

*Western Grain Transportation Act*

between the Prairie and other parts of Canada will remain the same.

Both Alberta and Quebec are very fortunate since each Province is relatively close to a huge market potential for both pork and beef in the United States. Alberta is directly north of the huge state of California and Quebec is immediately adjacent to the huge population centre of the northeastern United States. These respective markets will have to be won in open competition but it can be done. We are presently enjoying some access to these two markets. It will be a very slow process to win that market.

Quebec Members should remember that it is 2,230 miles from Calgary to Montreal and our value added beef products now cost the equivalent of \$51 per animal carcass to ship from Calgary to the Montreal market. That amounts to \$8.50 per hundred weight. That cost comes right off the top of our cattle and beef market prices.

Presently, about 60 per cent of Alberta's fed cattle production, that is finished steers and heifers, are shipped to the Montreal market. All of it is shipped on orders from Montreal brokers or wholesalers and is not shipped by Alberta producers on speculation. Our Canadian packing industry is currently experiencing very difficult times. This is partly because our plants are not competitive with the American packing industry due to significantly higher labour costs in Canada. We have seen six plants close down in Alberta since 1977 and there is still some surplus plant capacity.

If we are serious about making significant changes to our 86-year old Crow freight rate, I say to the Minister that we should do it properly so that it will stand the test of time. The next federal election should not dictate the terms of a new policy. I say that knowing full well the political situation in two Provinces especially, Quebec and Saskatchewan.

It is not the next ten years of adjustment that will be necessary for this new market development. That readjustment for our new markets may take another 20 years. However, we should be considering the next 100 years and determining the necessary and proper development of our western resources of which grain is only one. We should not be so obsessed with the need for guarantees from the railways respecting grain movement. Surely the best guarantee will be the opportunity for both railways to make a profit for the first time in about 25 years on their grain operations. The more grain they move, the more money they will make, instead of the reserve where the more they moved the more money they lost.

If there is still any opportunity left in Canada for the concept of private enterprise, especially in the West, then the Crow benefit must surely be paid to the farmer as a grain producer. I suggest that the Minister let the farmer decide what grain he can grow best on his own farm. Let the farmer decide if he can haul his own grain more efficiently by trucking it himself to a delivery point that may be very close or further away. Above all, let the farmer decide if he wants to go the value added way by feeding grain.

This can only be done by paying the benefit to the farmer. The railways will be receiving their compensatory costs. That has been agreed to. They do not need to have a direct payment at the expense of denying western Canada the opportunity to develop their natural resources, with their natural advantages.

**Mr. Jack Murta (Lisgar):** Mr. Speaker, I assume that we are presently in the period of ten-minute speeches. I find it somewhat frustrating to have waited so long for the legislation and be allowed only ten minutes to comment on it. I find it even more frustrating to have to comment on the legislation under the threat of closure.

What is most concerning is that this vitally important issue to the Prairies, and in fact all of Canada, has literally been debated for months and years in the Prairies and other parts of Canada, most recently with Quebec, but it closure is imposed upon us tomorrow night, Parliament will have had four days of debate on this legislation. Even if one was in favour of the legislation from an Opposition point of view, closure would force anyone defending western Canadian rights and interests, regardless of the position, to vote against this particular measure. It is neither right nor excusable to give four days to debate a measure as important as this.

When I was first elected in the early winter of 1970, grain transportation was probably the most important issue in Canada at that particular time since there was a tremendous oversupply created by large world markets and a literal inability to get our grain to market. Demurrage was high, farmers had to pay that demurrage, the system was not working, people were frustrated and most were angry at the railways, the elevator companies and the Governments.

Since then, a major preoccupation of mine has been with the entire issue of grain transportation. I felt I would have to give the Minister full marks in terms of his method and of the courage that he has displayed. This is a very difficult task. As the Hon. Member who just spoke indicated, the Gilson Committee carried out one of the better inquiries into grain transportation that we have had on the Prairies for a long, long time. The thrust and the direction that Professor Gilson and the people working with him took were generally acceptable, as was the Minister's own version based on political reality at the time. There had to be some modifications. This was the fifty-fifty split, in which 50 per cent of the so-called payment crucial to the operation of the whole transportation plan would go to the railways and 50 per cent to the producers. Professor Gilson, on the other hand, recommended that more money go to the producers. From the point of view of Manitoba, that was generally acceptable, and I believe it was also acceptable to the Province of Alberta.

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In going through this process, the bottom line is to make sure the system we design as politicians has built-in efficiency. Unfortunately, we have only four days in which to discuss this matter at the present time. The system we design must encourage excellence or striving toward excellence by the elevator