

*Western Grain Transportation Act*

I want to address to the Minister now, Mr. Speaker, some concerns that we have concerning ability to pay. I have underlined the Minister's own words in some notes I have here concerning his desire for the enhancement of secondary industry on the Prairies and the fact that the Bill as presently written has precisely the opposite effect.

**Mr. Pepin:** It does not do the opposite; it does not do as much.

**Mr. Malone:** It is difficult to believe that a figure of 31 million tonnes can be in place in this Bill when in fact the world has a need for a far greater amount of food. Now when four-fifths of the world suffers from malnutrition it is the wrong time to put a cap on the incentive to grow grain. In addition, Mr. Speaker, we need to look at the question of freedom of choice. That would allow the user of the railway system to put the money in his wallet, and the only way for the railway to get that money is to provide the service. If the rancher or the farmer has the option, he will choose to use the railways if they are offering the service. If not, he will truck his product to the local feed lots flour mills, or he will use other methods of transportation. If these alternatives are not open to the railway, then what we would have is the NDP plan of a guaranteed income. While that may have some ring for many in the country, this would be a guaranteed income for CN and CP rail, an annual income guaranteed to the railway companies irrespective of what other modes of transportation are there for the competition.

● (1710)

Now that I believe I have the Minister's attention, I want to address my concern relating to the point of the 10 per cent safety net. He and I will disagree on the 10 per cent number. I would argue that it should be closer to 8 per cent. However, the other part which is very important, to set that question aside for the moment, is that whatever the percentage, it simply means that the railway companies would know in advance that they would then have the opportunity to enhance development up to 10 per cent, to add to the cost of their shipping every year by 10 per cent, knowing full well that the farmers would pay the 10 per cent. There would therefore be no market discipline on the railway companies.

I want to make a personal suggestion to the Minister, and I will check with my caucus later. Instead of having the farmers pay 8 per cent or 10 per cent before the Government pays everything, it should be changed to having 16 per cent paid, with the Government then picking up everything after that. However, on the first 16 per cent, the producers and the railways would share the cost fifty-fifty. If we simply left it so that the farmer paid all of the first 10 per cent, then it is obvious that the railway companies would automatically know year after year that they could add on 10 per cent because it would be charged through to the farmers.

I simply say that if that kind of system is put in place, it will be used. I submit to the Minister that he should give due consideration to a formula where the percentage is higher, but

where there is cost sharing between the farmers and the railways of the country, because that would then bring about some market discipline. The railways would then have to give some consideration to bringing about efficiency on any extra costing.

The other reason that I believe we must consider the full question of the freedom of choice is that that is the only method by which we will ensure the enhancement of secondary industries on the Prairies. The Minister himself addressed that principle well on May 12, 1983. His turnabout, though, destroys the opportunity for the enhancement of industries on the Prairies by making it all paid to the railways.

The only way we can gain the advantage of Crow is if we export all the products. If we export all the raw products, then there is no manufacturing. We of prairie Canada know that that is not an acceptable resolution.

In 1976, 500 jobs were lost in Prince Albert, Saskatchewan, when Burns' meatpacking plant closed down. In 1978, another 120 jobs were lost when Canadian Dressed Meats in Medicine Hat closed down. In 1979, we lost another 700 jobs when Burns' in Edmonton closed down. In 1979, we lost another 550 jobs when Swift's, in Winnipeg, closed down. In 1974, we lost an additional 200 jobs when Burns' in Regina closed down.

Therefore, in conclusion, I simply want to say that we of prairie Canada never want to return to the 1930s, when our exports were raw products and sons and daughters. One of the great phenomena of the last few years in prairie Canada was the rash of homecomings. I personally experienced, as I went to these homecomings, seeing all those license plates from Ontario, British Columbia, California, Colorado and Oklahoma. These were homecomings of the people of three or four decades ago who lived in prairie Canada when our exports consisted of raw products as well as our sons and daughters. However, we needed to have these secondary industries. As the West develops and enhances, so does central Canada. We need to have a policy—

**Mr. Deputy Speaker:** Order.

**Mr. Malone:**—that will allow us the freedom of choice to use the kind of transportation that has existed and that will be good for all of Canada—

**Mr. Deputy Speaker:** I regret to interrupt the Hon. Member, but his allotted time has expired.

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## PROCEEDINGS ON ADJOURNMENT MOTION

[English]

SUBJECT MATTER OF QUESTIONS TO BE DEBATED

**Mr. Deputy Speaker:** It is my duty, pursuant to Standing Order 45, to inform the House that the questions to be raised tonight at the time of adjournment are as follows: The Hon. Member for Dartmouth-Halifax East (Mr. Forrestall)—