

to my attention. I happened to have this brought to my attention on reading it right now. I must raise it when I know it is wrong. I now know it is wrong and a point of order, regardless of its being related to what is happening, is always in order.

The Acting Speaker (Mr. Corbin): In any case, the Hon. Member for Hamilton Mountain was allowed to make his point. I am sure the error will be corrected as usual.

Mr. Parker: Mr. Speaker, I rise on a point of order. You have suggested that you will be bringing back a recommendation later this afternoon. I would like you to consider the fact that Part IV of this Bill, which my House Leader has brought to your attention, affects my riding very seriously.

Mr. Smith: Order.

The Acting Speaker (Mr. Corbin): Order. The Hon. Member is now raising a matter which deals with principles contained in the Bill. The Chair informed the House earlier that it would bring down a ruling on the question of the process of raising the point of order at this time. Therefore I would invite Hon. Members to proceed with debate. The Hon. Member for York-Peel (Mr. Stevens).

Hon. Sinclair Stevens (York-Peel): Mr. Speaker, on May 24 I began for a few moments simply to give another perspective with respect to this debate. The bottom line of my argument is that we should all recognize in the House that the executives of CP are very clever bargainers. They are very good dealers. With respect to this matter, they obviously have the Minister of Transport (Mr. Pepin) in their pockets. They have him doing substantially what CP feel would be very much in their interest.

I was pointing out that there is another side to this issue, and that is the injustice that has been perpetrated for years on various minority shareholders and bondholders in subsidiary companies that are controlled and dominated by CP and virtually run by CP with respect to their assets as if those assets were in fact CP assets. I say this because I think the facts will show when we get to committee that much of the land the Minister of Transport proposes to deal with, much of the tremendous new subsidy that will go into the CP, actually and rightfully should be for the benefit of shareholders and bondholders that have nothing directly to do with CP at all. The CP, through technicalities with long-term leases, sometimes running as long as 999 years, through long-term financing, sometimes in perpetuity, in some instances for 100 years, has been fleecing shareholders and bondholders not only in Canada but unfortunately in other countries, in particular the United Kingdom.

• (1140)

If I may, in the few minutes that I have left I would like to put on the record the case that I think can be made. The Crowsnest Pass Agreement was negotiated with CP and the Government on behalf of the people of Canada. The intention

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was to induce settlement of the West in reliance of the Government's promise of a fixed freight rate.

The Government of Canada and CP have made many agreements. Everyone knows of the vast land subsidies granted by the Government to induce building of the railway. Not everybody knows, however, of the many government acts entitling CP to enter into long term and perpetual leases at fixed rates and issue long term and even perpetual debt at fixed rates. The CP's method of accounting leads to tunnelvision when looking at the Crow rate. The CP has segmented its operations into rail, and other operations, such as Marathon Realty, CP Enterprises and Cominco. The enormous wealth generated from the lands and minerals granted to the CP by the Government are segregated to other companies and certain CP rail operations show a loss. The Government or people of Canada are constantly being shown the loss side of the ledger but not the profit side.

The Government provided these subsidy lands which have, through time, become enormously valuable in consideration of CP's obligation for freight and passenger service in Canada. Now that the subsidy land profits have been realized, CP appears with its segmented accounting to show a loss in freight and passenger operations. We have already totally bailed out CP in its passenger operations. VIA Rail paid outrageous prices for old rolling stock and at the present time leases the rail service of CP so that the people of Canada have paid twice for passenger service which it now provides for itself.

Take a look at the consolidated operations of CP and you will see consistent profits from the total assets provided originally by the Canadian taxpayers.

The argument really is that time has made the Crow rate an economic burden to CP and an unfair economic windfall to Canadian farmers. That, I suggest, is not a fair picture. The present Canadian farmers bought their lands at prices reflecting farm incomes based on the Crow rate. The present shareholders of CP bought their shares at prices reflecting CP's consolidated income including the Crow rate. If, therefore, the rate is increased, present wheat farmers suffer an injustice in both capital and income and CP shareholders have increased profits and capital value of their shares. What is the justice in that? The promise of the Crow rate given by the Government should not work to the detriment of those people or their descendants who relied on the promise to move west so that shareholders of CP could get an increased windfall profit.

May I continue, Mr. Speaker?

The Acting Speaker (Mr. Corbin): I must advise the Hon. Member that his time has expired. He may continue with unanimous consent. Is there unanimous consent to allow the Hon. Member for York-Peel to conclude his speech?

Some Hon. Members: Agreed.

Some Hon. Members: No.

An Hon. Member: Do you want to hear the truth?

Mr. Smith: I do not want to hear the filibuster.