

*Western Grain Transportation Act*

in the breeze and hang out to dry without the support of some of his major colleagues.

As the previous speaker, the Member for Prince Albert (Mr. Hovdebo), just said, the subject we are debating today not only requires a rational solution to a mathematical problem but is an issue which affects the whole fabric of our nation.

Ever since the nation began we have accepted the fact that it was a large geographic country and that we would help each other with transportation. I will return to that point later.

My remarks are going (a) to set the perspective and (b) to put forward some positive suggestions which might help the Minister follow some of the suggestions that have already been made.

First, I am sure everyone realizes that the question of railway servicing in Canada in the last 20 years has been first and foremost in this Parliament. The first royal commission report came to Parliament in 1962. We spent five years discussing it in Parliament. The Government changed its Ministers and the new Minister worked co-operatively with the then CCF and with us. We were able to draft a new Bill. When it came in, I believe the Opposition made over 70 amendments and all but two were accepted. The House worked well then. We put our thoughts down in a Bill called the National Transportation Act, and with the support of all Parties it laid down very simple objectives for all modes of transport that we knew could not be economically viable in the ordinary commercial sense until we had a much larger population. The principles enunciated by the Hon. Member for Vegreville (Mr. Mazankowski) essentially carry out those objectives that were in the National Transportation Act.

The next major event in this discussion was the Hall Commission on boats, railways, transportation and grain handling facilities. I am sorry that I was not in the House yesterday when the Hon. Member spoke. To many of us in western Canada this was our Magna Carta. It reinforced what we had distinctly taken as a pledge from the CPR when it brought people from Quebec, Ontario, the Atlantic Provinces and eventually Europe to fill up these empty spaces. Some people still carry the advertisements that were put in the European papers by the CPR saying that there was free land and a right to transport grain to markets. While there is not any written law, it is part of the common law of the whole country, not just the West.

The Hall Commission report recommended keeping the Crow rate as it is. If there are any losses that could be proven, we, the taxpayers from all parts of Canada, would pay them. That is the law as it stands today.

It also recommended that we should abandon 2,000 miles of line that probably has no chance for viability. The farmers would accept that. Another 2,000 miles of line would be provided for under the Prairie Rail Authority and run by westerners in order to haul grain and whatever other commodity people wished to transport. When they made money, as they would, the lines would be turned back to the railways with no charge. That was the second proposal.

The third was to build up traffic so that the railways could make more money. The Hall Commission report was not aimed at the railways or the grain companies. It was simply trying to make them more efficient so that they could make more money. The farmers would not have complained if the CPR, the banks and the grain companies could make more money. That is a brief history on the subject.

We now come to the Gilson consensus. It brings me to what I have said in the House, that there has been a great debate occurring in western Europe, the United States, Canada and elsewhere for the past 25 years about what to do with agriculture. One suggestion from Europe was that there were too many farmers and they had to be controlled and elected because the experts knew better what to do than the farmers. This became known as the philosophy of supply and demand. This philosophy was accepted by the Kennedy administration but not by the Diefenbaker administration.

We took the opposing point of view that since the world was hungry we would sell the grain. The price would go up somewhat and no subsidies were required for the farmer. He would feel good because he was feeding the world while making some more money.

The records show that from 1961 to 1968, we entered into the longest period of economic growth in all parts of Canada in our history. The credit for that rise was given to the then Minister of Finance, Walter Gordon, and the then Bank of Canada Governor, Mr. Rasminsky, because we had sold that grain in the export markets and had gone into the manufacturing areas of Ontario and Quebec and sold their products. That rise resulted not only from the export of goods but putting the dollar into a position where it could take advantage of the fact that we could increase our exports because it was down to its real value.

• (1650)

That is all history. But on the other side of the coin those who believe we should control the number of farmers and reduce production were still working away in Washington and Ottawa. They set up a task force for agriculture after the defeat of the Diefenbaker Government. The report is here for everyone to read. It is dated 1970 and recommended that we get rid of two out of every three farmers in Canada and that in the West we cut the acreage down to half so there would be enough living for the few that were left.

That is the philosophy of the elite, our experts, in all countries. The Americans are still looking for the domination of that group, but in Canada I thought there would at least be some sort of fight here against that philosophy.

The Government appointed Professor Gilson to take charge of this consensus based on an unofficial report from a non-existent person as far as Canada is concerned, Mr. Snavelly. The only group authorized to do studies on costs under the law is the Canadian Transport Commission. That was ignored by the Department of Transport and the Minister is now paying the price for that.