

Western Grain Transportation Act

I see, Mr. Speaker, you are grabbing the arms of your chair, either in suspense, because you want me to go on, or because you want to tell me that my time is up. As I presume it is the latter, I will resume after the NDP has put up some of its speakers.

Mr. Vic Althouse (Humboldt-Lake Centre): Mr. Speaker, I wish to make a few remarks on the motions before us tonight. There are two basic proposals here. Motion No. 56, which is second in the way it is presented here, proposes to delete a clause of the Bill which outlines the powers of the Minister respecting the operation of railway cars. It would delete subclause 33(3) which reads:

Notwithstanding anything in this or any other Act of Parliament, the Governor in Council may, by regulation, transfer the administration and control of any railway cars held by the Canadian Wheat Board on behalf of the Government of Canada from the Board to the Minister.

That is what the Hon. Member for Regina West (Mr. Benjamin) is proposing to delete in this motion. He is proposing to add to the Bill something which would have the effect of amending Subclause 33(1). It would drop the portion that now requires the Minister to take control of the supply of rolling stock and to ensure the adequate supply of rolling stock. He rewords that to say that the administration and control of any railway cars so acquired for the purpose of moving grain, and I quote:

—and the Minister shall take every reasonable initiative to ensure that adequate supply of rolling stock will be provided for the efficient, reliable and effective movement of grain.

It goes on further to say:

The Minister may enter into agreements with the owners or lessees of railway cars and the Wheat Board shall administer control of railway cars acquired or leased by the Board or by the Minister on behalf of Her Majesty, and the Canadian Wheat Board may in respect of railway cars under its administration and control enter into agreements with railway companies respecting the operation of the railway cars.

These changes are consistent with the changes we have been trying to bring to the Bill. We have been trying to stop the change to the rates which erode the bargaining power and the spending power of Canadian farmers. We have also been attempting to stop the erosion of the Canadian Wheat Board, which shows up in several instances in this Bill. This is a case in point.

The Canadian Wheat Board has, as part of its duties, the job of allocating the cars to various points where the correct grades of grain are located. It uses the block system of shipping. Basically what happens is that the Wheat Board determines what grain is needed one month hence at which ports. It sets out a scheme of determining from the railroads how many cars are available in that period of time. Each week it takes the allocation of cars that the railways have available to the Board and sends them out so many hundreds of cars per block. Within the block, the elevator companies that have gathered the grain have orders from the Board for the various kinds and grades of grain.

They look at their stocks around the block and get their percentage of cars based on the amount of business they have done over the past year. They allocate their percentage of the

cars to those elevator points that have the correct grade and kind of grain so that that grain gets delivered at the appropriate time to the ship. It is a system that works very well. It is crucial to that system that the Board have some control of what happens to the cars.

In 1977-78 there was great difficulty getting any cars to move grain. At that point in time the Board determined to start purchasing cars with producer's money. Some 2,000 such cars were purchased. In addition, some of the Provinces were persuaded to make arrangements to add to the car fleet as well. Also, the federal Government was sprung for a little more money and it supplied a few more cars. It is an interesting statistical exercise. If you wish to take the increase to the hopper car fleet from that time and look at the increased amount of grain that is shipped, it works out almost in exact proportion.

We have been able to set a new record for exporting and shipping grain this year, almost exclusively because of our ability to have more cars made available. The fact that we increased the fleet provided most of that necessary extra capacity. There was perceived to be a political problem in 1979 as to how the allocation of cars was made. The Conservative Government of that day thought that the Wheat Board was not being entirely fair. It was listening to some of the private grain traders who had received a few years before the right to market feed grains through the open market rather than have the Wheat Board supply the domestic markets, as had been the case for many years before. The power of the Wheat Board was broken down further with the domestic feed grains policy.

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Some people who were new in the open marketing of feed grains were charging that the Wheat Board was not fair to them and they were not getting their amount of cars in order to move grain. In fact, the Board was taking great care to make certain that volumes of grain in storage at all the pertinent places were kept at a high level. They were monitoring the volumes that the private trade did have in storage and they were allowing those volumes to remain in storage at a considerably higher proportion to sales than what the Board itself considers efficient within its organization. They were allowing far more storage to take place under the private system than had been imposed upon producers and the Board by the former Transport Minister, Otto Lang, who had carried on what had been begun by the current Member for Qu'Appelle-Moose Mountain (Mr. Hamilton). He had begun the deterioration of the Wheat Board by permitting feed mills to buy their supplies from outside the Board.

It is not because we are paranoid that we are concerned about the further erosion of the Board. Farmers, Members and residents of western Canada have seen the deterioration of the Wheat Board with policies brought in by the Progressive Conservatives and expanded and carried even further by a Liberal Government. We see some of the proposals in this Bill, particularly Clause 33 that has the effect of further eroding the powers of the Canadian Wheat Board. We would stop that