

Throughout the course of the committee hearings we demonstrated the need to incorporate the necessity of maintaining producers' interests at all times. We moved amendments to Clauses 29(2), 18, 33 and 38. Throughout the course of our committee hearings we found it to be quite obvious that the Bill was written as a very favourable mechanism to the railroads. The major beneficiary in the whole Bill is the railroads. The benefactors will be the people of Canada, the taxpayers and, indeed, the producers.

We think that in every case possible it is important to inject the requirement that any efficiencies or economies of scale that can accrue must be incorporated. There must be someone to ensure that those economies of scale are brought about, because in this regime there is really a cost-plus system. Quite frankly, the railways will be paid for all their costs involving the movement of grain, and the higher the costs, the more they will receive. When there is this kind of cost-plus regime in place, we must ensure that there are some disciplines in the marketplace. Since there is a monopoly here, that cannot take place, so there must be some other monitoring device. Hopefully, the Administrator and the Senior Grain Transportation Committee would fill that role, but they must have the tools with which to do the job.

Of course, the whole business of an effective and reliable grain transportation system is brought about as a result of the production of the producers. As we have pointed out time and time again, they were the forgotten persons in this whole exercise. In amendments such as this we are trying to incorporate ways and means in which the producers' interests will be preserved. If we really mean what we say when we talk about an efficient and cost-effective system, we must use every mechanism to ensure that we get the best bang for the buck. As the Bill now stands, with the railways recovering all of their costs plus a 20 per cent mark-up for profit, it is certainly not in their interest to cut costs. It is in their interest to add costs. I believe these kinds of disciplines must be put into place.

● (1210)

I am disappointed that members on the Government side did not see fit to support this amendment during the course of the committee hearings. I believe it is a good amendment and consistent with what we should be trying to achieve in terms of establishing a very lean and cost-effective system. Unless there is the power to force the railroads to engage in these kinds of reciprocal arrangements which would serve the best interests of the grain industry and the producers, it will simply not occur.

I think the Administrator needs more than simply the power to promote. He must have the power to demand if it is deemed necessary and in the best interests of the grain industry and the producers.

I commend this motion to the House for support and I am sure that when Members understand and witness the kind of regime that we have in place they will see that it is certainly one small step toward incorporating some discipline which would hopefully accrue finally to the benefit of the producers.

Western Grain Transportation Act

Mr. Bill McKnight (Kindersley-Lloydminster): Mr. Speaker, this amendment put forward by the Hon. Member for Vegreville (Mr. Mazankowski) was designed because of the fear that most of us—including members on the Government side who attended and heard witnesses at approximately 66 committee hearings during the summer months—have that the rationale behind this Bill has been distorted at some point.

This Bill began some 18 months ago as one which would benefit the grain producers in western Canada and adequately compensate the railroads for the movement of that grain. As debate and study in this Bill progressed, it became increasingly evident to us and to members of the Government who were on the committee that the railroads had, if not undue influence in drafting this Bill, at least the ability and financial and human resources to voice their desires and needs. Their influence was used to give them the ability to collect hundreds of thousands of dollars from the Canadian treasury without any provision in the Bill to make the railroads perform in the best interests of the grain producers and provide for a maximum return on the shipment of their product.

The amendment by the Hon. Member for Vegreville simply states that when the Administrator put forward a proposal that would allow the railroads to enter into reciprocal agreements that were in the best interests of the producers to maximize their returns, he could require the railroads to enter into that agreement.

When one looks at the Bill and sees the railroads' past performance, it is quite evident that the railroads jealously guard their own lines and the ability to move grain along their own roadbeds. They would rather not enter into agreements that would benefit the farmers if those trains were taken off their own lines. Therefore, it made common sense to us that if additional taxpayer dollars are to be put at the disposal of the railroads, they would have to accept the responsibility under legislation to maximize the returns to the producers. All of the discussions, commitments, press releases, grandiose schemes and promises that have been made by the railroads during debate on Bill C-155 are old news to grain producers in western Canada. It is an old story which goes back ten years.

When decisions were made on the railways that would either benefit the farmers or the shareholders of Canadian Pacific or Canadian National, who happen to be the people of Canada, those decisions always were to the benefit of the railroads and not the producers of grain. A review of this Bill leads us to believe that the railroads should be required to enter into agreements that would benefit producers in order to protect their rights and at least ensure some measure of effective cost return for the taxpayers of Canada on their commitments to the railroads.

It is strange that Canadians have historically—particularly during the last 18 months of public discussion and debate on this Bill—assumed that the railways are one great charitable organization which only moves grain because of the nature of Canadian Pacific and Canadian National. People seem to believe that they are charitable in providing this service for the