

*Railway Act*

2,165 miles of prairie branch lines be abandoned over the period 1977-81. The commission also recommended that the remaining 2,344 miles of line whose future is uncertain be placed under the jurisdiction of a new body to be called the Prairie Rail Authority. Need would determine how many of these 2,344 miles would continue in existence, with the useful elevators on those lines determining the new rail configuration. The PRA was to co-ordinate this readjustment.

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The Prairie Rail Authority would be a three-member body based in western Canada. Its function would be to provide a continuing assessment of branch line needs and of the administration, operation and financial arrangements necessary to best serve the public interest. In other words, it would remove the authority over prairie branch lines, which are so important and critical to the west, from Ottawa and place it in local hands in western Canada.

This seems logical and sensible but in reality it is the last thing this government wants to see happen, despite its professed desire to decentralize. To this government, decentralization is fine if it means moving a government department which should be in Ottawa to a remote part of the country; but it is not acceptable when it means establishing a regional authority to look after a regional concern like railway branch lines on the prairies. I cannot understand the government's logic, Mr. Speaker.

The Hall commission further recommended that the railways be compensated for the maintenance and upgrading of lines in the basic network, or lines subsequently added to it, and that branch line subsidies be discontinued. The Prairie Rail Authority is to assume responsibility for costs and contracting for the maintenance and operation of these branch lines.

It is important for us to remember that the commission did not recommend that the prairie rail system be refurbished to a "like new" condition. It simply recommended that it be upgraded so that it would be no more than adequate for the movement of grain. The fact that much of it is by no means adequate at the present time is only a measure of the extent to which it has been allowed to deteriorate over the years. The commission estimated that this upgrading would put costs up to \$445 million.

The commission found that there are areas in western Canada in which the volume of grain handled warrants the retention of elevator services but rail service is too costly to maintain. In such cases the commission recommended that the elevator on the abandoned line be retained and that commercial trucking be employed to transfer grain to the nearest railhead, the additional trucking cost being paid by the federal government through the Prairie Rail Authority.

The one place where the commission recommended that such an off-line loading facility be established immediately, as a demonstration of how this could be done elsewhere on the prairies, was at Fisher Branch in my constituency of Portage, on the CNR's Inwood subdivision which will probably be

[Mr. Masniuk.]

abandoned. The railways have neglected to upgrade these prairie branch lines. They have not run trains along them. I should like to read into the record a letter which I have received from a constituent of mine who is greatly concerned about what is happening. It is dated February 2 and it comes from Broad Valley, Manitoba. It is signed by Mr. Walter Klimchuk, who writes:

We have not had any train service on the Hodgson-Grosse Isle line since December. As a result, some 40 grain permits were taken away from our elevators and consequently approximately 65 to 70 thousand bushels of grain were hauled to Moosehorn, Warren, and Arborg. Many farmers have not delivered a bushel yet. Evidently, CP supplies box cars to Moosehorn and Arborg, and, just as evidently, CN is conditioning us to learn to haul grain longer distances in an attempt to show that our Hodgson rail line could be abandoned.

This situation is very serious, with the stockpile of grain we have. This grain is stored in all available farm buildings and a lot of it is out in the open. The piles out on the open must be hauled out before spring thaw. The resulting financial strain is very great.

Mr. Masniuk, please use the influence of your office and get some action on this! Thank you.

I am sorry the Minister of Transport (Mr. Lang) is not in the House but I hope his parliamentary secretary will bring this matter to his attention. These farmers are desperate and with the coming of spring a lot of this grain will rot.

The commission estimated that trucking grain from Fisher Branch to the CP Arborg railhead 19 miles away would be the cheapest alternative, costing about 12 cents a bushel as compared with anything from 50 cents to 90 cents a bushel if a rail link were built from Arborg to Fisher Branch, which was the other alternative under consideration. The farmers of the Interlake area are very anxious that this experiment be put into operation as soon as possible, but so far nothing has been forthcoming from the Department of Transport.

Speaking to a group of farm leaders in Regina on May 27 last year, the Minister of Transport said:

With the unanimous urging of Westerners for prompt, decisive responses to the Hall Report, I am determined to act as expeditiously as possible to deal with the Commission's proposals... it is our intention to act in a swift and positive manner.

The minister added that on the previous day an order in council has been passed implementing the first of the commission's recommendations: the 1,813 miles of branch lines which the commission had found to be of proven traffic potential and importance were transferred to the basic rail network. The minister also stated that the 2,344 miles which the commission had recommended be transferred to the jurisdiction of the Prairie Rail Authority had been "frozen" by a similar order in council and thus protected from abandonment until at least January 1, 1979. That, Mr. Speaker, was the end of the government's "swift and positive response" to the Hall report.

On the subject of the Prairie Rail Authority whose establishment was the crucial recommendation of the report if the other recommendations are to be carried out, the minister was extremely equivocal. The two years of study by Mr. Justice Hall and his fellow commissioners notwithstanding, the minister declared at his Regina meeting with the farmers that the concept "would require further concentrated study to flesh it