

*Western Grain Transportation Act*

exists right now as a statutory freight rate. The Crowsnest Pass Agreement was signed in 1897, nearly 100 years ago. CPR agreed to reduce rates for transporting grain and flour from western Canada to the Lakehead to five cents per ton mile. The rate became statutory in 1925 when it was incorporated in the Railway Act. Subsequently it was extended in later years to include Vancouver, Prince Rupert and Churchill and was broadened to include certain oilseeds and semi-processed grain products. That is what farmers in western Canada understood, and it has become part of the very social fabric of western Canada.

Now the Government virtually proposes to transfer \$1 billion from the pockets of western Canadian farmers directly to the railways. That is exactly what is happening. The total revenue from farm commodities, grain from western Canada, is \$6 billion. The Government is proposing to take \$1 billion of that \$6 billion and transfer it directly to the railways. It will not come from Government coffers; it will come directly out of the pockets of farmers in small communities in my riding and in every other western grain producing area.

• (1810)

It is an attack on the social fabric of western Canada. I am talking about the very small communities on the Prairies, Manitoba, Saskatchewan and Alberta. The very existence of places like Rochester is threatened. When you threaten the farmer, you kill the family farm. When you do that, you kill the very small communities such as Kinsella, Smith and other places Members have not even heard of. I repeat, they are the very social fabric of western Canada.

The Government has come in with Bill C-155. I outlined what the statutory Crow rate was all about. It is very simple, five cents a tonne mile. That was the transportation cost. What will the farmer pay now? I want to quote directly from the Bill. I say to Members opposite, for God's sake, read the Bill and see if you can understand it. I know you cannot. I quote the annual rate scale, Clause 35 on page 16. This tells the farmer how much he will pay in freight rates to ship his grain from western Canada to market. I quote:

35. The Commission shall, on or before April 30th of each calendar year, by order, prescribe the annual rate scale in respect of the next crop year.

36. (1) The annual rate scale in respect of a crop year shall be determined by multiplying the amount per tonne for the movement of grain over each range of distance set out in the base rate scale by the quotient obtained by dividing the estimated eligible costs of the railway companies in respect of that crop year less the CN adjustment in respect of that crop year by the base year revenues within the meaning of subsection (2), as those revenues are adjusted in accordance with the grain tonnage forecast for that crop year provided by the Administrator.

(2) For the purposes of subsection (1), "base year revenues" means the amount obtained by multiplying the rates applicable to the movement of grain under the tariffs of rates of the railway companies as derived from the base rate scale, taking into account sections 44 and 46, by the number of tonnes of grain actually moved by the railway companies from each point of origin on a line of railway in the Western Division in the most recent base year.

How much a tonne? When a farmer in western Canada picks up a piece of legislation like this, he wants to know how much his freight cost will be because he has to figure that in his overhead. He wants to know that he will make money if he plants his wheat, barley or oats. It makes eminent common sense. What do we do? We have Members opposite who do not

even take the trouble to read what is in the legislation being proposed by the Minister.

Let us review what has happened. There was the Hall report and the Gilson report. The Minister of Transport (Mr. Pepin) introduced Bill C-155, which does not even resemble the suggestions made by these gentlemen. All producers in western Canada recognize that there has to be change somewhere.

We ask our western producers to produce the grain to be shipped. We ask them to create wealth for this country. We want to ship \$6 billion of grain to the foreign markets to help with our balance of payments. That is what we ask them to do. We compete on the international market with countries like Argentina, the United States and Australia, which heavily subsidize the grain producer. What does this Government propose to do? It proposes to take \$1 billion out of the revenue to the farmers and transfer it directly to the railroads. We have discussed that in this House.

The Hon. Member for Vegreville (Mr. Mazankowski) put forward the proposal of the freedom of choice option. It suggests in effect either paying the subsidy directly to the farmer or giving him the choice of paying it directly to the railroad. It would be easy to administer. What does this Government do? Nothing. It closes its ears.

When the Government introduces legislation into the House, it will listen to no argument. It will not listen to debate. It will not take into consideration the problems faced by the areas affected. It brought in closure on the national energy policy which devastated the oil industry in western Canada. Today, even with all of the backtracking it has attempted to do, rigs are still idle in the western basin. The numbers are down 10 per cent from last year, and last year they were down 40 per cent to 50 per cent from the year before. This is shortsighted stupidity.

We are seeing exactly the same thing again today. We ask the farmer to invest a lifetime in producing wealth from the land, wealth that every person in this country can enjoy. As I mentioned before, this contributes to our balance of payments.

The Crow is a form of subsidy to the grain producer. We all recognize that. It was put in place to allow the farmer to compete in the international market against other grain-producing countries. That subsidy is now being taken away. This is not being done in the United States, Argentina or Australia. They are adding subsidies. They recognize that the production of grain is the production of wealth. Selling grain on the international market contributes to our balance of payments and to our foreign trade deficit. This is used consistently.

I wish I had more time. However, this is part of the closure episode that goes on constantly. Members opposite will not listen to the debates that go on. I am sorry I am only permitted ten minutes. I may have an opportunity to speak at a later stage.

**Mr. Les Benjamin (Regina West):** Mr. Speaker, we are speaking to a motion that the question now be put. There is a practice in Parliament whereby Members can put reasoned