

*Transportation*

**Mr. Deniger:** I am glad the former minister of transport is listening to me, for I should like to quote from a very important statement which he made in the House on January 21, 1981, and I quote:

[*English*]

We have a transportation system which I know will work. It requires co-operation and leadership, but it will work. There are some things which will always be a problem. But someone has to take charge. I call upon the Minister of Transport to take charge.

[*Translation*]

That is exactly what the former minister of transport said to the Minister of Transport, and I must commend him for heeding this wise suggestion and acting on it, because had he failed to do so, we would have blamed him, and rightly so, for abandoning western Canada.

[*English*]

**Mr. Doug Neil (Moose Jaw):** Mr. Speaker, I appreciate the opportunity to participate in this debate. It is a debate on a very historic subject which is vital to the future economy of western Canada.

I was interested in the comments of the hon. minister and the previous speaker, the hon. member for La Prairie (Mr. Deniger). They made some comments with respect to the hon. member for Vegreville (Mr. Mazankowski) who was the former minister of transport. I suggest that the record of the former minister stands by itself. Undoubtedly he was one of the best ministers of transport in Canada's history. He never acted at any time in an arbitrary or unilateral manner. He would not have cut services of VIA Rail by order in council rather than through hearings. He would never have attempted to dismantle the branch lines which have been guaranteed by his predecessors. He would never have arbitrarily cut back on Maritime freight rates.

I suggest to you, Mr. Speaker, that he would have held more than an inquiry which the Minister of Transport (Mr. Pepin) is talking about. The minister says that it is not an inquiry that he has directed Mr. Gilson to hold, but negotiations. When negotiations are held, the indication is that the instructions given to that commissioner, or whatever his title is, are predetermined. He is just working with figures.

The Crow rate goes back approximately 80 years. To read the history of the Crow rate is to read the history of the railways, the history of western Canada, the development of agriculture in western Canada and, indeed, to read the development of our nation.

I had the opportunity to conduct some research on the Crow rate. In my research I came upon an interesting document entitled "In Defence of the Crowsnest Pass Grain Rates". It was a submission made by Mr. Brownlee, president and general manager of the United Grain Growers Limited to the MacPherson royal commission in 1959. It is very interesting reading and I would like to quote from that submission.

On page 7 of the submission under the heading "National Purpose Served by Statutory Grain Rates", it reads as follows:

The fact that certain grain freight rates in western Canada are statutory and are thus withdrawn from jurisdiction of the Board of Transport Commissioners identifies them as connected with national policy. They reflect an enduring national purpose rooted in Canadian history and dating back to confederation. That purpose was to develop agriculture in the area now comprised in the prairie provinces and formerly under administration of the Hudson's Bay Company.

Such agricultural development was to be based, and could only be based, upon growing grain for export. That enterprise required railway building in the first place, and in the second place permanent assurance of railway rates which would make grain production economically feasible.

It goes on to say:

Development, although slow to start, was to gather strength and move forward in a tremendous surge during the first 30 years of the present century—

It further states:

During that period central Canada reaped rich rewards with the growth of its industries based upon the domestic market opened up in the prairie provinces, and retained for it by protective tariffs. Throughout that period it was the wheat growing industry of western Canada which provided the chief stimulus for growth in the Canadian economy—

One final paragraph in this report I would like to read is as follows:

It is not to be assumed that Canadian Pacific entered into the contract reluctantly or only for the purpose of securing a subsidy. On the contrary, the new policy greatly benefited the railway. It assured settlement and made saleable the railway's vast holding of agricultural lands and gave these lands a selling value greater than they otherwise would have had—

Again, I would like to refer to a statement which was made by the Right Hon. John G. Diefenbaker. He made this statement in the House of Commons on May 13, 1959. The right hon. gentleman said at that time:

—the Crowsnest rates are part of a bargain which was made between the railways and the government on the one hand and the settlers who went west on the other hand.

The statements to which I have referred are as true today as they were in 1960, but of course the Crow rates have always been under attack by the railways, not only the CPR but the CNR as well.

• (1520)

My friends on the left talk about the nationalization of the Canadian Pacific Railway as if that were the answer to our problems, but the Canadian National Railways have been nationalized or made into a Crown corporation throughout its whole life—

**An hon. Member:** No.

**Mr. Neil:**—and it has not done any better and has no better record than the Canadian Pacific Railway. I say to my friends on the left that the nationalization of the Canadian Pacific Railway would not do a thing for the western farmer as far as the movement of grain is concerned.

**Mr. Althouse:** How come they did not supply cars when we were short of cars but CN always did?

**Mr. Neil:** In reality, of course, the railways have not been carrying grain at the Crow rate for many years because there have been branch line subsidies and rehabilitation programs, and they have been supplied with in excess of 10,000 hopper