

*Routine Proceedings*

[Translation]

**Mr. Jean-Paul Marchand (Québec-Est):** Mr. Speaker, the issue of western grain transportation is not a new one. The crisis that just occurred is the result of the apathy of the federal government which, for over 20 years now, has never done anything to solve this problem. Contrary to comments made by the Minister of Agriculture, the increase in American demand for grain was not the primary cause of the crisis in grain transportation in Canada. This factor merely helped show the lack of planning and flexibility of the grain transportation system in Canada. The problem is not a temporary one.

This year, the Grain Transportation Agency will not be able to deliver more than 30 million tonnes of grain, compared to over 35 million in the past. Major changes must be made to meet the needs of foreign importers as well as of Canadian and Quebec buyers. Indeed, it is disappointing to see that it will have been necessary for the Minister of Agriculture to go to Asia to realize how serious the problem of grain supply is, while right here several buyers have suffered major losses because of grain shortage or delays in delivery.

Something must be done urgently. The estimated \$35 million in demurrage charges in the West, as well as sales of 2 million tonnes of grain which were either lost or delayed, confirm the existence of a crisis. In fact, Canada's credibility and reliability as a major grain exporter are being questioned. I am pleased to see that the Minister of Agriculture intends to make changes in the grain transportation system. However, I would have preferred to hear him tomorrow, since he is meeting the Sub-Committee on Grain Transportation this evening.

• (1515)

This would have helped, among other things, clarify some conservatively worded recommendations, and add other changes to those intended. The minister says that the system of back hauling grain shipped from Thunder Bay to Winnipeg, merely to be eligible for subsidies provided under the Western Grain Transportation Act, is going to disappear.

I fully agree with this decision, which should have been made a long time ago. Having to take rail cars to Thunder Bay results in high costs, since the turn-around time for those cars is extended by several days. Each year, close to 2 million tonnes of grain use that itinerary.

But what is really serious is the fact that, during the crisis, when there was a shortage of cars and when Canada was losing buyers, the National Transportation Agency did not even have the common sense of abolishing this obligation. This is a prime example of the system's lack of flexibility.

And what about grain transiting through the Panama Canal on the way to Europe? I raise this issue because the problem goes far beyond the waste which results from the system of back hauling grain. The minister does not deal with the issue of the under-utilization of the Port of Thunder Bay and the St. Lawrence River. The Sub-Committee on Grain Transportation recommended to the Minister of Transport to ask the Canadian Wheat Board to ship more American-bound grain through Thunder Bay.

The same recommendation could be made regarding grain exports to Europe, through the St. Lawrence Seaway. Indeed, the under-utilization of the St. Lawrence Seaway has now reached a critical level. Since 1984, the Seaway has lost more than half of the volume of exported grain. Obviously, the Minister of Agriculture shows little concern for this issue; yet, this is a totally irrational utilization of our transportation network.

Moreover, the minister gives no indication as to his intentions regarding the subsidy for Western grain transportation. I remind the minister that the Bloc Québécois will oppose any transfer of the subsidy which might result in an unfair competition between farm producers.

The minister must propose concrete measures to improve forecasts regarding the need for rail cars, and to co-ordinate domestic loading and the movement of rail cars with the arrival of ships. The minister must not merely make pious wishes. The problem is not a new one and we can no longer wait and risk to once again paralyse our supply system.

[English]

**Mr. Allan Kerpan (Moose Jaw—Lake Centre):** Mr. Speaker, I am pleased to provide a brief response to the hon. Minister of Agriculture and Agri-Food's statement on the grain transportation system of today.

The minister explained for us in the House what in my judgment was not just a problem or series of problems this year but a real crisis in the grain transportation system. While some of the stakeholders in the transportation industry did not see it as a crisis, I believe most did; certainly farmers who could not get their grain moved.

Granted, a unique set of problems did occur this year with the weather and farmers know a lot about weather problems. I believe we should be able to develop a system that can adjust to extreme weather problems. We must try to be prepared for eventualities of all kinds.

The minister also clearly articulated the repercussions of the marketplace to our problems. Our reputation as a reliable grain provider was questioned by our customers. Essentially they issued an ultimatum to us: "Improve your delivery record or we will be shopping somewhere else". That is very serious.