

*Western Grain Transportation Act*

causing some of the hesitancy and some of the difficulties in Members of Parliament accepting this piece of legislation at this time.

This administration in the past has instituted many reforms in the fabric of our Parliament and of our country. Without straying too far from the rules of relevance, Mr. Speaker, I cannot help but remember, and you can look it up in *Hansard*, when the Hon. Paul Hellyer said proudly that we were in the very forefront of the nations of the world in integrating our armed services. This was something else which was going to be a great innovation, but 15 years later approximately I do not know of any western nation which has followed our lead, or whose military and armed services have received less attention than ours.

Let us look at the National Transportation Act which used to be such a cause of concern in the House. I believe the Hon. Member for Vegreville can correct me if I am wrong, but I do not believe Part III was ever proclaimed. We have a mish-mash of conflicting and counterproductive regulations across this country which continue to hurt the trucking industry very badly. Let us look at VIA Rail, which the Minister announced in the House with such high hopes.

**Mr. Mazankowski:** Again avoiding Parliament.

**Mr. MacKay:** Again avoiding Parliament, as the Hon. Member for Vegreville has said. After the high hopes which were held out for solving another transportation crisis, not involving grain this time but involving people, what have the results been of the much heralded VIA Rail? I suppose the kindest thing one can say is that the reviews are very mixed.

Now we are coming to yet another great initiative of this Government. However, the Premier of Saskatchewan is on record as saying, after looking at the details of the program of the Minister of Transport, that he would have preferred to leave the existing program in place.

There are many anomalies which continue to surface about this particular piece of legislation. I see the "Western Grain producer" had a front page story quoting the Deputy Minister, Mr. Kroeger, as saying that the freight rate is going to go up about two cents a bushel. Then we have the 3 per cent of 13 cents formula which does not add up to that at all. Apparently there must be two kinds of inflation in this country, consumer inflation and railway inflation. I believe there are a lot of things which must be explained before this legislation receives the confidence of the people of Canada.

We have to look at what our competitors are doing, Mr. Speaker. The western grain producers are probably, if not the most efficient, certainly one of the most efficient sectors which contributes to our economic development and our export sales. However, what do other countries do to protect their producers? I believe that in Australia under the Victoria State Railway system the farmers pay less than 50 per cent of the average cost of moving grain.

In Argentina, which is a major competitor of ours, effective October 7, 1981 the National Grain Board of that country

provided free rail freight for grain from the nearest station available to the shipping port.

What does the European Economic Community do? They make sure that wheat farmers receive a direct subsidy of \$2.53 a bushel.

In the United States they are paid an average subsidy of \$13.81 U.S. a ton for wheat and \$6.84 U.S. a ton for barley. This payment-in-kind program will provide about \$11.4 billion in further support to farmers.

The problem here, Mr. Speaker, in my opinion, is that this legislation is really a massive attack on one of the fabrics of Confederation. To put it in terms of eastern Canada, it is almost as if suddenly there was a dramatic change made in the guarantees which would provide water transportation to Prince Edward Island, it is that basic. It is almost as if suddenly the basic concept of equalization payments was questioned. It is compounded, of course, by the fact that the Government—and it is unfortunate for the country—does not have adequate representation in western Canada. Our Party does not have adequate representation in another region of Canada, in Quebec. These suspicions and these fears are fuelled by that kind of situation which exists in the country.

● (1210)

Don McGillivray, who is a very astute financial columnist, has an article in today's *Ottawa Citizen* which is quite relevant to this discussion. He says that:

—the Commons hasn't been shown the whole of the Crow rate legislation.

I am sure that is a matter of great concern to all of us. He says:

One key part that is supposed to protect Prairie grain farmers from unduly high rates is being kept back, only to be revealed after the Commons has given approval in principle.

That is a very poor way to do business, Mr. Speaker. He continues:

This secret provision is a link between the price of grain and the freight rate to be paid on the grain. When he brought in the bill, Pepin said this was an "important feature designed to protect grain producers from freight rates that would threaten their financial security."

Members representing Prairie farmers would, naturally, like to see the exact terms before the bill is given initial approval in the Commons.

The second reason for the present impasse is even more fundamental.

The proposed change in the Crow rate represents the attempt of a government to impose a historic change on a region from which it has no members.

That is the point I just made. He goes on to say:

The Liberals hold all but one seat in one region of the country—

The opposition parties hold all but two seats in another region of the country—

Such a polarized House deserves extra care by the government, especially where legislation concerns the established rights of that part of the country where the Liberals have no members.

It should move cautiously in wiping out something such as the Crow rate, which—rightly or wrongly—has been regarded as a "Magna Carta" of the West.

Surely the Government owes it to the House to spell out with great precision some of the effects before we pass this legislation. Let us not get into a situation such as we have seen