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Notes for a speech by the  
Honourable Allan J. MacEachen  
at a dinner sponsored by the  
Canadian Government for  
International Wheat Council  
delegates and observers as  
well as The Centennial Forum  
participants

June 27, 1984

OTTAWA

Mr. Chairman, Distinguished Guests, Ladies and Gentlemen:

It is my pleasure this evening to extend to you a warm welcome on behalf of the Government of Canada. This 100<sup>th</sup> Session of the International Wheat Council indeed represents a landmark in the history of international co-operation in grain matters and we are honoured to host the anniversary session in our capital city, together with the Centennial Forum which begins tomorrow.

I understand that among the member countries of the Council represented here are those key countries which began over 50 years ago to develop the concepts of co-operation which led to the formation of successive wheat agreements and to the Council itself. We are pleased that eight non-member countries have joined Council members in marking this occasion, including several whose role in the international grain trade is of increasing importance. I also wish to extend a special welcome to the representatives of the many international organizations concerned with the production, distribution and trade in grain who have joined us.

Canada's interest in grain trading dates back to the original settlement of the country, and with the opening of the Canadian West, Canada entered the international grains arena. You are probably aware of the continuing importance of grain to our production and trade. Over half the grain and oilseeds we produce is exported and the annual export volume is approaching 30 million tonnes.

I have been personally involved with many issues affecting international trade in agricultural produce including grains. One of my first international meetings as Secretary of State for External Affairs in 1975 was the Commonwealth Ministerial Meeting on Food Production and Rural Development. Later that same year I led the Canadian delegation to the World Food Conference in Rome. More recently I chaired the 1982 Gatt Ministerial Conference where the issue of trade in agriculture was a highly divisive issue. I shall thus be following your deliberations with great interest.

The importance of food and its production and distribution throughout the world goes well beyond the economics of the activity itself. Wheat and other food grains are as essential to the well being and security of the world today as they have been throughout history. With the world's population exceeding six billion by the turn of the century, production and

trade in grains must continue to expand to meet this demand.

This meeting demonstrates that all countries, regardless of their size, location, stage of development or economic or political system, have a vital interest in these essential commodities. As history demonstrates, not only are production and trade in grains influenced by major events throughout the world, but they often affect the evolution of these events themselves. Canada has always believed that trade in food, predominantly in grains, is one of the means of bringing nations closer together, of improving their understanding and appreciation of each others' interests and, as a result, their ability to work together.

Thus, it is not a coincidence that Canada has been prominent in the search for the best possible arrangements for the production and trade in grains. We played an active role in helping to bring about the first International Wheat Agreement in 1933, as did a number of other countries represented here. We have continued to pursue strong international co-operation in the grains trade because we are confident that it is not only important to the sector itself but also to the promotion of peace and security in the world.

In recent years, the pursuit of new approaches for the grains trade, combined with broader humanitarian and developmental objectives, has led to the provision of food aid in a substantial and planned manner. Canada realizes that it must take both a short term and a longer term approach to strengthening world food security. In the short term, the hungry must be fed. To this end, Canada provides more than \$300 million annually in food aid. And given current conditions, this figure is likely to rise.

But it is also evident that our efforts must increasingly focus on assisting developing countries to strengthen their own production capabilities so that they can meet to a much greater extent the growing requirements of their populations. For this reason, Canada has made assistance to the food and agricultural sector the number one priority in its development assistance programmes. In the longer term, increased domestic production in developing countries and the economic growth which it will foster, will contribute to, rather than detract from, the international grains trade.

We are all conscious of the role that governments' domestic and trade policies, not to mention natural environmental conditions, have played in the evolution of the world-wide grain sector. Somewhat paradoxically, a situation of

surplus production in certain developed countries has led to strong competition and depressed prices, while in many areas of the world there is still widespread hunger. A related issue is the developing countries' debt problems which impede their ability to buy food and other essential items. Nor can we forget the increasing difficulties faced by the grain community on the question of international financing.

One bright spot is modern scientific farming which, with the benefit of new technology, improves productivity and our ability to respond to the vagaries of nature. We recognize that governments must develop appropriate policies to encourage the food sector to expand, to facilitate distribution and trade and to strengthen food security for all nations. Any new steps to improve international co-operation in the grains trade must begin through consultation and co-ordination of national policies as they affect this vital field of international commerce. Here the Wheat Council has a significant continuing role.

Tomorrow's program for the Centennial Forum is designed to help anticipate the future, to look beyond current grains issues facing governments, in order that policies may be developed to safeguard and encourage the vital food grains sector. That is the grains challenge as we see it.

In deciding to invite you to Ottawa this week, my cabinet colleagues and I believed that it was important to mark the 100<sup>th</sup> Session of the International Wheat Council and to acknowledge the role that the Council has played in encouraging international co-operation in grain matters. We also felt that the Council's normal activities should be expanded on this occasion, and this is how the Centennial Forum came about. We have a distinguished panel of speakers to help us examine the future and to suggest the directions for policies. We are confident that the all participants will benefit from this initiative and that the ideas put forward will be discussed at future meetings of the Council and elsewhere.

I am therefore pleased to convey to you, on behalf of the Canadian government, my best wishes for a successful Centennial Forum. I hope that you will enjoy your stay in Ottawa and that these discussions will provide new ideas to enhance international co-operation in the grains sector in the years ahead.