

Western Grain Transportation Act

defined. If the Minister is suggesting that that is not bureaucratic, I should like to know what is.

With respect to the pools, if they are correct in their assumptions, then the majority of the producers they represent will choose the option of paying the railroads. I repeat, it will give those others who feel strongly about this the opportunity to take advantage of the benefit. It will remove the distortion of the freight rate and thereby assist in the further diversification of western Canadian agriculture and will facilitate the further processing of products.

If the Minister is suggesting that we should have simplicity, and if he wants to adopt the "pay the railway" method, and he would have to do is to pay the railways the \$650 million or whatever and keep things as they are. That would be the simplest way. The Minister has not opted for the simple route, however; he has opted for the bureaucratic route. The bureaucracy he is putting in place is going to serve to benefit the Government and the railroads, not the producers.

What I am saying is, give the producers some freedom of choice and some latitude. If it requires just a little extra bureaucracy, let us do something for the producers. That is what we are supposed to be achieving, the maximization of benefits to the producer and the agricultural industry in the country.

Mr. Ouellet: Mr. Speaker, I am very much surprised by the line of argument developed by the former Minister of Transport. Surely when he was in office for a few months he had a chance to see how impossible the operation of the railways in the West is and the tremendous improvement that could benefit western Canada if the capacity of the railway were enhanced.

When the Hon. Member insists that we make the payment a sort of freedom of choice decision by farmers, surely he visualizes the impracticality of it. One farmer might say, "This year I want the money; next year send it to the railway". Or he might say, "Send me 10 per cent of it and send 90 per cent to the railway, or 40 per cent to the railway and 60 per cent to me."

Mr. Mazankowski: Don't try to complicate it.

Mr. Ouellet: I should like to remind the Hon. Member that at its annual meeting in February of 1983 the Canadian Federation of Agriculture unanimously passed a resolution asking that the Government payment be made in total to the railways. The farmers, through their national organization at the national convention, made that suggestion. That has been one of the main factors in bringing the Minister of Transport to accept a change in the payment.

Mr. Mazankowski: They also passed a resolution supporting metric.

Mr. Ouellet: The Minister took into account the views of the farmers.

In his questions at one point the Hon. Member said that the simplest thing would be to pay the railways and keep the thing as it is, not charge an extra cent to the farmer. He knows very well that in order to improve the service and in order to bring some efficiency into the system—surely if he learned anything from his stay in the Department of Transport he must have learned that some efficiency must be put into the system. In order to do that it is important, and I think it is well accepted, that the producer will have to pay his share, which will be higher than it is at the present time. This is generally accepted, except, perhaps, by some Members of Parliament who have other interests.

Every human being with a decent knowledge of the situation realizes that the way the payments are made offers no incentive. Obviously farmers who want to have a better service are ready to pay a little more for it.

Mr. Deputy Speaker: I wonder if there would be unanimous consent to extending the question and answer period to one o'clock?

Some Hon. Members: Agreed.

Mr. Neil: Mr. Speaker, the Minister must be aware that a backbencher, the Hon. Member for Lambton-Middlesex (Mr. Ferguson), has a private Member's Bill in committee to revive the old Farmers' Creditors Arrangement Act. It would appear from the evidence that has been presented to the committee by the Farm Credit Corporation and a number of banks and loan agencies that about 10 per cent of the farming population is in serious financial difficulty.

If that is the situation, how can the Minister justify any increase in the freight rate to farmers for moving grain? It will mean a substantial amount of money. How can the Minister justify that under the circumstances? Would he not agree that perhaps there should be a moratorium or that the question of increasing the rate to the farmers should be forgotten until 1985-86 and then considered again?

Mr. Ouellet: Mr. Speaker, I think the Hon. Member is presenting a very narrow aspect of the problem. When he says that there are farmers in difficulties, I am sure they are not all in one part of the country. There is a malaise and a difficult economic situation for farmers throughout Canada. The change of the Crow is surely not the prime factor in creating additional difficulties for all farmers who are in financial difficulty.

I want to indicate to the Hon. Member that the improved efficiency of the service, the savings on handling, the savings on storage, would help the producers. We must have a system that allows maximum sales abroad, and not the situation that we had some years ago when sales were denied because we were unable to move the grain to meet our international commitment. That is something we have to change.

The Bill would improve efficiency, and the appropriate person to take advantage of it is the producer. Perhaps the