

I am not going to say that some branch lines cannot be abandoned, or should not be abandoned. Branch lines have been abandoned in the past. But, I think there should be a careful and cautious approach to this matter, for a number of reasons.

I have looked over the submissions of the farm organizations to the transport committee and I have read the debates in the other place. There are some outstanding contributions. However, it does seem to me that there has been a general oversight of the precise and adverse effect on the individual producer by rail line abandonment.

Honourable senators, I put it to you in this way. Imagine that you are a producer and that you have a farm unit close to a railway marketing point, that you have one of those elevators which Senator Paterson referred to. Most of the farms are at least adequate from a farmer's point of view, although they may not be the most efficient from a grain company's point of view. In any event, your farm is close to a local elevator. All of a sudden a railway branch line is abandoned, and instead of hauling perhaps five miles to the local elevator you have to haul possibly 25 miles to another elevator. I suggest that you are going to lose at least 10 cents a bushel immediately by that single act. If that should be the case, and I believe it is the case, then the farmer will lose up to 6 per cent of his gross income from wheat by that single act. I suggest that would mean a reduction of at least from 15 per cent to 20 per cent or 25 per cent in his net income.

This is why the farmers on the Prairies are going to be very much opposed and will do everything they can to prevent the abandonment of some of these railway lines that the railway companies will endeavour to abandon.

Not only will the farmer lose this net income, but if he is an older man and wishes to retire he will immediately lose a part of the capital value of the farm. Many farmers, I think all farmers, will pay extra money to get a farm close to a market, and will pay less money if the farm is remote, and railway abandonment will affect the capital value.

I saw little or no reference to this point by the farm organizations or by people talking about this subject, and I feel that it is time we started to think about the individual who will be adversely affected by this kind of a move.

Now, the Government has adopted, and I think rightly, a number of important policies

to compensate in other areas when automation and modernization of facilities takes place. One has only to mention the coal mines of Cape Breton. I am told by my colleague Senator Urquhart that it will cost \$25 million to phase out the coal industry and that another \$30 million is required for new industry. I think that is the modern attitude to adverse results that come about by reason of automation and modern development.

The whole concept of government today is to try to lessen the burden, where there is a burden following automation. The Freedman Royal Commission, which had to deal with the dismissal of certain employees on the railway runthroughs because they were not required, made important recommendations to ease this kind of modernization.

We have an ARDA program to which was committed \$75 million, because Parliament said, and rightly so, that we should do everything we can to bring industry into the agricultural areas and to support those areas. I suggest that Parliament should be careful, even from a monetary and budget standpoint, when, on the one hand, it is spending \$75 million to bring industry to certain areas, further millions to compensate for the adverse effect of modernization and automation in certain other areas, and then on the other hand, says, now we are going to go ahead and provide for this kind of modernization but without taking into account the possibility of paying some direct compensation to the farmers who may be adversely affected.

I think some consideration should be given, when the railways feel a line should be abandoned, to providing some compensation to the farmers. I can think of a plan and a formula. They know the marketing pattern of the past and the new pattern that will result from abandonment. There is that information to guide them in establishing a formula whereby a farmer who is adversely affected will get some compensation when such a railway line is abandoned.

I also think there should be the utmost care taken in looking into any of these applications for the abandonment of a railway line, because I think it has already been proven, even to the railways' satisfaction, that they were too ambitious a few years ago in the number of branch lines they wished to have abandoned, and since that time there has been an increase of traffic over most of those branch lines.

A few years ago there was talk of the abandonment of 4,000 miles of railway lines