

## GOVERNMENT ORDERS

[English]

### WESTERN GRAIN TRANSPORTATION ACT

#### MEASURE TO ESTABLISH

The House resumed from Thursday, May 12, 1983, consideration of the motion of Mr. Pepin that Bill C-155, to facilitate the transportation, shipping and handling of western grain and to amend certain Acts in consequence thereof, be read the second time and referred to the Standing Committee on Transport; and the amendment thereto of Mr. Benjamin (p. 25389).

**Mr. Doug Neil (Moose Jaw):** Madam Speaker, when I called it six o'clock last night I had made the comment that there was a consensus in western Canada that the railways were entitled to reasonable compensation for the carriage of grain. I also indicated that there was some doubt in the minds of many individuals and organizations about what the amount of that compensation should be and how it should be covered.

Of course, the Government says that the statutory rate should be set aside and the grain producers in western Canada should pay approximately double the present statutory rate by 1985-86 and five times that by 1990. However, the question is: can the western farmer afford to pay any more to move his grain? Prices of grain are down, the input costs are up and the farmers are facing a very real problem.

The Minister must be aware of the fact that there is a subcommittee on agriculture which is presently studying a private Members' Bill which would reintroduce the provisions of the old Farmers' Creditors Arrangements Act. The indications are that the farming community is running into more difficulty month by month and year by year.

I would suggest to the Minister, if he is not prepared to leave the statutory rate in place, that the very least he can do is perhaps to declare a moratorium on any increase and review the matter again in 1985-86 when a review is called for. The producers of western Canada are asking what they would gain if they had to pay an increase in the freight rate to carry their grain. The Minister says that they will gain a more efficient and better railway system, but is the cost of an improved system the responsibility of the producers? Is it not a national responsibility? Is not western Canada paying their fair share at the present time since it appears that the \$3.7 billion that has been talked about is money from the Western Development Fund; money which came from western Canada that is now being funneled back into the West?

There are many questions to be answered. I have just touched on one which is of prime concern in the West. Can the producer pay more? As well, there is the question of the livestock producers, because they are upset. There is also the question of the validity of the argument put forward in the February announcement that these changes proposed by the Minister will develop secondary industry and industrial development in the West.

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Let us suppose that they do achieve this. What will that do for the Prairie grain producer? It will not increase his income as a grain producer. He will not gain anything. When one studies the bare bones of the Bill, it can be seen that the Prairie farmer is being asked to pay more and really getting nothing in return.

Parliament must have time to consider all these issues. I know that the Minister is a fair man, but these issues cannot be considered in the short time remaining until June 30, which is the date he mentioned. While representations were made to Gilson and were considered, Parliament itself did not have the opportunity to consider these representations. There is no question that the people who appeared before Dr. Gilson had vested interests. There is nothing wrong with that. The commodities coalition group has certain vested interests with which it is concerned. The livestock producers are concerned about their vested interests. The elevators have vested interests which they are concerned about. I do not believe that these people, who made their representations at the Gilson hearings, were prepared to set aside their vested interests to ask what they could do in the best interests of western Canada and in the best interests of the western grain producers.

They all have legitimate concerns for which there must be compromise and consideration. I am suggesting to the Minister that this can only be done by allowing the committee to make an in depth study of these various representations and issues.

I see that my time is running out, Mr. Speaker. I would suggest that we have reached a milestone in the history and economic development of western Canada. The Minister has an opportunity to make a name for himself if he is prepared to listen and give parliamentarians and Parliament the opportunity to do the right thing with respect to the West. I would ask him to abandon his plans to have this Bill passed by June 30. Let the committee study it, make recommendations and report. On that basis I know that the Minister, who is fair, would consider the recommendations of the committee and bring in legislation which is fair, equitable and will serve us for many years to come.

**Mr. Pepin:** Mr. Speaker, I have a question which stems more from curiosity on my part but which I think is an important one. My old friend said he thought there was no agreement on the extent of compensation for hauling grain. My impression was there was quite a lot of consensus on that issue. Would the Hon. Member care to educate me as to where the opposition was to that? Other Members might know that this is basically 100 per cent of long-term variable costs of railways plus 20 per cent of constant costs phased in over a period of four years; 5 per cent in the first year, 10 per cent in the second, 15 per cent in the third and 20 per cent in the last. I had the feeling this was agreeable to most people. Is it not?

• (1210)

**Mr. Neil:** Mr. Speaker, my reading of the \$651 million is that the accounting system of the railway is suspect. While the figure may have been accepted by the farm organizations, they