

Western Grain Transportation Act

is taking place. I was born in the Province of Saskatchewan; I will not say how many years ago. My folks were some of the first homesteaders who moved in about 100 miles north of Regina. I missed by not too long being born in a sod shack. We lived there for a number of years and I learned what it is like to be raised on a farm.

My father was a great supporter of the United Grain Growers. I just learned recently that he served as secretary for a number of years. Therefore, I have some personal interest in what is taking place in the Prairie Provinces.

A little later in my life I had the privilege of walking a great many miles behind the harrow, driving a four-horse team and sitting on a gang plough, as well as taking part in the harvest operation. That was quite a long time ago. However, I believe farming is a very interesting, worth-while and satisfying activity.

It has been pointed out that while this Bill has a special application to western Canada, with its major changes in transportation policy it is of national concern and has national ramifications. The history of the Crow rate has been placed on the record by many Members speaking in the debate, so I am not going to yield to the temptation to restate it. The main point is that we have before us today proposals that adversely and substantially affect the whole economy of the western farm community. The proposals and provisions of this Bill undermine the economy and the social viability not only of the Prairie Provinces, but of the whole nation. Speaking on Friday May 13, as reported at page 25447 of *Hansard*, the Minister of Consumer and Corporate Affairs (Mr. Ouellet) stated:

In fact, this is the third major piece of legislation that has come before this Parliament, after the patriation of the Constitution and our national energy policy which was announced over the last few years and months.

This is supposed to be one of the great landmarks in this session. With regard to the Constitution Bill, when it was introduced there was a great deal of debate. Only after being radically changed did it go through and become the law of the country. I must say that it still leaves much to be desired and the consequences of that measure have yet to be understood.

The second disaster was the National Energy Program. I can say without fear of contradiction, at least in some areas, that it was a colossal disaster. The effects were felt right across the country. Oil rigs pulled out of the nation, thousands and thousands of jobs were lost, the whole economy was shaken and we still suffer the consequences of that program. The two major Bills which preceded this one do not give us too much to brag about. This Bill is another in a series of measures brought before the House by the Government which leave much to be desired.

There are several principles which the Progressive Conservative Party insists are necessary and important in the consideration of this measure. One is that grain producers must have a statutory freight rate which preserves the benefits of the Crow and must be protected from open-ended escalation. This Bill does not achieve that objective. Under the terms of this Bill, producers will be paying double the existing Crow rate by 1985-1986 and an additional \$160 million will be taken out of

the Prairie economy. They will pay five and one half times by 1991-92, which means that more than an additional \$1 billion will disappear from western Canada. That is a very serious effect which this measure will have upon the Prairie economy.

Another principle is that producers should be guaranteed an efficient, cost-effective and reliable transportation system. With this Bill, there will be no railway performance guarantee for the first three years. Furthermore, under Clause 18, the grain transportation administrator has the power "to the extent that he considers it advisable to cease any activities" related to performance objective guarantees unless otherwise directed by the Minister.

I want to mention one more principle which must be recognized. The Government of Canada and the railways have a continuing obligation to provide a special low rate to assist producers competing with subsidized grain-export nations. It was put on the record today that subsidies in other countries are substantial. In the United States, subsidies account for about 33 per cent, 50 per cent in Australia, and other nations have various methods of subsidizing their product. In view of that, we must be competitive in international markets. Therefore, it is not only desirable but essential that the farming community have some guarantee and some assistance to meet the competition they face from countries with Government subsidy programs.

We propose that the railways should receive adequate and fair compensation for the movement of grain to provide the necessary capital and maintenance of plant and equipment. There is a false assumption or idea being sent abroad that unless the railways get a substantial contribution or subsidy, they will not be able to bring their rolling stock and trackage up to date, and, therefore, they will be placed at a disadvantage. I am sure, Mr. Speaker, that there are other ways for the Government to ensure that the railways are taken care of without taking the money from the prairie grain farmers.

• (1800)

Mrs. Margaret Mitchell (Vancouver East): Mr. Speaker, the NDP has asked to have Bill C-155 divided because, as we have said many times, it includes three separate issues which should be treated as being separate and unrelated programs of Government policy. These three issues are first, the grain freight rate; second, the upgrading of the transportation system; and third, the Dominion coal lands which we believe should be turned over to the Province of British Columbia. We have also advocated a much more sound use of the \$930 million item budgeted by the Government which we agree should be used to preserve and create jobs and to improve transportation systems, provided the Crow rate agreement is kept intact.

Let me deal first with the grain freight rate. The inseparable price of Canadian confederation is tariffs for the industries of central Canada and low cost transportation for Atlantic and western Canada. These, Mr. Speaker, as you well know, are the facts of Canadian history and geography which tie us