

Transportation

whether that means more unilateralism or not; it probably does. The minister will likely claim that there has been a tremendous debate, and there has, Mr. Speaker, but his particular proposal has not been debated at any length.

Is it any wonder that a mood of suspicion, anxiety and mistrust is growing in western Canada? There are two reasons for this, Mr. Speaker. First of all, most people in western Canada do not trust Liberal governments, and second, most people in western Canada put little trust in the railways.

This is a two-pronged situation. Surely the minister does not expect members of the House to stand idly by, a mere rubber stamp in the process? Surely he does not expect the farmers of Canada to accept a pig in a poke—an expression used by a former member of the House who found comfort and rest in the Liberal ranks. That is really what the minister is asking the farmers of Canada to do.

The process upon which the minister has embarked should be rejected on two counts. First, it should be rejected because he has chosen to circumvent the parliamentary process, thereby denying their legitimate role to elected Members of Parliament who should have a say in it. There is a double standard here, Mr. Speaker, and a contradiction. The minister very graciously referred a document on a new domestic air policy to the transport committee for study. I understand many hearings have already been held involving the industry, other interested parties and Members of Parliament and these are expected to be helpful. In the case before us, however, the minister has chosen not to take that route, thereby denying Members of Parliament, interested groups and producers the opportunity to debate the issue in a formal way.

On the second count, we believe that the process should be rejected on the basis that it denies the producers of Canada their legitimate right to be heard. I cannot emphasize too strongly that if this policy is implemented it will have a most profound effect upon the producers of Canada. They view it with fear, anxiety and apprehension because it could very dramatically alter the social and economic lifestyle of many people in western Canada. I am concerned about the way this policy has evolved and how the legislation will be drawn up, Mr. Speaker. I know the minister to be a reasonable man but I say to you, Sir, and to the House that the only word to describe his actions in this regard is contemptuous. I warn him that his actions will further fuel the fires of suspicion and mistrust that exist in western Canada.

It must not be forgotten that this process is being introduced by a government which does not have an elected member from rural western Canada in the House.

Mr. Munro (Esquimalt-Saanich): And it never will.

Mr. Mazankowski: I should like to deal briefly with the main objectives of the proposal introduced by the minister. First of all, it sets out to abandon the existing statutory freight rate; it commits the government to a level of funding equal to the 1981-82 railway revenue shortfall and it calls upon producers to meet any future cost increases beyond the 1981-82 shortfall in negotiation with the railways. One must pause and think about that, Mr. Speaker. What chance would producers have to negotiate freight rates with the railways? That would

be very, very difficult indeed. Large corporations have tried to tackle the railways in an effort to gain a fair freight rate and have not succeeded. That is a serious weakness in the proposal.

While acknowledging the importance of the federal government's commitment to meet the current shortfall, I have to say that this party cannot accept a freight rate structure which will have an open-ended escalation clause that would result in increased charges being put on the backs of the producers. There is no way we can accept that, Mr. Speaker. Nor can this party accept the removal of the statutory freight rate assurance. This would have the effect of relieving the railways of a continuing obligation and shift it on to the backs of the producers as well.

The proposal also sets out to place a fixed ceiling on further federal contributions. That would mean that the government would be relieved of any additional burden over and above the 1981-82 shortfall while the producers would be bearing the brunt of any inflationary or cost increase associated with the movement of grain.

The minister has made this quite clear but other ministers have expressed different views. Apparently a "Crow rift" exists between the minister and the minister in the other place who is in charge of the Canadian Wheat Board. It is not the first time there has been a rift between the two ministers but this creates even more uncertainty in the minds of producers and others who are watching the debate with keen interest.

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The minister in the other place says that a change will not be imposed but the minister across the way says that it will be, regardless whether there is agreement or not. These conflicts and varying interpretations must be cleared up.

When methods are being developed to establish a system of periodic reviews to provide railways with adequate compensation, in effect they remove statutory protection. They are couched in such subtle terms that many people have difficulty discerning them. We must ask ourselves what are the implications for producers, or what is the basis for calculating railway revenue shortfall? Also we have heard comments to the effect that any future increases to producers may well be tied to increases in grain prices.

What are the implications? If we look at Mr. Snavelly's last report, we see that he indicated that if the gross revenue shortfall continues to increase at the same rate in the future, it will exceed \$1 billion by 1986. Given the shortfall of \$600 million and the prospect of a \$1 billion shortfall in five years, it seems to me that in five years producers may very well be looking at increased transportation costs in the order of \$400 million.

I say as simply and bluntly as I can that farmers cannot afford it, particularly at this time. It is estimated that next year farm income will drop by 15 per cent. Statistics reveal that fuel costs will rise by 25 per cent in 1982, and this is on top of a 63 per cent increase over the last two years. This