DEVELOPED LONG-STANDING PREFERENTIAL GRAIN TRADING RELATIONSHIPS WITH THE USSR, CHINA AND CUBA. HOWEVER, WHILE WE RECOGNIZE THAT SANCTIONS OR EMBARGOS GENERALLY HAVE A LIMITED ECONOMIC IMPACT, CANADA WILL NOT BACK AWAY FROM A SIGNIFICANT CHALLENGE TO GLOBAL STABILITY. IN THE CASE OF AFGHANISTAN, THE GOVERNMENT CONSIDERED THAT THE COSTS OF THE POLICY COULD BE BORNE GENERALLY BY ALL CANADIANS AND, AS YOU KNOW, COMPENSATION WAS ULTIMATELY PAID TO GRAIN PRODUCERS. MORE RECENTLY, THE GOVERNMENT DECIDED THAT FOOD SHIPMENTS TO POLAND SHOULD CONTINUE AS THEY REPRESENT A SIGNIFICANT CONTRIBUTION TO THE DIFFICULT SITUATION CURRENTLY FACED BY THE POLISH PEOPLE. I WOULD LIKE TO REASSURE YOU ON BOTH OF THESE MATTERS, THAT THE CONCERNS AND DESIRES OF THE INDUSTRY WERE FULLY TAKEN INTO ACCOUNT BY THE GOVERNMENT BEFORE A FINAL DECISION WAS REACHED.

THE 1974 WORLD FOOD CONFERENCE OBJECTIVE OF REDUCING WIDE FLUCTUATIONS IN INTERNATIONAL GRAIN MARKETS HAS BEEN THE