

not to hamper the development of resources in western Canada, resources like oil, gas and potash; in particular, we ask the government to show our agricultural industry the same consideration it is showing to the Crown corporation we are considering. Certainly, we say that Air Canada and the CNR must be kept operating. But they will not continue operating if we do not look after our agricultural industry. I am on my feet today partly because I am pleading for that industry.

For the information of the House perhaps I should read some more of the article I just quoted, because it deals with the serious concern of people of western Canada about what is happening. I hope the government notices the warning signs which indicate what the people of western Canada are thinking. They are thinking about separation, and they are not fooling as the province of Quebec may be. Some contend that feasibility studies have proved that western Canada would be better off today if it were not part of the rest of Canada. I am not saying we want that to come about, but that is what could happen if this government sits on its haunches, as it has been, and pays no attention to western Canada. There is a strong movement towards separation, and it may happen. Even the government's supporter in western Canada, the Liberal Premier of Saskatchewan, has warned the government that if it takes no action to offset this trend, it will prove disastrous.

The Premier went on to say:

—it will reduce incentives to mining and oil industries when they are beginning to develop in Saskatchewan.

Canada's national railways were contributing to disunity by refusing to give the prairies freight rates competitive with the rest of the country—

While the province's potash industry was fighting for survival the railways not only refused to lower potash freight rates to Vancouver, but raised them six per cent.

The freight rate increase would not be possible unless the commission had authorized it. Surely the government could have stepped in and said, "There will not be any increase. We have an austerity program and have asked farmers to tighten their belts. We will ask all others to tighten their belts." Surely, the austerity program is not designed to benefit Ontario and Quebec alone. It should be of benefit to all Canada. The government ought to practise what it preaches in this respect.

Having listened to the minister and read the bill, I still do not know what this \$200 million expenditure is all about. If it is a

Provision of Moneys to CNR and Air Canada

capital expenditure, maybe we should give it further consideration and ask whether, in view of the unsettled state of our economy, we could do without it. We should not spend money unnecessarily at this time because we, in western Canada, are forced to curtail our expenditures. I talk as a businessman and farmer. We cannot derive adequate revenue from our products and the government appears to be making no effort to dispose of them at prices prevailing in the world. In fact, one of my constituents the other day said he was annoyed because Ontario and Quebec seem to enjoy a monopoly control over our wheat delivery system. He suggested that we could build terminal elevators in Newfoundland.

Mr. Lundrigan: Hear, hear.

Mr. McIntosh: We could ship our grain to Churchill at lower cost, and from there take it over to terminals in Newfoundland for export. We would then avoid the bottleneck that we experience at present at the lake-head. Also, I suggest that course would enable us to sell our wheat at lower prices on the world market so our farmers would have a better chance to make a profit on it. This suggestion is merely one of many coming forward from westerners now.

The newspaper article dealing with Premier Thatcher's statement reads:

The premier invited Prime Minister Trudeau to examine western Canada's freight rate structure 'with the same attention it has given the Quebec question.'

Mr. Thatcher said the attitudes taken by the Canadian Pacific and Canadian National railways 'make us wonder if the CPR and CNR are simply two more companies dominated by eastern Canada which are impervious to the interests of the west.'

'It is a well-known fact that the CPR holds mineral rights on hundreds of thousands of acres of Saskatchewan land. Perhaps consideration should be given to ending their relatively free ride in this field.'

Although I do not agree too often with Liberals, I agree with the Premier's statement. The western viewpoint on this question should be considered. I should like to deal with it at greater length but time does not permit.

I should like to put on record an editorial that appeared in the *Winnipeg Free Press* on November 12, outlining very well the western position on this matter. It is entitled, "CPR's Obligation". I have already shown the relationship between the CPR and the CNR. I believe the CPR, on various occasions, has used the CNR in order to better its position in