without number. We had discussions with the Minister of Transport about the Bill, and I would like to mention the points we considered before Cabinet made its decision last fall, and its final one some time ago.

If we look at certain claims and certain aspects that relate very specifically to the Bill before the House today, we see that the issue of payment to the railways is the most important one. Mr. Speaker, since the debate started in earnest, and especially since last fall, everyone, or at least the vast majority of Canadians concerned by this issue, has told us that something had to be done about the grain transportation system and what is commonly referred to as the Crow rate. Quebec farm organizations agreed that since under this system, which goes back to 1897, western farmers and grain growers had been paying only 20 per cent of transportation costs, perhaps something should be done about the situation. It also struck us that even on television, we were seeing people who said, and I am referring to the time before the policy statement on February 1 we saw a farmer on CBC television who said that he was expecting changes, and that as far as the railways in Western Canada were concerned, these would have to be upgraded for more effective transportation of goods from Western Canada to Eastern markets or elsewhere. That is the point I want to make concerning the payments to the railway companies. There are, of course, agricultural implications, but the whole problem is related to transport, in my opinion, and transport facilities should therefore be improved and upgraded by the railway companies, which means that the policy of making payments to the railways is sound. This aspect of the Bill is extremely important.

Of course, farm groups in Quebec that were afraid of disastrous consequences must now be reassured. I refer to Quebec farmers, but it must be kept in mind that, as stated in the document issued by the Department of Transport on May 4, 1983 concerning this method of payment, the Government took into account the strongly held and, in some cases, contradictory positions of various farmers' organizations in favour of some system of payment to the railways, namely the Saskatchewan Wheat Pool, the Alberta Wheat Pool, the Manitoba Pool Elevators, the Saskatchewan Federation of Agriculture, Unifarm, the Ontario Federation of Agriculture, the Union des producteurs agricoles du Québec, the Coopérative Fédérée du Québec, the Association professionnelle des meuniers du Québec, as well as the New Brunswick and Nova Scotia Federations of Agriculture. I recall that, some time after I met them in early November 1982 at a luncheon when they came to Ottawa to meet members of the various parties, in February more exactly, the members of the Canadian Federation of Agriculture passed a resolution asking that all Government payments be made to the railways. In view of the Gilson report recommendations, of the policy statement and of the recommendations made to the Minister of Agriculture (Mr. Whelan) by all these farmers' organizations and also by the subcommittee of the Quebec caucus which considered the matter of the payments to the railways, we have uncontrovertible evidence of the responsiveness of the Minister of Transport who, after weighing the pros and cons of the matter, concluded that the payments should be made to the railways because the problem is one of transportation.

Of course, the Government was asked to take this initiative, and that is all to the good. As for compensating future increases in transportation costs, the Government has decided that, in 1986, Western producers will pay 6 per cent of transportation cost increases due to inflation. Generally speaking, Western producers should pay the full amount of future cost increases when the inflation rate of grain transportation costs is no more than 6 per cent.

As for maintaining the formula, which is important for corn pricing, even if the Act does not cover this matter, we are quite sure that the Department of Agriculture will solve the problem. In addition, it is important to note that people in Quebec were asking for other elements in this policy statement. We were told, for instance, that grain producers in Quebec should also be allowed to have facilities. Members from Quebec made representations in this regard after meeting with the farmers, urging that elevator No. 1 in the port of Montreal be repaired.

• (1610)

Indeed, Mr. Speaker, I will repeat what the Minister of Transport has been saying all along: that elevator was so outmoded that it had become a serious hazard for the workers. We would have had to spend several million dollars to upgrade it, and that would have been a sheer waste of public funds.

On the other hand, the Government will take the necessary steps to provide the port of Montreal with grain transport trucking facilities, as advocated by farmers' organizations, and that representation was made to the Minister of Transport by Quebec MPs. So the instances and requests made by the agricultural organizations I have just mentioned have been heard by the Canadian Government and the Minister of Transport. On behalf of my colleagues, I urge Quebec's agricultural community and Members of the Opposition to see the western grain transport policy for what it really is, because its impact and its necessity cannot be minimized at the national level.

The policy announced by the Government on February 1, 1983 was aimed at modernizing Western Canada's rail transportation system, and removing obstacles in the way of agricultural expansion in the Prairies. However, we must not lose sight of the essential aspect of the needed reform—changes to the Crow's rate. That rate applied to grain for export markets, but not only has the negative impact of that rate system which has remained unchanged since 1897 been a serious handicap in grain exportation alone, it did jeopardize as well our export potential in many other resource sectors, a