

Government Orders

our highways but trains are also obligated to pay these same taxes.

The result of this scenario is that trucking firms are being assisted in their transportation responsibilities to double and triple the tune of what our railways are receiving on a per capita basis.

While all this is happening our essential highways, particularly the Trans-Canada, are crumbling beneath the weight of heavy 18 wheel vehicles that are not required to pay their full share of much needed repairs. At this point it seems unlikely the federal government would be willing to put any more money into expensive highway renovations. This has not been done for years and the present deficit mess certainly does not lend itself to alleviating the often dangerous conditions drivers must deal with.

Nevertheless, the fact remains that the present subsidy system in the Atlantic region as it now operates is obviously geared to work against railways that might not be so indebted at present if it were not for unfair government policies.

I am not arguing that the subsidy systems provided to Atlantic Canada are too high, although it is good to see small cuts have been made by the government in this sector. What I am arguing is that subsidies are being unevenly, unfairly, unwisely spread throughout the transportation sector.

This is what I mean by the government not having done its homework or having the courage to alter and improve what is clearly an very inequitable subsidy system. I would hope and expect that the Minister of Transport will give some serious consideration to the revamping of its funding allocations in the weeks and months to come. There are clearly much greater potential savings than those proposed by the government and without serious effect on either group or region involved.

Beyond the fact of subsidy issues we are now talking transportation matters and none of this has come before the transportation committee.

• (1615)

I generally support both subsidy reductions proposed by the government although I cannot support the overall bill because of clauses that have nothing to do with the subsidies. I suggest the government now commence to complete its overdue assignments: government cost reductions coupled with economic benefits to these regions.

[*Translation*]

Mr. Louis Plamondon (Richelieu): Mr. Speaker, I would have a comment to make on the extremely well-thought-out speech by the hon. member who just spoke. At the beginning of his speech, he talked about subsidies which should be paid directly to the farmers instead of to the railway to ship wheat, for

example, from the West to the East. This battle has been going on for years and is known as the Crow's Nest Pass battle. That debate reflects the conflicting philosophies of agricultural development in Eastern Canada and Western Canada.

If the hon. member thinks that these subsidies should be paid directly to western farmers, you will understand that eastern Canada, Quebec in particular, is dead against it because this freight assistance was intended to allow all regions of Canada to be supplied with wheat, and not to provide the grower with a subsidy he could then use as he wishes, to pay for shipping wheat, raising cattle or operating a slaughterhouse. In other words, to use this money to increase his personal wealth without necessarily supplying regions where wheat is less plentiful. That is why this assistance was applied directly to transportation, to ensure supply.

If we, in Quebec, object to it being any other way, it is because we believe that, if the province of Quebec—with about 25 per cent of the total population of Canada—were assigned 25 per cent of the overall budget for agriculture, it would be receiving \$800 millions more every year and could easily use this extra money to diversify its agricultural production.

On the other hand, if the assistance went directly to the grower, then the money which was intended to be applied directly to transportation would be directed to that region of the country where it would be put to a use that differs from the very objective, the very principle of Crow's Nest, as it was called, which would destabilize the entire Canadian farming industry. We have always been opposed to this direct subsidy concept in the East, that is to say in Quebec as well as in eastern Canada.

You may remember that there was a report tabled by the previous government. In 1983, the Liberal government had considered subsidizing growers directly, but the idea was rejected. Later on, following an extensive Canada-wide debate, the Conservative government also held an inquiry into the Crow's Nest problem, which concluded that things should remain as they were. The very fact that the hon. member raises this issue again today goes to show that a block really exists and how different both sides' philosophies are.

As for his remark on transportation in the East, it goes without saying that we too, in Quebec, are not clear on a certain number of things. But one must bear in mind that in that case, we are dealing with a common household commodity like potatoes. If a potato grower from Prince Edward Island or New Brunswick receives federal freight assistance, that will cause some inequity vis-à-vis growers from other regions, like Ontario and Quebec, who have started to grow this product. For example, the grower from Pierreville, in my riding, who wants to sell his potatoes in Chicoutimi receives no freight assistance, while potato growers from New Brunswick or Prince Edward Island do.