

EMBARGOED UNTIL 8:00 P.M.

STATEMENT DISCOURS

SECRETARY
OF STATE
FOR EXTERNAL
AFFAIRS.

SECRÉTAIRE
D'ÉTAT AUX
AFFAIRES
EXTÉRIEURES.



NOTES FOR AN ADDRESS
BY THE SECRETARY OF STATE
FOR EXTERNAL AFFAIRS,
THE HONOURABLE MARK MACGUIGAN,
TO THE CANADA GRAINS COUNCIL,
WINNIPEG,
APRIL 6, 1982

CANADA AND GLOBAL
FOOD ISSUES

CANADA AND GLOBAL FOOD ISSUES

I AM PLEASED TO HAVE THE OPPORTUNITY TO SPEAK TO THE GRAINS COUNCIL TODAY. GIVEN THAT THE THEME OF YOUR TWO-DAY MEETING IS TRANSPORTATION AND THE GRAIN INDUSTRY, WITH THE MAIN FOCUS ON THE ATLANTIC RIM, I THINK IT WOULD BE APPROPRIATE FOR ME TO LOOK BRIEFLY AT SOME OF THE MAJOR ISSUES YOU ARE DISCUSSING AND RELATE THEM TO OUR FOREIGN POLICY AND CANADA'S CONTRIBUTION TO INTERNATIONAL EFFORTS TO TACKLE THE GLOBAL PROBLEMS OF PRODUCTION AND DISTRIBUTION OF FOOD.

I DON'T NEED TO REMIND YOU OF THE IMPORTANCE OF GRAIN IN WESTERN CANADA - TO YOU, TO WESTERN CANADA, TO CANADA AS A WHOLE, AND TO OTHER COUNTRIES. IN ECONOMIC TERMS, THE GRAINS AND OILSEEDS INDUSTRY IS THE THIRD LARGEST CONTRIBUTOR TO OUR BALANCE OF PAYMENTS - OVER \$6 BILLION LAST YEAR. IT STRENGTHENS THE CANADIAN ECONOMY, SUPPORTS THE VALUE OF THE DOLLAR AND IS ONE OF THE MAINSTAYS OF OUR PROSPERITY. THE GRAINS INDUSTRY ITSELF IS CHARACTERIZED BY A BIT OF EVERYTHING - ECONOMICS, DOMESTIC POLITICS, INTERNATIONAL STRATEGIES, SCIENCE, THE WEATHER, COMMODITY SPECULATION - AND HARD WORK. UNDERLYING THESE SHORT-TERM FACTORS YOU ARE DAILY REMINDED OF, ARE THE LONGER-TERM CONCERNS OF FUTURE DEMAND FOR FOOD AND THE CAPACITY OF THE WORLD AND ESPECIALLY EXPORTING NATIONS SUCH AS CANADA TO RESPOND.

VIRTUALLY EVERY ASPECT OF YOUR LIVES IS TOUCHED ONE WAY OR ANOTHER BY THE IMPACT OF DEVELOPMENTS ELSEWHERE. THE INVASION OF AFGHANISTAN OR ECONOMIC REFUGEES IN AFRICA ALL HAVE

AN EFFECT ON YOUR INDUSTRY AND THE ACTIONS OF PRODUCERS. AT THE SAME TIME, WE MUST TAKE THESE EVENTS AND THEIR IMPACT ON YOUR INDUSTRY INTO ACCOUNT IN DEVELOPING OUR FOREIGN POLICY. FOOD IS ONE OF THE KEY FACTORS IN NORTH/SOUTH AND EAST/WEST RELATIONS AND DURING MY PAST TWO YEARS AS THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS THE PROBLEMS AND CONCERNS OF THE GRAIN TRADE HAVE PLAYED AN IMPORTANT PART IN OUR FOREIGN POLICY AND IN MY DISCUSSIONS WITH OTHER GOVERNMENT LEADERS.

TODAY, I WILL FOCUS ON SOME OF THE LONGER-TERM CONCERNS AND ISSUES OF FOOD PRODUCTION AND DISTRIBUTION. THERE IS GENERAL AGREEMENT THAT FOOD ISSUES WILL ASSUME GREATER IMPORTANCE IN THE 1980s, SO CANADA'S ROLE AS A MAJOR FOOD PRODUCER AND EXPORTER MEANS THAT FOOD WILL RECEIVE GREATER ATTENTION IN OUR FOREIGN POLICY, BOTH AS A RESULT OF YOUR INCREASED GRAIN EXPORT TARGETS AND BECAUSE OF CANADA'S TRADITIONAL HUMANITARIAN CONCERN AND POSITIVE RESPONSES TO GLOBAL FOOD NEEDS.

WITH THIS BACKGROUND IN MIND, WE LOOK TO THE FUTURE FOOD PROBLEMS OF THE WORLD AS A CHALLENGE TO BE FACED WITH OTHER MAJOR PRODUCERS AND EXPORTERS. CANADA'S STRATEGY MUST BE TO ENCOURAGE THE FULL DEVELOPMENT OF OUR AGRICULTURAL POTENTIAL FROM A HEALTHY PRODUCTION BASE SO THAT WE CAN SHOULDER BOTH OUR DOMESTIC AND OUR INTERNATIONAL RESPONSIBILITIES. OUR STRENGTHS ARE WELL KNOWN. IN MY TRAVELS I AM CONSTANTLY REMINDED OF THIS. CANADIAN GRAIN IS SOLD IN MORE THAN 90 COUNTRIES. CANADA'S REPUTATION AS A RELIABLE SUPPLIER OF QUALITY WHEAT IS THE ENVY OF OTHER GRAIN GROWING COUNTRIES AND THIS HARD-EARNED REPUTATION IS CONSTANTLY BEING IMPROVED. CANADIAN AGRICULTURE IS ONE OF THE MOST PRODUCTIVE AND EFFICIENT IN THE WORLD, DESPITE OUR CLIMATE, WITH CANADIAN FARMERS PRODUCING MORE THAN FIVE

TIMES WHAT THEY DID THIRTY YEARS AGO FOR A STEADILY DECLINING PROPORTION OF TOTAL CONSUMER EXPENDITURES. I SEE US SHARING THIS KNOWLEDGE AND EXPERTISE GENEROUSLY THROUGH A BROAD RANGE OF PROGRAMS AND ASSISTANCE PROJECTS THAT INVOLVE MY DEPARTMENT AND ARE CARRIED OUT BY CIDA, THE IDRC AND NUMEROUS INTERNATIONAL ORGANIZATIONS.

THIS STRONG PRODUCTIVE BASE HAS BEEN DEVELOPED IN RESPONSE TO A REAL NEED. THE GRAIN TRADE EXPANDED TREMENDOUSLY THROUGHOUT THE LAST DECADE IN RESPONSE TO POPULATION INCREASES AND HIGHER STANDARDS OF LIVING. DESPITE A PERIOD OF GLOBAL LOW ECONOMIC GROWTH OR RECESSION, HIGH INFLATION, UNEMPLOYMENT AND BALANCE-OF-PAYMENTS DIFFICULTIES; ALL PROJECTIONS FOR THE NEXT TWO DECADES POINT TO CONTINUED GROWTH IN DEMAND AND SUPPLY CONSTRAINTS IN MANY AREAS.

IN RESPONSE, THE GOVERNMENT WILL CONTINUE TO SUPPORT IMPROVEMENTS IN CANADA'S PRODUCTION CAPABILITIES. MR. WHELAN HAS ANNOUNCED THE GOVERNMENT'S AGRI-FOOD STRATEGY, WHICH IS BASED ON A TWO-THIRDS INCREASE IN AGRICULTURAL PRODUCTION BY THE YEAR 2000. THE ANNOUNCED GRAIN EXPORT TARGETS OF 30 MILLION TONNES IN 1985 AND 36 MILLION IN 1990 IMPLICITLY CALL FOR A SIGNIFICANT INCREASE IN DOMESTIC GRAIN PRODUCTION, PARTICULARLY IN THE WEST. THIS MAJOR INCREASE IN OUR PRODUCTION WILL PLAY A SIGNIFICANT PART IN OUR ABILITY TO MEET THE CHALLENGE OF GLOBAL FOOD PROBLEMS IN THE 1980s AND 90s.

IMPROVING WORLD FOOD SECURITY IS ONE OF THE IMPORTANT OVERALL OBJECTIVES OF OUR FOREIGN POLICY, PARTICULARLY IN THE CONTEXT OF THE NORTH/SOUTH DIALOGUE. I MENTIONED EARLIER THE MAJOR PRODUCTION CHALLENGE FACING US AND SOME OF THE THINGS BEING DONE IN CANADA TO DEVELOP OUR PRODUCTION CAPABILITY TO RESPOND TO GLOBAL NEEDS. IT HAS BEEN SAID THAT THE WORLD NOW

PRODUCES MORE THAN ENOUGH FOOD TO FEED ADEQUATELY ALL OF ITS PEOPLE AND THAT SOME DEVELOPED COUNTRIES NOW HAVE TO RESTRAIN FOOD PRODUCTION AS A MATTER OF POLICY TO AVOID THE DISINCENTIVE EFFECTS OF OVERSUPPLY. RECENT STUDIES HAVE CONFIRMED THAT THERE IS A LARGE TECHNICAL AND ECONOMIC POTENTIAL FOR INCREASING FOOD PRODUCTION IN THE DEVELOPING COUNTRIES OF THE WORLD, AND THAT THE LINES OF REQUIRED DEVELOPMENT FOR THE REALIZATION OF THIS POTENTIAL ARE REASONABLY WELL UNDERSTOOD. YET THE BASIC OBJECTIVES OF THE WORLD FOOD CONFERENCE OF ALMOST A DECADE AGO APPEAR NO CLOSER TO REALIZATION TODAY - THEY WERE TO: INCREASE FOOD PRODUCTION IN COUNTRIES WHERE IT IS MOST NEEDED; BROADEN THE EFFECTIVE DISTRIBUTION OF FOOD THROUGH MEASURES FOR IMPROVING TRADE, CONSUMPTION AND NUTRITION; AND BUILD A BETTER FOOD SECURITY SYSTEM TO AVOID THE DISRUPTIVELY WIDE PRICE SWINGS OF 1972-74.

CANADA BELIEVES THAT THE ESSENTIAL DECISIONS FOR ALLEVIATING HUNGER AND MALNUTRITION IN THE WORLD ARE PRIMARILY POLITICAL AND ONLY SECONDARILY RELATED TO NATURAL RESOURCE AND ECONOMIC OR TECHNICAL FACTORS. THERE ARE NO INSURMOUNTABLE PHYSICAL OR TECHNOLOGICAL CONSTRAINTS TO THE EXPANSION OF WORLD FOOD SUPPLY TO MEET THE LIKELY GROWTH IN POPULATIONS OVER THE NEXT THREE OR FOUR DECADES. HOWEVER, IT IS ONLY WITH SPECIAL EFFORTS ON THE PART OF DEVELOPING COUNTRIES THEMSELVES TO INCREASE THEIR FOOD PRODUCTION, SUPPORTED BY MULTILATERAL INSTITUTIONS AND BILATERAL AID PROGRAMS THAT THE RATE OF INCREASE IN THE PRODUCTION OF FOOD CAN REALIZE THESE PHYSICAL POTENTIALS AND BE ADEQUATE TO MEET WORLD DEMAND. AT THE SAME TIME, THE GOVERNMENT IS ACTIVELY SUPPORTING EFFORTS TO INCREASE CANADA'S DOMESTIC PRODUCTION TO BETTER MEET THE NEEDS OF THOSE 500 MILLION

PEOPLE IN THE WORLD WHO ARE STILL STARVING OR MALNOURISHED.

A SECOND KEY FACTOR IN DEVELOPING AN IMPROVED WORLD FOOD SECURITY IS A STABLE AND EFFICIENT TRADING SYSTEM. I HAVE REFERRED EARLIER TO THE EXPORT OPPORTUNITIES FACING YOUR INDUSTRY. GLOBAL GRAIN TRADE WAS OVER 200 MILLION TONNES LAST YEAR, MORE THAN DOUBLE THE FIGURE OF 10 YEARS AGO, BUT THE CANADIAN SHARE HAS DROPPED FROM 18 PERCENT TO ABOUT 11 PERCENT. APART FROM OUR EFFORTS TO IMPROVE THE DOMESTIC INFRASTRUCTURE FOR EXPORTS, WE HAVE BEEN GIVING CONSIDERABLE THOUGHT, BOTH IN DOMESTIC DISCUSSIONS AND IN INTERNATIONAL FORA, TO THE CONDITIONS NECESSARY FOR FOOD AND GRAIN PRODUCTION TO BE INCREASED IN RESPONSE TO THE ANTICIPATED GROWTH IN DEMAND. WHETHER CANADIAN OR GLOBAL PRODUCTION, WE ARE CONVINCED THAT THE NECESSARY INCENTIVES TO EFFICIENT PRODUCERS MUST BE PROVIDED BY MARKET PRICES. WE DO NOT BELIEVE THAT GOVERNMENT SUBSIDIZATION OF PRODUCTION OR ARTIFICIAL SUPPORT OF PRICES IS THE WAY TO GO. IF ONE LOOKS AT CANADIAN WHEAT PRICES IN REAL TERMS, THEY ARE ABOUT ONE HALF OF REAL PRICES IN 1973/74 AND CLOSE TO THE SEVERELY DEPRESSED PRICES OF 1976/77. CLEARLY PRICE IMPROVEMENTS ARE NECESSARY, OR THE BEST EFFORTS OF NATIONAL GOVERNMENTS, WHETHER CANADIAN, AMERICAN, AFRICAN, OR INDIAN, WILL BE FOR NAUGHT.

WE THEREFORE CONTEND THAT THE WORLD MARKET MUST FACE THIS REALITY AND PAY A REASONABLE PRICE TO EFFICIENT PRODUCERS. THE EUROPEAN ECONOMIC COMMUNITY HAS EMPLOYED ARTIFICIAL PRICE SUPPORT MEASURES AND WE FEEL STRONGLY THAT THESE MEASURES HAVE LED TO SEVERE DISTORTIONS OF WORLD PRODUCTION AND TRADE PATTERNS WHICH HAVE BEEN INJURIOUS TO PRODUCERS OUTSIDE THE EEC. WE HAVE ALWAYS BEEN TROUBLED BY EUROPEAN POLICIES TO MAINTAIN INTERNAL GRAIN PRICES WELL ABOVE INTERNATIONAL LEVELS WITH CONSEQUENT

PRODUCTION INCREASES. NATURALLY THIS REDUCES OUR TRADING PROSPECTS INTO THE COMMUNITY BUT IT IS A MUCH GREATER PROBLEM WHEN THE USE OF EXPORT SUBSIDIES IN THIRD MARKETS LEADS TO REDUCED INCOMES FOR PRODUCERS, SUCH AS OUR OWN, WHO RELY ON THE WORLD MARKET FOR THEIR RETURNS. WE BELIEVE THAT COUNTRIES SHOULD SERIOUSLY ATTEMPT TO REDUCE ANY PROGRAMS THAT HAVE A DEPRESSING EFFECT ON INCOMES OF GRAIN FARMERS WHO RECEIVE THEIR RETURNS FROM THE INTERNATIONAL MARKETPLACE.

CANADA AND OTHER MAJOR GRAIN EXPORTERS ARE THEREFORE VITALLY INTERESTED IN THE OUTCOME OF THE CURRENT DISCUSSIONS BETWEEN FRANCE AND ITS EEC PARTNERS ON THE REFORM OF THE COMMON AGRICULTURAL POLICY. THE COMMUNITY NOW HAS A UNIQUE OPPORTUNITY TO IMPLEMENT MEANINGFUL MODIFICATIONS TO THE CAP AND WE ARE HOPEFUL IT WILL SUCCEED. I CAN TELL YOU FRANKLY THAT WE WOULD BE EXTREMELY CONCERNED SHOULD LITTLE BE DONE TO COME TO GRIPS WITH THE CENTRAL ISSUES INVOLVED, THE SUPPORT WITHOUT QUANTITY LIMITATIONS AT PRICES SUBSTANTIALLY ABOVE WORLD LEVELS AND THE PRACTICE OF SUBSIDIZING THE DISPOSAL OF SURPLUSES ON WORLD MARKETS. THIS ISSUE WILL ALSO RECEIVE ATTENTION DURING THE FORTHCOMING GATT MINISTERIAL MEETING OF TRADE MINISTERS IN NOVEMBER.

I NOTED EARLIER GOVERNMENT SUPPORT FOR MAJOR IMPROVEMENTS IN THE WESTERN TRANSPORTATION SYSTEM TO ENABLE OUR GRAIN EXPORT TARGETS FOR 1985 AND '90 TO BE REACHED. WHILE I RECOGNIZE THE PRIMARY ROLE OF THE CANADIAN WHEAT BOARD FOR THE EXPORT OF BOARD GRAINS, AS THE MINISTER RESPONSIBLE FOR EXTERNAL AFFAIRS, INCLUDING TRADE, I AM PARTICULARLY AWARE OF THE IMPORTANCE OF MARKETING. I WOULD LIKE TO ASSURE YOU THAT MY DEPARTMENT, INCLUDING THE MEMBERS OF THE TRADE COMMISSIONER SERVICE, WILL DO THEIR UTMOST TO SUPPORT THE EXPORT EFFORTS OF THE WHEAT BOARD,

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

SUBJECT OF EXTENSIVE NEGOTIATIONS ON A NEW INTERNATIONAL WHEAT AGREEMENT AND DISCUSSIONS IN OTHER FORA. UNFORTUNATELY THESE EFFORTS BROKE DOWN IN 1979 OVER DIFFERENCES ON MAXIMUM AND MINIMUM PRICES, STOCK LEVELS AND THE AMOUNT OF SPECIAL ASSISTANCE TO DEVELOPING COUNTRIES. ALTHOUGH THESE EFFORTS DID NOT SUCCEED, WE HAVE CONTINUED TO PARTICIPATE ACTIVELY IN FURTHER DISCUSSIONS ON A POSSIBLE IWA AND SOME PROGRESS ON FOOD SECURITY HAS BEEN ACHIEVED. A NEW FOOD AID CONVENTION WITH HIGHER MINIMUM GUARANTEED LEVELS CAME INTO EFFECT IN 1980 AND DISCUSSIONS HAVE CONTINUED ON DEVELOPING AN INTERNATIONAL RESERVE STOCK THAT COULD BE USED TO MODERATE EXTREME PRICE FLUCTUATIONS WHILE REMAINING COMMERCIALY SOUND AND NOT HAVE A DEPRESSING EFFECT ON INCENTIVE RETURNS FOR PRODUCERS. A NEW FOOD FINANCING FACILITY HAS BEEN SET UP IN THE IMF TO ASSIST COUNTRIES FACING BALANCE-OF-PAYMENTS DIFFICULTIES BECAUSE OF FOOD IMPORTS. THE INTERNATIONAL EMERGENCY FOOD RESERVE REACHED ITS TARGET FOR THE FIRST TIME IN 1981. WE ALSO INITIATED GRAIN EXPORTER MEETINGS AIMED AT EXCHANGING INFORMATION AND COORDINATING DOMESTIC POLICIES TO AVOID HAVING A DISRUPTIVE EFFECT ON INTERNATIONAL MARKETS.

OUR POLICY WILL BE TO CONTINUE TO SEEK A MULTILATERAL AGREEMENT THAT WORKS IN THE INTERESTS OF PRODUCERS AND CONSUMERS AND IN PARTICULAR WILL ENSURE ADEQUATE INCENTIVES TO EFFICIENT PRODUCERS AND A STABLE SUPPLY OF FOOD AT REASONABLE PRICES TO CONSUMERS. WHILE WE CONSIDER THAT AN AGREEMENT ON PRICE LEVELS, AS DISCUSSED PREVIOUSLY, IS PREMATURE, WE DO CONSIDER IT IMPORTANT IN THE LONGER TERM TO BROADEN THE EXISTING DEGREE OF EXPORTER COOPERATION BY INCLUDING IMPORTERS. WE STRONGLY BELIEVE THAT IT IS IN THE INTERESTS OF IMPORTING COUNTRIES AND THE WORLD'S GLOBAL

FOOD NEEDS, AS WELL AS THOSE OF THE CANADIAN GRAIN INDUSTRY, TO HARNESS THE PRODUCTIVE CAPABILITIES OF NORTH AMERICAN PRODUCERS IN AN AGREEMENT THAT PROVIDES A BASIS FOR REASONABLE RETURNS AND STABLE SUPPLIES.

I HAVE SPOKEN AT LENGTH ABOUT TWO OF THE KEY FACTORS IN IMPROVING WORLD FOOD SECURITY - PRODUCTION AND TRADE - BECAUSE OF THEIR RELATION TO YOU.

THE THIRD KEY FACTOR IN IMPROVED GLOBAL FOOD SECURITY IS AID. IN THE PAST, OUR PRINCIPAL FOCUS IN THIS AREA WAS FOOD AID. MORE RECENTLY, IT HAS BEEN RECOGNIZED THAT WHILE FOOD AID WILL CONTINUE TO BE IMPORTANT IN RESPONDING TO EMERGENCY SITUATIONS, THE FOCUS OF OUR EFFORTS MUST SHIFT TO ASSIST IN DEVELOPING THE FOOD AND AGRICULTURAL PRODUCTION CAPABILITIES OF THE DEVELOPING COUNTRIES. OUR FOOD AID EFFORTS ARE SHIFTING TOWARDS A CONCEPT STRONGLY SUPPORTED BY GERRY VOGEL, FORMER HEAD OF THE WORLD FOOD PROGRAM - THAT IS THE USE OF FOOD AS DEVELOPMENT CAPITAL IN FOOD FOR WORK PROJECTS.

ONE OF THE THREE KEY PRIORITIES IN CIDA'S 5-YEAR DEVELOPMENT STRATEGY WILL BE AGRICULTURAL AND RURAL DEVELOPMENT - THIS SECTOR WILL IN FACT ACCOUNT FOR SOME 45 PERCENT OF OUR TOTAL AID BUDGET OVER THE NEXT FIVE YEARS. AS I MENTIONED EARLIER, THE CONTRIBUTIONS CANADA IS MAKING ARE MAJOR ONES, BOTH BILATERALLY AND MULTILATERALLY, IN THE AREAS OF RESEARCH, EDUCATION AND TECHNICAL ASSISTANCE. I THINK THIS AREA WILL BE ONE OF CANADA'S MORE IMPORTANT CONTRIBUTIONS TO LONG-TERM WORLD FOOD SECURITY, AND IN SOME CASES MAY LEAD TO IMPORTANT COMMERCIAL SPIN-OFFS.

THIS TALK HAS BRIEFLY COVERED SOME OF THE FOREIGN POLICY ASPECTS OF THE INTERNATIONAL GRAINS INDUSTRY AND THE CANADIAN ROLE IN IT. WHAT IS IMPORTANT TO NOTE, I THINK, IS THAT THERE IS A WELL DEVELOPED INTERNATIONAL FOOD SECURITY SYSTEM OF

PRODUCTION, TRADE AND AID IN WHICH SOME GAPS REMAIN AND THAT CANADA HAS A PRETTY IMPORTANT CONTRIBUTION TO MAKE IN THIS REGARD. TO MAKE THIS CONTRIBUTION EFFECTIVE, WE WILL HAVE TO ADDRESS AND RESOLVE PROBLEMS, SUCH AS THE CROW RATE, IN OUR OWN PRODUCTION AND DISTRIBUTION SYSTEM, AND ALSO INTERNATIONAL ISSUES SUCH AS THE PROBLEMS OF TRADE AND DEVELOPMENT ASSISTANCE. THE GRAINS INDUSTRY HAS BEEN ONE OF CANADA'S SUCCESS STORIES AND I HAVE NO DOUBT THAT IT WILL CONTINUE TO MAKE A MEANINGFUL CONTRIBUTION IN THE FUTURE BOTH TO THE ACHIEVEMENT OF OUR FOREIGN POLICY OBJECTIVES AND TO GLOBAL FOOD SECURITY.