

*Western Grain Transportation Act*

In committee, the former deputy minister said that the only source of funds was the branch line fund. I should like to draw it to the attention of the House, however, that the funds for developing branch lines are inadequate. Approximately \$1.6 billion will be required to upgrade all the lines already guaranteed by the CTC to the year 2000, but under \$1.1 billion has been allocated for that purpose, leaving a shortfall of \$500 million. There was some doubt about where the funds would come from to provide the trucking proposed in Clause 4.

In previous speeches my colleagues have shown that there would have to be some qualifications on the use of subsidies for the trucking of grain from other elevator points and from other branch lines. We therefore added the requirement that such agreements for the trucking of grain from branch lines should only apply to those lines where the CTC has had a hearing and heard the views of all the affected parties in the communities and has decided that the rail line should go out. Only in those instances should trucks be used to transfer grain to main line points. I think there is no other choice. The question of who gets the subsidy or what trucks should be subsidized, has not been properly dealt with in the Bill and it leaves the whole question of where the subsidy starts and where it ends. Should we adopt the system of having the grain moved f.o.b. from the farmer's combine? If some trucking is done under subsidy for some farmers, then who should be eligible and who should not?

We are trying to clarify those questions by simply stating that any agreements that would include subsidization should apply only to areas where elevator points exist and where the CTC, through the normal, legitimate process, decided to close down the line. That would leave the farmers in the area with no choice but to haul the grain long distances themselves. As an interim measure, for an adjustment period, the Administrator would be permitted the option of setting up a trucking program for a few years until adjustments could be made if the motion were to pass.

I think it is only fair that the clause be restricted to those instances because it is too difficult to decide where the subsidy should go. There are already many arrangements between farmers and truckers and between elevator companies and truckers. To interject a partial form of subsidy into that system would only make things uncertain. We would not know which companies could survive and which could not. From some of the statements that have been made it would seem that the program would aid the amalgamation of trucking firms under the aegis of the two major railway companies which are already running the largest trucking firms but have not yet gone into the business of trucking grain, although they seem to be moving in that direction.

I see that my time is almost up, Mr. Speaker. I hope the House will consider this amendment which would limit the funds the Administrator could spend on a trucking program to those branch lines closed down by a CTC ruling.

**Mr. Simon de Jong (Regina East):** Mr. Speaker, it is with pleasure that I rise to participate in the debate on Motion No. 35 introduced by my colleague, the Hon. Member for Regina

West (Mr. Benjamin). Like Motion No. 34, it seeks to restrict the use of trucks for hauling grain. We proposed Motion No. 35 to cover the situation in the event that Motion No. 34 is defeated. Our preference would be for Motion No. 34 but if it is rejected by the House, then we urge serious consideration of Motion No. 35.

We are pleading with the House to ensure that rail lines not be abandoned. We are imploring Members of the House not to allow a whole new radical system of grain transportation to be introduced on a gradual—or not so gradual—basis in western Canada.

As was mentioned during debate on Motion No. 34 and on Motion No. 35, the rail line system is essential to the movement of grain, particularly in Saskatchewan. Large numbers of small towns and villages are scattered through the Province, connected by a network of roads. The population is scattered over a larger area than in Alberta or Manitoba. The rail system is essential to get grain from various points collected into a central system so that it can be sent to both coasts and to Hudson Bay. To introduce the possibility of moving significant amounts of grain by truck would be devastating to that rail system as well as to our road system. What we in this Party are afraid of, Mr. Speaker, is that the Bill as it now stands will allow the Administrator, the Government and the railroads to start the process of moving grain by truck and producing statistics to indicate it is no longer justifiable to move grain along certain rail lines, then eventually abandoning those lines.

● (1550)

Some Hon. Members in the Conservative Party and, I believe, some Members of the Liberal Party have accused the New Democratic Party of being reactionary, of trying to protect an outdated system. What we are trying to protect, Mr. Speaker, is a way of life in Saskatchewan, a diversified agricultural community. We are trying to protect all these small rural villages and towns because we believe that this is an essential way of life in Saskatchewan which must be protected and should not be destroyed. Sheer economics alone should not determine the social fabric of rural Saskatchewan. There are other considerations to be taken into account as well. That is why we implore Hon. Members of the House to accept the amendments which we are proposing.

The economic arguments which have been advanced are mischievous arguments in some ways because only certain economic aspects are taken into account, not the whole. Very often the cost to rural municipalities and to the Province for maintaining a road system is ignored. For the record, Mr. Speaker, I wish to quote from the submission to the Transport Committee hearings in Regina on August 8, 1983 by Mr. Charles Phelps, President of the Saskatchewan Association of Rural Municipalities. He said as follows:

If the Crow rate is abolished the railways will have the flexibility to charge different rates on different lines by charging higher rates on lines that are less profitable, lower rates on lines that are profitable. The railways will have an economic level to persuade farmers to truck their grain to certain points and abandon others. This tactic, coupled with the presence of large inland terminals,