

Western Grain Transportation Act

grain growing area and there has been a transfer from grain movement by rail to road to inland terminals similar to what would be implied by the provisions of Bill C-155 if our amendment were not adopted. The State of Iowa found that its highway system was being worn out by heavy trucks two or three times as fast as the government of Iowa could afford to repair or replace it. As a result, it went back to the old system of subsidizing existing railroad branch lines to keep the grain moving by rail. It found this to be much cheaper than looking after the additional costs of highway maintenance and upgrading.

The only interest which would be served by allowing Subclause (4) of Clause 17 to go through in its present form would be the interests of the Canadian Pacific Railway Company. As is documented in the official records of political contributions in Canada, in 1982 the Liberal Party of Canada received some \$50,000 from Canadian Pacific and the Conservative Party of Canada received \$50,000 from Canadian Pacific. In the three previous years, 1981, 1980 and 1979, \$128,000 was given to the Liberals by CP and its 12 affiliates and \$134,000 was given to the Conservative Party by CP and its 12 affiliates. So we see in whose interests the proposed Subclause (4) of Clause 17 was written, and it is for that reason that we believe it has to be qualified in the manner suggested here.

• (1115)

I would also like to note that in a submission before the Transport Committee in Regina on August 8, 1983, a Mr. Charles Phelps, president of the Saskatchewan Association of Rural Municipalities, made this statement with respect to the amendment which is now before the House:

If the Crow rate is abolished the railways will have the flexibility to charge different rates on different lines by charging higher rates on lines that are less profitable, lower rates on lines that are profitable. The railways will have an economic level to persuade farmers to truck their grain to certain points and abandon others. This tactic, coupled with the presence of large inland terminals, will force the farmers to haul to inland terminals or pay higher freight rates to keep their local elevators open. If they are forced by this economic pressure to haul to inland terminals, the local elevator will close and, as recent studies have shown, the local community will decline very quickly after the local elevator has been shut down.

We know the vital importance of keeping the local elevators open in rural Saskatchewan communities.

This will have a serious negative impact on the nature and viability of rural life in small towns.

In terms of the substance of the amendment itself, it is very important to note that this amendment would insist that there be no alternate shipping of grain by truck unless the Canadian Transport Commission ordered the abandonment of the alternate rail line. The reason this provision is so important is to allow people in these rural communities the opportunity to make submissions to the CTC with respect to the importance of a particular rail line.

We are all aware of this Liberal Government's policy on rail line abandonment, including the Esquimalt and Northern rail line on Vancouver Island. The intent of this amendment is to ensure that those people in rural communities who are vitally

affected by the abandonment of a rail line would have an opportunity for input into that decision.

Were this amendment not to be accepted, there is a real possibility that CP Rail could proceed to enter into cozy little arrangements with the Administrator within the provisions of Clause 17(4) so it can move grain by trucks which are owned by a CP subsidiary. Following that, CP would then argue that the traffic on the rail line itself has declined in importance and ultimately suggest that that particular rail line has outlived its usefulness even though it may be the lifeblood of a particular community and the elevator in question may be vitally important to that community. CP would then appear before the CTC to make its appeal, as it has in the past. We know this Government's record and I do not think we can suggest that any other government headed by the Official Opposition would treat the matter any differently. Thus we would see an essential branch line abandoned without any input whatsoever from the citizens in that particular community.

Therefore I believe it is essential that this motion be adopted. I have mentioned the example of the State of Iowa and, in the context of other Provinces and States, the Iowa state transportation agency has given us a clear warning that we should not permit the mistake that was made in Iowa to be repeated in other grain growing jurisdictions.

This motion would prohibit the use of subsidized trucking to compete for traffic with existing branch lines. Certainly where a branch line has been formally abandoned by order of the CTC, we would want to ensure that the grain in question would be effectively and efficiently carried to the nearest rail line. However, when a branch line is still an essential element of a particular community, we certainly would not want to see a callous abandonment of that line as is possible under Clause 17(4) in its existing form. We would also note that Clause 17(4) as it exists could be used to facilitate other undesirable steps, such as making the abandonment of elevators and branch lines more palatable or the establishment of a system of inland terminals as a result of permitting the growth of trucking to them.

I will not go on at great length because I believe I have stated the essential points I wanted to make. I see you are rising, Mr. Speaker. Are you indicating that my time is up?

• (1120)

Mr. Deputy Speaker: Yes. Is the House ready for the question?

Some Hon. Members: Question.

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased to enter into this debate which, as most Members of this House know, has a great bearing on my constituency because of the construction of the world-class grain elevator system in the Port of Prince Rupert.

Before us now is Motion No. 35, to amend Clause 17(4) which reads as follows: