

● (1120)

If you move to Argentina, not only is the subsidy higher but there is virtually no cost at all in terms of transportation, for Argentinian grain producers when it comes to shipping and transporting their grain to ports for export elsewhere in the world.

Then there is Australia, another great grain producing nation, a nation with which our farmers have to compete, and again the economic reality is that most Australian grain producers have half the distance or less to ship their product to port before it is exported elsewhere in the world.

If you look at all three of these countries you find a situation in the first two where subsidies given to the farmers are much higher than are given to Canadian grain producers, and in the case of Australia, our other major competitor, Australian transportation costs are much lower simply because the Australian farmers do not have to ship their grain as far.

In spite of this, in spite of the subsidies which the United States provides, in spite of the subsidies which Argentina provides, in spite of the great advantage the Australian grain producer has, Canadian grain producers earn for Canada—and that is the point I want to make, our grain producers do not simply earn for the Prairies, but they earn for all Canada—some \$6 billion in foreign exchange. That was the case last year. We should be thankful for the Canadian grain producer that his sector of the economy has functioned so well that it has brought in that revenue benefiting Canadians from coast to coast.

Some Hon. Members: Hear, hear!

Mr. Broadbent: Instead of continuing to assist our farmers, instead of providing some acceleration in the benefit to this very productive part of our economy, the Liberal Government is moving in just the opposite direction. It is going to increase the cost to the typical grain producer on the average by \$6,000 per year, over the period of a decade. That means, on the average, a 500 per cent increase. It means, Mr. Speaker, the kind of increase that no other worker, no other sector in the Canadian economy would tolerate, and we say, in this Party, that Canadian farmers should not have to tolerate that kind of increase either.

Some Hon. Members: Hear, hear!

Mr. Broadbent: I want now to come to the question of subsidies. Having made the case, it seems to me that it should be self evident, except to anybody on the Government side of the House, that some subsidy is indeed warranted, warranted in principle because a commitment was made, warranted in terms of dollars and cents because of the revenue our farmers bring into Canada. But I also want to come to the question of how that subsidy should go out.

We are saying that when it comes to the CPR, in terms of its actual costs above and beyond what the CPR gets from grain farmers for the Crow rate, it is appropriate for the rest of Canada to pay the subsidy up to that actual cost for the shipping of grain because of the benefits that the earned

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revenue from grain provides for all of Canada. And because of the commitment in principle we have to grain farmers, yes, we should give that subsidy to the CPR for the incremental cost beyond what it gets from the Crow rate.

What we also say, Mr. Speaker, is that the approximately \$550 million which the Government wants to give to the railways, and in particular I am talking about the CPR, the private railway, is unconscionable. Why should we give a very profitable enterprise a handout of some \$550 million a year? I come from an automotive community. I would oppose a handout to General Motors. I would oppose giving General Motors money. To give such an enterprise a loan to facilitate financial developments for the private sector, under certain tightly controlled circumstances and in the public interest, is one thing, but to give a handout from the taxpayers of Canada to a profit-making large corporation, I say is a misuse of public funds and we should not do it.

Some Hon. Members: Hear, hear!

● (1125)

Mr. Broadbent: Therefore, we want to proceed immediately with the tunneling which has to be built, with the rails that have to be improved, with the bedding which has to be improved, and with the expansion that must take place, not only for grain farmers but for exporters of other raw materials and goods that will use railway facilities. We all agree with this. We in the NDP are saying that the subsidy for the cost of grain should be paid and that the CPR deserves the additional cost beyond the Crow rate. There is no question. But with respect to the other \$550 million needed for tunneling and rails, we say that money should be put into investment, and that for every penny which goes from the taxpayers to the CPR we should get a share of the return. That is our position.

I want to conclude my observations with this point. We in the NDP believe that a healthy prairie economy, a healthy grain economy, is essentially important, first for farmers and their families who are doing the work and producing grain for export. Second, it is very important in terms of a revenue source for all Canada; it was \$6 billion last year. Third, it is important for manufacturing jobs. If farmers are thriving, if they are doing well, they buy equipment. Where is that equipment made? It is made in places like Yorkton and Winnipeg in the West, but it is also made in places like Brantford and Hamilton in the East.

A healthy prairie economy, the generalization holds, means a healthy national economy. When the Liberals learn this, they will finally learn something about the nature of Canada.

Some Hon. Members: Hear, hear!

Hon. Ray Hnatyshyn (Saskatoon West): Mr. Speaker, I compliment the Hon. Member for Oshawa (Mr. Broadbent) on his remarks. I will read *Hansard* tomorrow to find out precisely what he said and where his Party stands, because he seemed to go all over the field with respect to this matter. I am