

*Transportation*

● (1230)

We have been saying that the Crow rate in statute form enshrined in law must remain. We have also said, and the hon. member is now saying it in this motion, that the railways should be adequately compensated for the movement of grain.

Then there is an interjection by the Minister of Transport (Mr. Pepin), as follows:

Mr. Pepin: Right on.

In other words, he was agreeing with that statement.

As I said, there is no disagreement on that. Where there is debate and discussion but no clear consensus, it is on how the federal government will pay the difference. I repeat what I said on May 2, 1980:

We have been saying that the Crow rate in statute form enshrined in law must remain.

The minister at that time agreed. Today the minister says that a new statutory freight rate, which will have an increased freight rate for the producers, which will have built in a periodic escalation clause which will be paid for by the farmers after negotiations with the railways, is now being put into effect. That is entirely different. We have the deputy minister of transport suggesting in his comments to the press that the farmers will likely pay double or triple the Crow. If the cost triples, that means another \$275 million to \$300 million which will come from the pockets of the producers.

The deputy minister, when pinned down by reporters, said that he could not answer in any detail because "There were too many permutations and combinations." That is a far cry from the Liberal policy that was proposed during the election of 1980 and during a policy convention held in Winnipeg that year.

I repeat, the farmers simply cannot afford this additional cost. They are being strangled at the present time by high interest costs, high energy costs, high fertilizer costs, high machinery costs and high chemical costs. Most of those conditions are the product of this government. The farmers are facing reduced commodity prices. All of this is doing nothing more than driving nails further into the coffins of many progressive farmers in western Canada. The additional freight rate will simply add to that burden.

Our party has stated that the status quo, that is the existing arrangement, is not satisfactory. We have said that because it has brought us to the kind of chaos, breakdown and collapse in grain transportation which we see from time to time. We have said as well that the railways should be adequately compensated for hauling grain; that is, given a fair rate for hauling grain. We have said that the existing statutory freight rates should remain. We have said that the shortfall should be met by the federal treasury and that adequate guarantees must be provided to ensure adequate capacity and performance. When we say that, we are talking not simply about legislation but about penalties and/or rewards for extra, laudable performance.

As I have said before, we commend the minister for coming forth and telling the House and the country what the government is prepared to do in terms of meeting that shortfall. We have said that had to be done in order to proceed. We have also said that the anomalies of freight rates between processed

and unprocessed products must be resolved. There should be no question about that. We have said as well that this can be done and must only be done with the provision that there is full and adequate consultation with the producers of Canada. Furthermore, we believe as well that the railways should not be relieved entirely of their statutory obligations. We believe they have an ongoing obligation and should continue to shoulder that ongoing obligation.

We believe as well that the federal government has an ongoing responsibility, in addition to the provision of the 1981-1982 shortfall, because there are a number of artificial and natural advantages that our competing countries have when it comes to getting our fair share of the export market potential. We believe that export grain, being a national asset, is an issue that has to have support in financial terms, in marketing terms and in moral terms in ensuring that we can maintain a healthy production in the export market of grains.

Furthermore, I believe that a very strong argument can be made for no further payments to the railways until they at least demonstrate to the satisfaction of the producers of Canada that they have installed adequate capacity, that they have put in place the kind of performance that will assure producers that they will deliver the grain on time in a reliable and effective fashion and, I stress again, to the satisfaction of the producers.

Some people believe that the Crowsnest Pass freight rates have always been a losing proposition for the railways. I want to tell this House that it has not been a losing proposition for 85 years. Up until about 1967, the Crowsnest Pass freight rate was compensatory. The railways made money on it. They built up vast empires during that period of time. They branched out into various activities.

I put to this House a very serious suggestion. It seems to me that if the railways could deliver grain in this country for half a cent a ton mile for 85 years, there may very well be an excellent argument made for the fact that surely they can deliver grain at a half a cent a ton mile plus \$612 million for at least another 20 years. Maybe that is something the minister should consider. That would take us to the year 2000. I ask the minister to consider that proposal seriously. That would give the railways an opportunity to prove what they can do with \$612 million annually. It would give the railways an opportunity to prove that they are serious about beefing up capacity and improving the service.

I have said before, and some people will argue, that that is quite a bit of money and we are tapping the federal treasury too severely. But I repeat again that this government is extracting a substantial amount of revenue out of western Canada in the form of energy taxes to the tune of \$51 billion and \$52 billion over the next five years. Every time a farmer fills up his tractor or combine, between 55 cents and 60 cents on every gallon of fuel that goes into his machine goes to the federal coffers. That is almost outright confiscation against our food producers.