

*Government Orders*

as currently provided in Bill C-76. The motion is a consequential amendment required as a result of the proposed amendments to sections 181.18 and 181.19 as set out in Motion No. 6.

The Canadian Federation of Agriculture and Prairie Pools Inc. both proposed to the Standing Committee on Finance that the review to be conducted by the Minister of Transport be expanded to include whether efficiency gains are shared between shippers and railroad companies.

In proposing this amendment and the amendment to section 181.18, the government is being responsive to the concerns of farmers, as expressed widely throughout western Canada and by many industry spokespeople. I compliment the minister for the number of hours he spent with groups across the country making sure that the bill is absolutely correct.

Many of these farmers ask that the Minister of Transport conduct a review of the grain handling and transportation system and whether efficiencies of the grain transportation system are being shared by shippers and railroad companies before moving to a deregulated system.

In Motion No. 14, the Minister of Finance is proposing that the review conducted by the Minister of Transport pursuant to subsection 181.18(1) be broadened to include whether efficiency gains are being shared between shippers and railroad companies.

Under subsection 181.18(2), the Minister of Transport will also consider whether the repeal of the maximum regulated rate provisions will have a significant impact on shippers and if those provisions should be repealed.

Section 181.19 will be amended so that if the Minister of Transport in conducting his review determines that the maximum regulated rate provisions should be repealed, those provisions will be repealed as of a date fixed by order of the governor in council.

The Canadian Federation of Agriculture and Prairie Pools Inc. both proposed to the Standing Committee on Finance that the review to be conducted by the Minister of Transport be expanded to include whether efficiency gains are shared between shippers and railroad companies.

In proposing this amendment to section 181.18 the government is being responsive to the concerns of farmers who asked that this review be done. In addition, the Minister of Transport in conducting his review in 1999 will take into account the interests of both the railroad companies and the shippers in determining whether the maximum regulated rate provisions should remain in place. Both the shippers and railroad companies will have ample opportunity to make their views known to the minister before he completes his review.

The motions being presented, first by the official opposition, will completely undermine the efforts being made to modernize the western Canadian grain transportation system. I do not have to tell members that there is a lot of history in the legislation we are presenting. It is one in which the farming community has been back and forth on for one generation after the other.

This is that rare time when the major actors in the industry have come together to support legislation that will be a giant step forward in the reorganization of the grain industry. Like others, there is lots of speculation on what these changes are going to mean. Nevertheless people see many positive benefits coming out for western Canadian agricultural producers.

Considering how much wealth they contribute to this whole country, anything that benefits the farmers of western Canada can very quickly benefit the rest of the country.

Motions Nos. 5 to 11, because of the nature of the official opposition amendments, would result in the deletion of the provisions that identify grain dependent branch lines and exempt designated grain dependent branch lines from certain provisions of the NTA, such as the notice of intention and conveyance provisions with respect to abandonment of branch lines. These motions would make it more difficult for rail companies to improve the efficiency and reduce the cost to ship grain from the prairies.

• (1635)

In Motion No. 5, the financial critic for the opposition party is proposing that clause 11, which amends section 4 of the National Transportation Act, 1987 to add a definition of grain dependent branch lines, be deleted.

The definition of grain dependent branch lines is necessary as this and other provisions in Bill C-76, identify grain dependent branch lines and exempts designated grain dependent branch lines from certain provisions of the NTA, such as the notice of intention and conveyance provisions with respect to abandonment of branch lines.

This provision and other provisions in Bill C-76 will make it easier for railway companies to abandon inefficient and costly grain dependent branch lines.

The motion proposed by the official opposition would make it much more difficult for railway companies to improve the efficiency of the grain transportation system and to reduce the cost to ship grain from the prairies.

Motion No. 6 proposes that the heading of clause 12 be amended by replacing the words "the act" with the National Transportation Act, 1987. This is a proposal which follows from the changes and the refusal of the opposition to deal with the changes we are proposing.