

Western Grain Transportation Act

Now we have this Bill before us, Mr. Speaker, but we do not have the whole Bill. We have a Bill which has been tabled after many, many days and weeks of discussion outside of Parliament, after many changes which have been made outside of the Parliament of Canada. We have it tabled, but along with the tabling there is a brief footnote informing us that two amendments will be introduced at committee stage because Cabinet has not given final approval to linking the cost of moving grain to the international price for grain. We still have not seen the amendment naming what specialty crops will be included under this Bill.

● (1410)

There are several provisions set out in this Bill, but we do not see anything which protects the benefits and rights of the grain producers in western Canada. There will be a body established called the Senior Grain Transportation Committee. It will be composed, Mr. Speaker, of the Grain Transportation Agency Administrator, the Chief Commissioner for the Canadian Wheat Board, the Chief Commissioner for the Canadian Grain Commission, and 18 other members. Let us consider the 18 members of the Senior Grain Transportation Committee who will be there to advise the Minister and supposedly to protect the rights of the grain producers in western Canada. Of those 18 members, representatives of the Alberta Wheat Pool, the Manitoba Wheat Pool, the Saskatchewan Wheat Pool and the UGG will make up four. We can assume that those representatives of the cooperatives, will speak for their members and will have the best interests of the farming community at heart. However, then we come along to Pioneer Grain, whose motivation is profit for its shareholders, which I do not condemn, and Cargill Grain, whose motivation is also profit for shareholders, and Continental Grain, or maybe the Weyburn terminal. If I had my druthers, I think I would sooner have the terminal at Weyburn represented, because it consists of shareholders who live within the Province of Saskatchewan. Then we have representatives of the consuming Provinces, one from British Columbia, one from Ontario and one from Quebec. Then we have the processors represented by a crusher. Then we have the representation for the Great Lakes Shipping and the Dominion Marine Association which, I am sure, does not have the best interest of the grain producers at heart. Finally we have three Members, duly elected, representing the interests of the grain producers. We do not know whether those Members will be elected in the same way as the Canadian Wheat Board Advisory Committee. We do not know whether those numbers will have to be made up of bona fide farmers or of duly elected representatives, in the view of the Minister. Therefore, out of the 18 people placed on the Senior Grain Transportation Advisory Committee, ten do not have the best interests of the producers of grain in western Canada as their sole objective. As a matter of fact, I missed the railroads. CN and CP are represented by the 18 members of the Senior Grain Transportation Advisory Committee. I am sure that their best interests are those of their shareholders and not the producers of grain. However, the Committee is there to advise the Minister. All these players are there to advise the

Minister, but they are also there to establish whether awards and penalties with regard to themselves should be implemented in the next two years. I, or anyone else in the House, would have a very difficult time understanding how the railroads, the elevator companies, the marine shipping association, the crushers, the private elevator companies, would want or wish to impose penalties upon themselves.

There is nothing that makes me believe there is no conflict of interest in the senior grain transportation authority as it is established in the Bill. I know that perhaps these are just guidelines, but we in the House have had some debates on guidelines that the Government has put forth. We find that they do not really represent anything of substance.

Another point in the debate will be whether there is protection for farmers from an open-ended escalation of freight rate costs. In 1985-86, the producers will pay double Crow, and in 1990-91, they will pay five times Crow. By 1990, the railroads will have received an increase of about 1000 per cent for moving these goods. I am using these figures without, I admit, offsetting them with benefits which could accrue.

Mr. Pepin: Rather important.

Mr. McKnight: The Minister of Transport says that they are important, but they are not there. Those benefits are not obvious when one studies the Bill. They are not obvious when one considers the projections in agriculture over the next two to three years. They may be obvious to the Minister, but they are definitely not obvious to the producers within my constituency of Kindersley-Lloydminster or, indeed, in western Canada. We have heard figures tossed around, such as that in 1983-84 \$564.5 million will be paid by the Government. Originally it was to be paid, fifty-fifty, to the producers and the railroads. However, \$651.6 million will be paid out in 1985-86. We thought that was the whole figure, but now we find that there is something called the CN adjustment payment for \$14 million, which comes off the \$651.6 million. This was certainly new. It was never mentioned in discussions between the Minister and the livestock producers, the commodity groups. The figure of \$651.6 million kept coming up. However, that is minus \$14 million.

We do not have information as to the safety net which the Minister says he will be proposing, the tying of the movement of grain to the return from export grain. We all know that the cost of grain could double, but the expenses to the producers could triple. I suggest to the Minister that with the Western Grain Stabilization Program, which makes figures on the cost of production available, it would be very easy to figure out a weighted average within the export price and the cost of production rather than just seeing a certain percentage as a traditional cost of moving grain. When we come to the traditional cost of moving grain, there are several figures available. The 30 years average is about 8 per cent of the return for the product. The 40 year average is about 7.5 per cent. However, the Deputy Minister to the Minister of Transport said that the average cannot be at 7.5 per cent or 8 per cent and that it