

for putting a large amount of money on the table—the more money there was to be shared, everyone thought part of that money was going to go to the producers and, the more you started with, the more would be spread among producers. We know now that is not going to happen. When you start from a position where all of the money goes to the railways, I think it is incumbent upon us to see that the railways perform and to see their bill is as lean as possible.

When you get to a situation in subsequent years, just to make my point, say in the 1986-1987 crop year, when producers are asked to pick up a share of the increase based on the initial amount of money, which is the \$651 million, taken roughly—it is not quite exactly that—as their increased cost goes up as time goes on, the phased in contribution to constant costs will be \$165.61 million. That figure is the Minister of Transport's figure. At the same time, the producers' payment, if there was no increase in Crow, would amount to almost the same amount. It would amount to \$168.2 million.

We are dealing with a lot of money as far as the producer is concerned. I am just talking about the share of the money the railways will get as a result of this Bill, and which is their contribution to constant costs. That will be almost equal to what the producer would be paying in 1986-1987 if there were no increase in the Crow. In fact, that is the Crow rate. That is a lot of money.

Again, when the producer is going to be asked to pick up his share, and the Government, and the taxpayer, then it is incumbent that we write as many regulations into the Bill as possible to see that the railways perform. If they do not perform and we have an inefficient system, and the costs are higher than they should be, and there are not proper regulations to ensure that the railways perform, everyone will lose. Then the producers will pay more because they will be financing an inefficient system, and because the Government is going to be picking up the inflationary costs over 6 per cent in 1985-1986, the Government stands to lose as well. That means the taxpayers lose. Despite the fact that I do not like regulations and I would much sooner see some inefficiencies in the marketplace through paying some of that money to the producer, we feel that because of the Government's position on this, whereby all the money goes to the railways, we need regulations.

To me that makes a certain amount of sense, Mr. Speaker. I do not understand what the problem is. If the Government chooses to pay all the money to the railway, why would not the Government see to it that there are adequate stipulations in the Bill to ensure that the railways perform? We are asking that the CTC do this.

● (0415)

To the best of our knowledge, the CTC is the one neutral body we have in the country. Admittedly it is an agent of Government, but we know that it has acted in the past not necessarily in accord with the Government. The Government has disagreed with the Commission and, on occasion, has had to overrule it, but basically it is an independent body. It has

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some very good people in the western division in Saskatoon. By the way, we managed to get a definition in the Bill which defines the western division based in Saskatoon. We are not asking that the railways or the Government administer this. We are asking that a well-respected, independent agency of Government administer the amendment contained in Motion No. 58. That makes good sense to me.

I notice the Minister of Transport (Mr. Axworthy) is listening to my comments. I appreciate that very much. All the money goes to the railways. There is no room in the Bill, as I see it, for efficiency in the marketplace because some of the money should go to producers. I think the Minister would agree with that. He has indicated as much. He indicated that there will be a review process, immediately upon the Bill being passed, to look at the method of payment. Because of those things and because producers will be forced to pick up part of the increased costs, as time goes on we think that in order to guard producers and taxpayers as much as possible we need many teeth in the Bill to force the railways to perform. Very simply that is what the amendment indicates.

The Hon. Member for Vegreville (Mr. Mazankowski) dealt with the guts of the specific subclauses in the motion, as did the Hon. Member who introduced it. I have attempted to outline broadly the initiatives which we say would flow from this amendment and how they would benefit producers, the Government and, therefore, Canadian taxpayers. To my way of thinking it is an eminently reasonable amendment which I hope the Government would look favourably on and support.

Hon. Lloyd Axworthy (Minister of Transport): Mr. Speaker, during the course of the debate on this particular amendment I have received several entreaties from Hon. Members opposite to respond and to comment on Motion No. 58. My participation comes at a late hour, as we all know. I suppose I could say that I have taken proper account of nocturnal submissions. However, there are one or two submissions which are very sensitive to the proposals in this motion.

One of the last points of the Hon. Member for Portage-Marquette (Mr. Mayer) concerned the ability to pay, and that there was a government choice. I remind Hon. Members that that is not totally accurate. If he recalls the various proposals put forward during the committee hearings, he will remember that there was no consensus because major prairie producer groups, the Pools in particular, were prime proponents of payments to the railroads. If Hon. Members opposite are asking us listen to the voices of producers, this is a very clear example of us responding to the voice of some 60 per cent of them in the prairie region, and the Pool organizations, both of which were very adamant.

The Hon. Member made a very important corollary, that with the elimination of the producer payment under the 50/50 system there has to be a somewhat different form of discipline to ensure performance because the market system would no longer have the same application, force or leverage it would otherwise have. We believe that the requirement for the use of Section 262 under the Railway Act was a proper recognition of that need. We felt that the clear obligation arising from it