

*Transportation*

cars, some by the Government of Canada, some by the three prairie provinces and some by the producers through the Canadian Wheat Board. Over the years these benefits have amounted to many millions of dollars. However, when the former minister of transport in the Liberal government, the hon. Otto Lang, who was then the hon. member for Saskatoon-Humboldt, became minister of transport, he and his colleagues in the Liberal Party adopted a policy of what he called user pays. This policy not only has continued to be followed by the government and Mr. Lang's Liberal successor in office, but now it is also being forced on the grain producer of western Canada.

**Mr. Pepin:** And everybody else too.

**Mr. Neil:** It can be forced upon the producer because this government has a majority in Parliament. It has no members west of the Manitoba-Saskatchewan border, and that is evidenced today by the fact that the government has no speakers from western Canada.

**Mr. Pepin:** Come on, now. Bockstael is coming.

**Mr. Neil:** I am pleased to hear that a member from the city of Winnipeg will be talking about the Crow rate. However, it appears that it is the intention of this government to force a change regardless of the consequences. Farmers on the prairies have been struggling to survive. They have been faced with high interest rates. They have been faced with high input costs, particularly for fuel. In the last year the tax farmers have paid to the federal government on gasoline alone has increased to about 50 cents a gallon.

**Mr. Pepin:** Don't change the subject.

**Mr. Neil:** I do not intend to change the subject of the cost of the operations of farmers because the farmer today is producing at less than the cost of production, and his income is dropping year by year. Yesterday in the mail I received from Statistics Canada a document entitled "Farm Net Income". If one examines this document, one will note that in 1980—and I am referring specifically to Saskatchewan—the total net income was \$820 million. One year later it was down to \$602 million, a drop of over 25 per cent in net income in one year.

The Minister of Agriculture (Mr. Whelan) made a speech in Winnipeg at the annual meeting of Co-op Implements on Thursday, February 18, and this is what he said:

Between 1975 and 1981, the ratio of farmers net income to farm cash receipts dropped from 39 per cent to 21 per cent.

He went on to say:

This could get even worse in the coming year as net farm income is expected to drop another 15 per cent to 20 per cent in 1982.

Grain producers in western Canada cannot afford to pay any additional amount to move grain. According to newspaper reports of the speech of the Minister of Agriculture made in London, Ontario, a few days ago—and he confirmed his

comments in the Standing Committee on Agriculture yesterday—he said that the government is looking at the review and revival of the old Farmers' Creditors Arrangement Act. That is how bad the situation of farmers is. The government is looking at an old piece of legislation which was brought into being during the depression years to save farmers from bankruptcy. That is how bad the Minister of Agriculture feels the cash situation of farmers is. Yet here we have the Minister of Transport bringing in a user-pay policy to make the western grain producer pay more to move his grain.

**Mr. Pepin:** Not true.

**Mr. Neil:** Under present circumstances there is just no way the western grain producer can pay any more money to move grain.

**Mr. Pepin:** We have \$3.2 billion worth of user-pay policy.

**Mr. Neil:** The Minister of Transport has said from time to time in news releases and in the House that there is consensus in western Canada.

**Mr. Pepin:** Get on with the job.

**Mr. Neil:** I have not found that consensus, and I have talked to many producers. Without exception they all say it is possible that the Crow should be changed or at least the railways should be paid for moving grain, but in no way, they say, can farmers pay any more.

**Mr. Pepin:** So the government should pay it all?

**Mr. Neil:** If the Government of Canada undertakes to pay the difference between the 1981-82 Crow rate and the compensatory rate to the railways, that should be sufficient for the time being. Let us see how the railway companies will operate. Will they give service? Will they move the grain? However, let us not, as the leaked cabinet document said, expect the producer to pay any future increase over the 1981-82 figure because that figure could amount to between \$400 million and \$500 million in five years.

**Mr. Pepin:** What would you do then?

**Mr. Neil:** There is no doubt that there are certain anomalies in the transportation system in the west with respect to the livestock industry, the oilseed industry and the secondary industries for value-added products, and these matters should and must be addressed.

**Mr. Pepin:** Now.

**Mr. Neil:** But they must not be dealt with at the expense of the grain producer.

**Mr. Pepin:** Just prolong the agony.

**Mr. Neil:** I suggest that the whole matter should have been referred either to the Standing Committee on Transport or to a special committee for consideration.

**Mr. Pepin:** Delay, postpone.