

Advance Payments

\$1,500 to \$3,000, and the maximum advance for unthreshed grain would be raised from \$7,500 to \$15,000. That is in addition to the figures I have already indicated. That is the first change.

The second amendment is that since the Government recognizes that further adjustments to the maximum advance payment would be necessary from time to time—life being what it is—it is also proposing that future adjustments be made a part of an Appropriation Act of Parliament. In this way the Act would become more quickly responsive to the changing needs of producers, while at the same time Parliament would maintain control and scrutiny over adjustments. That is the second change.

The third change is that a further provision of Bill C-23 is the revocation of Subsection 7(3.2) of the Act, which excluded spouses from participation in the program. It was first introduced as a safeguard in the administration of the program. Considering the fact that more and more farm businesses are run these days by both husband and wife playing a direct and active role in the operations, the continued inclusion of this provision is frankly discriminatory. The Canadian Wheat Board no longer considers spousal participation an administrative difficulty.

Those are the three amendments that the Bill introduces. Virtually all major western grain producer organizations have urged such increases in the maximum limits on advance payments; therefore, they should be well received. Early passage of the Bill would permit the Wheat Board to implement the revised program on the specified effective date, which is August 1, the start of the new crop year.

Those are the three amendments. I am quite sure that my hon. friends on the other side of the House as well as Members on this side will be pleased with the amendments. If Hon. Members want to insist on passing the Bill through the three steps today, I think that would be welcomed by the rest of the population.

Mr. Gordon Towers (Red Deer): Mr. Speaker, first I must say that it is a pleasure to speak on behalf of our spokesman for the Canadian Wheat Board who is unavoidably out of Ottawa on this Friday. Had the Bill come into the House yesterday, he would have been here and he would have been prepared to take his responsibility seriously on this very important matter.

I do not intend to speak too long because I know my hon. colleague from Vegreville (Mr. Mazankowski) would like to speak on this Bill as he comes from a very large grain growing area in western Canada. Certainly he has had much to do with the well-being of the western grain producers, especially in relation to the so-called Crow debate.

● (1420)

I should tell the Hon. Minister of Transport—

Mr. Pepin: "Ex".

Mr. Towers: —that he does have a lot of friends in western Canada. Pardon me, he is no longer the Minister of Transport; he is Acting Prime Minister today, filling in for the Minister of Transport (Mr. Axworthy). However, if he had remained in that portfolio until the debate was completed, having finished as well as he started, we would have had a lot more happy farmers in western Canada than we have today. The farmers did not really realize exactly what the consequences would be of the Crow debate, and I would like to refer to some comments made by the agriculture critic of our Party.

The Hon. Member for Portage-Marquette (Mr. Mayer) said on May 3, 1984, and I quote:

Western grain producers will have to pay an extra \$25 million in freight costs which should be borne by the federal government, . . . This amount represents the cost of shipping higher volumes of grain than forecast from August 1, 1983 to December 31, 1983. However, as the new Crow legislation did not come into effect until January 1st, 1984, the shipper should only have to pay additional costs for grain shipped during the last seven months of the current crop year. Instead, producers are paying for the bigger-than-expected volumes shipped before the new rate took effect—costs which should be borne by the federal government.

The \$25 million is part of the CTC calculation of the new rate for the upcoming 1984-1985 crop year, which includes the establishment of an interim adjustment based on the apportionment of costs between the producers and the federal government. For a year in which actual volume shipments exceed the forecast tonnage on which the rate calculation is based, the shippers pay less than they should. The CTC calculates the underpayment and adds it to the shippers' share for the next crop year.

For 1983-1984, tonnage shipped is estimated to be 34.55 million tonnes, considerably greater than forecast. As a result, the CTC has calculated the underpayment to be \$60.1 million, and has added this amount to the producers' share in determining the rate for 1984-1985. The new rate means that producers will pay 33 per cent more to ship their grain in the next crop year (from \$5.76 to \$7.70/tonne), while railway investment is decreasing by 25 per cent.

The government should own up to its responsibility and not charge producers for additional costs incurred for the five months prior to the new rates coming into effect by ordering a \$25 million reduction in the 1984-1985 freight rate to be paid by producers.

That statement is very relevant, Mr. Speaker, and consideration should be given to it by the Government. As I said, it would have been much better if the Acting Minister had retained his portfolio as Minister of Transport, had been able to initiate his former position on the Crown legislation, and if that \$650 million which went into the railway's pocket had been put into the hands of the western producers, as was suggested by the Hon. Member for Vegreville. Unfortunately, that was not to be because we had to beef up the CPR so it would have room for the latest director to be appointed, who is now running for the leadership of the Liberal Party.

Mr. Hnatyshyn: Who is that? What is his name?

Mr. Towers: I am asked who it is, and with your approval, Mr. Speaker, it is the Hon. John Turner who used to sit in this House of Commons.

Mr. Hnatyshyn: And he is on the board of directors of the CPR? That is shameful!

Mr. Towers: I would like to bring to the attention of the House that however graciously the Acting Prime Minister has presented this Bill today on behalf of the Minister of Trans-