

Western Grain Transportation Act

Mr. Mitges: The fact that the railways would be receiving the subsidy means that the only way the producers could reap the benefit would be to ship their grain by rail. The 150,000 member-owned prairie wheat pools which own most of the elevators are all for this in order to retain their self-pecuniary interest. This has the effect of freezing out Canadian trucking from transporting prairie crops. To me this is discriminatory and is counter to the free enterprise system by restricting trade; and I believe that if it was ever contested in a court of law, a verdict would be reached in favour of the Canadian Trucking Association.

If a farmer received the subsidy he could well decide to sell his grain to local livestock producers and use trucking firms to do this. Unfortunately, Quebec livestock producers have been the primary force against the subsidy being paid directly to farmers because they fear that cattle producers in the West, through cheaper priced grain, could raise cattle much cheaper than in Quebec. But the western livestock producers see it as a necessary restructuring of the whole prairie economy and everything must be done to encourage this. This Bill does the opposite.

The Minister has also decided to put a ceiling of 31.1 million tonnes a year on the amount of grain eligible for the subsidy—

Mr. Pepin: The shippers did that.

Mr. Mitges: You went along with it, Sir. Anything over that, Mr. Speaker, would be shipped at the full rate. This is sheer nonsense. Now the farmers are to be penalized if they produce more or if new records are set in grain production. To me, it is ludicrous to punish producers because of excellence of production.

What this Minister does not seem to realize, Mr. Speaker, is that farming is Canada's major industry. This Government seems conveniently to forget that, despite the fact that close to 40 per cent of all jobs in Canada are directly or indirectly related to agriculture.

To show how little priority agriculture has to this Government, less than 2 per cent of the total budget is set aside for agriculture. If Agriculture Canada had access to the \$1.4 billion lost by Canadair through bungling and gross inefficiencies in management, think what that money would have done for all the farmers of Canada, the most efficient producers in the world.

Agriculture Canada, Mr. Speaker, is one of the best run departments of this Government. As a former veterinary inspector in the department and a practising veterinarian for many years, I was always in contact with Agriculture Canada, and I can truthfully say that the Canadian taxpayers, as far as Agriculture Canada is concerned, do get their money's worth, which is more than I can say for many other government departments. However, the common sense of Agriculture Canada is in direct contrast to the legislation that we are debating today, which is far from common sense.

One of the incentives used by the Minister to encourage farmers to participate in the change of the Crow rate was the promise that there would be railway performance guarantees to producers in exchange for increasing the freight rate to move grain. Bill C-155 proves this to be a sham. There will be no railway performance guarantees for the first three years. Railway performance objectives will have no clout because sanctions to the railways will only be tallied, not levied. In other words, Mr. Speaker, the railways will get a free ride for three years.

Mr. Pepin: We can withhold their money if they do not perform well.

Mr. Mitges: Although the Act states that the Minister can withhold any amount of money to the railway if the railways are not adequately investing in rail plant and equipment for moving grain, there is nothing to stop the railways from claiming that the money received from the Government is inadequate to justify the needed expenditures, and therefore they let the rail system deteriorate and then wait for the Government to come back again with ad hoc measures such as hopper car supply.

That is why I say there is no adequate guarantee to producers that they would be getting their money's worth for paying the increased freight rate. A stronger commitment and guarantee by the Government and the railways is necessary and absolutely essential.

Another clause in this Bill empowers the Canadian Transport Commission to monitor the investment programs of the railways and their efforts to maintain the grain-dependent branch lines. This in no way reassures me and my colleagues that all will be well if one takes into consideration the 1982 Annual Report of the Auditor General, which roundly criticizes the Department of Transport and the CTC in their financial and engineering audits of the rail rehabilitation program.

Mr. Pepin: We have answered all that since.

Mr. Mitges: This program, begun in 1977, called for the rehabilitation of 5,675 miles by 1992 at a cost of \$1.6 billion. In this program the Auditor General found profound deficiencies, including deficiencies in construction costs charged by the railways, deficiencies in assessment and poor disclosure of financial implications.

The Auditor General as well found deficiencies in the responsibility of maintaining lines and deficiencies in the development of construction standards and specifications.

Mr. Pepin: He is not infallible.

Mr. Mitges: There is no guarantee that this will not be repeated. There is no question that Bill C-155 is a Bill that is poorly drafted and poorly thought out by people I suspect who may be geniuses in theory but have no practical experience and lack total common sense. I suggest that the Minister go back to the drawing board and meet with people who have both the