

*Supply*

**Mr. Pepin:** Mr. Chairman, the hon. member referred to three subjects. The first is the statutory grain rates, the Crowsnest rates. I do not want to engage in the debate the hon. member raises on the role of CP in Canadian history. There is no way I am going to try and change his views this afternoon. I will repeat what I think I have already said about the Crow rates.

● (1650)

I am intrigued by the whole debate on Crow rates at this moment. I meet a number of people who say: Don't touch it; everything is all right as it is. I have got it from very highly placed authority that I shouldn't "mess with it". Then I get it from another side that since the Snavely report western farmers have realized that there is a problem—that the railways have been losing so many hundreds of millions of dollars a year because of the Crow rate of half a cent per ton mile. The figure of \$173 million in 1979 is one which is sometimes used. Consequently people holding this view say something has to be done.

**An hon. Member:** Mr. Justice Hall has told you what it is.

**Mr. Pepin:** Mr. Justice Hall has given his views on the subject. Others have expressed views which are slightly different from his. I am told by some people to stay away and by others to come in. I think I will not resist the second invitation because it seems there is something abnormal about the way the railway system operates when it comes to grain; there must be a better way of doing it than the present one. That is generally recognized.

What is also generally recognized is that the farmers of western Canada have a right in the Crow rate, and that right must be respected. So everyone is looking for the correct formula, one which would both respect the right and permit better operation of the railway system. And that is what we are going to try to find out. A great number of people have tried to find this formula—I know I am not the first but I hope to follow them along that line.

On the subject of the situation at Eastern Provincial Airways, the situation is that an appeal has been made to me as Minister of Transport by both EPA and Air Canada under section 25 of the Transportation Act. Under that section I am supposed to allow intervenors to make representations, so we shall, of course, permit that to happen. Canadian Pacific is due to implement the decision of the Canadian Transport Commission early in July, so the objective would, of course, be for the minister to come to a decision either accepting the ruling of the commission or rejecting it before then. I should not talk about it further because it is somewhat *sub judice*.

The third question had to do with the prairie rail rehabilitation program, if I remember correctly. To give me a few moments for reflection before I answer it, perhaps the hon. member would like to continue his remarks.

**Mr. Mazankowski:** I was intrigued by the response the minister made to the hon. member from Regina. In connection

with the Crowsnest freight rates, could I ask the minister whether it is his intention to refer this matter to a commission or to a committee of inquiry? Rumour has it that this is one of the options the government is considering. Is this a course which is actively being considered?

**Mr. Pepin:** To answer that question by my distinguished predecessor, let me say I really do not know what would be the best strategy, the best approach to take. Some people suggest the kind of commission to which he has referred. They even suggest names of people who might be asked to head it. Others look in the direction of something less formal, something of the type of commission I myself was connected with, the national unity group, though, possibly, less flamboyant—a group of wise men, the "wise men" approach. And women. Wise persons. Oh, my God!

**Some hon. Members:** Oh, oh!

**Mr. Pepin:** It takes a little time. Such a body would be less formal and its job would be to listen to views, massage them and help formulate them. I must say I am attracted to that approach and I would like to know the views of the hon. member for Vegreville if he cares to teach us a bit.

**Mr. Mazankowski:** I suppose I could express a view or make a comment on that subject but there are a number of other questions I wish to pose at this time. I gather from the minister's answer that he is in fact considering some kind of mechanism to review the whole subject of the Crowsnest Pass rates. Could I have a simple yes or no to that question? I see the minister responding in the affirmative.

I should like to ask another question. It involves an area of general policy or general philosophy. I note that this reference emerged when there was some uncertainty expressed about whether the Prince Rupert project was going ahead or not. In the context of that discussion the cliché "user-pay" came up. Can I ask the minister this. Does he intend to go back to the user-pay concept of a former minister of transport—the Otto Lang user-pay concept?

Also, can he tell the House whether he has given any consideration to the application of this policy with respect to the marine sector, the coastguard? What is the over-all view of the government on cost recovery with respect to the St. Lawrence Seaway? I suppose the subject extends beyond that to the area of air administration, the operation, maintenance and provision of infrastructure in connection with airports. Is the minister considering at the present time any substantial increases in user fees and landing fees in connection with airports specifically, and can he tell the committee what position he will be taking with respect to the application of the user-pay philosophy as it relates to cost recovery in the marine sector?

**Mr. Pepin:** Mr. Chairman, if I had wanted to be a philosopher I know what I would have done: I would have stayed in university.