

Western Grain Stabilization Act

The Minister does not say that the Government will support the farmer this time by not lowering the initial price below what it was last year because the cost of production has gone up. He will not say that the federal treasury will stand behind the Wheat Board if necessary because grain prices do not increase in the international market. Again, there is nothing from the federal Government. In fact, there was a lowering of initial prices to the farmers. Many farmers are beginning to wonder how they can continue to produce as they continue to get negative indicators from the international community and their own national government.

In addition to all of this, there is an increase in the freight rate which they must pay to get their commodity to the market. This increase which they must pay to the railways, because there are very few options, will increase by 35 per cent to August 1, and 58 per cent after that all in this one year. The Government will allow the addition of \$25 million to that freight bill as the cost of shipping higher volumes of grain than forecast from August 1, 1983, to December 1, 1983. This cost will not be borne by the Government—the Bill was not even passed until the end of the year—but will be added to the freight rate costs.

Furthermore, the railroads have made a submission to the Canadian Transportation Commission asking for revisions to the cost of capital formula. They were offered \$100 million as the cost of capital for moving grain. Now that the Bill is passed and they have the \$651 million in their possession, they are going before the Transport Commission asking to boost that cost of capital to \$250 million. I hope the CTC does not allow that because, if it does, that will add an additional cost to the transporting of grain of \$3 a metric tonne.

I recently read an interview with Mr. Lawless of the CNR which appeared in the *Western Producer*. I could hardly believe what I read. He was lamenting the fact that there were no incentives to the railroad to improve service to the farmers. He said that this money just meets their cost of production and that there is no incentive to change the system at the ports to put a looping in the tracks so that cars could continuously unload, or to install unit trains which would assist farmers in the Prairies. He said that there was no incentive to do that. The complaint was that the railways must load the grain from all of these prairie elevators and that there is no money there to somehow assist supporting the tracks to those Prairie elevators.

As I read that interview, it seemed that the President of the CNR was saying that after the Crow Bill was passed, giving the railroads the costs for moving grain, there was still no incentive to increase their efficiency in moving the farmers' grain. I want to say to him that if \$300 million is not sufficient to provide the efficiencies that are needed on the Prairies and to keep the costs to the farmers down, then I do not know what is.

I am only sorry that the Minister who is bringing this Bill to the House today, who was the Minister of Transport at that time, was not allowed to remain in that portfolio. I am convinced that western farmers would have received a better

deal if he had been allowed to stay. I am convinced that he understood what the commissioner who was appointed at that time was saying about what was needed on the Prairies to move grain. I am convinced that he would have fought, with our support, for at least a partial payment to the producers to keep the railroads efficient. I am convinced that the Agricultural Stabilization Fund of \$204 million, which he put in that Bill, would have been in place now to assist farmers with the extra transportation costs.

He was being very kind today when he said that they put the good animals out to greener pastures. I had hoped that the Government would keep him on and let him pilot this Bill through, because I think we would have had a better deal. However, we have a Minister from Western Canada, and what do we have? There is a great deal for the railroads; and we can see why because we know who he is supporting.

I want to conclude by saying that we are prepared to do everything possible to pass this Bill. We want to allow the Government to make the interim payment which we indicated was essential. The amendments to this Bill will receive our quick scrutiny in committee. We hope that this Bill will pass and allow western farmers some money to put their crops in the ground; that nature will assist those farmers and world prices will not be depressed so that they can look to a bright future. They are the basis upon which the western economy grows.

• (1450)

The Acting Speaker (Mr. Herbert): There follows a ten minute period for questions or comments. Continuing debate. The Hon. Member for the Battlefords-Meadow Lake.

Mr. Doug Anguish (The Battlefords-Meadow Lake): Mr. Speaker, I have a few comments for the record on second reading of Bill C-33, an Act to amend the Western Grain Stabilization Act. It is with some interest that I noticed the introduction of the debate today by the Minister for External Relations (Mr. Pepin) who was Minister of Transport when the abolition of the statutory Crow rate took place. I must say that in the Minister's speech today he portrayed a great deal of understanding about the plight of the western Canadian grain farmers and the desperate situation in which some of them find themselves today. I only wish he had shown that kind of understanding and empathy for the western Canadian grain farmer when he pushed the abolition of the statutory Crow rate through the House of Commons, one of the last few subsidies our grain farmers had.

Beyond that, it is even more surprising to me that many speeches delivered by Conservative Members have criticized the Liberal Government for allowing the Crow rate to be dismantled. I remind them that if we had had the adequate support we called for from all Opposition Members of the House I do not think the Liberals would have been able to put through Bill C-155 which changed the statutory Crow rate and which has put farmers in an ever worsening economic situation in western Canada.