

Western Grain Transportation Act

with the fact that it took 15 men to 20 men almost 50 years ago. Most farms have their own machine and repair shops. They carry a limited supply of spare parts such as bearings, belts, bolts and other common items. Farmers no longer need to go to adjacent small towns to purchase half a dozen bolts. Today they purchase them in lots of 1,000 or more, often directly from suppliers. They have their own welders, cutting torches, hydraulic presses to assist with bearing replacements, gear pullers, and the list goes on and on.

In the context of today's farm, let us look at the impact of increased rates. The increased rates will hardly be a sledgehammer, as suggested by the Tory Government of Saskatchewan, since the rate will not even double in 1985. Although it will increase to 5.5 times Crow by 1991, this assumes a total grain movement of 41 million tonnes. Even at that, the rate will cover about 60 per cent of the real rail cost and will represent about 8 per cent of the price of grain forecast for 1991.

Although no farmer, whether he is in the West or in Ontario, likes an increase in costs, the proposed increase in freight rates by 1985-86 will be nominal when compared to a farmer's over-all costs, assuming a typical Saskatchewan farm of 1,200 acres with 700 acres sown to wheat. The total revenue would be about \$81,200, using a 29 bushel per acre yield and a \$4 per bushel farmgate price. The total production cost would be about \$60,000.

Under the present Crow rate, the transportation bill would be \$2,842. If one adds the transportation cost of \$2,842 to the production cost, the farmers over-all cost would be \$62,842. As a percentage of the over-all cost, the transportation cost represents about 4.5 per cent. Using the same logic, this 4.5 per cent would increase to 9 per cent of over-all costs by 1985-86, assuming we still have 1983 grain prices. One could hardly call such an increase a knock-out blow, as have some opponents. While an increase of some \$2,800 may sound like a lot of money, it is not so significant when we consider that tractors today sell for as much as \$80,000—and that is not the price of a big tractor but a large one by the standards of a few years ago—and combines today sell for \$100,000 and up.

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Prior to 1949 about 1 per cent of Saskatchewan resident farmers were supplied with electricity. By the end of 1956, approximately 47 per cent or 40,000 farms were served with the power grid. Today virtually every farmer on the Prairies has access to electricity. The Hall Commission reported in 1977 that:

Rural electrification has no doubt had the most significant positive social impact on rural life . . . due to the ability to keep bread, fresh vegetables and fruits for a longer period, these commodities were purchased in greater quantity, farther from home leading to the closing of local bakeries and stores—

The advent of supermarkets and chains led to more dramatic shopping habits of farmers, not only in western Canada but across Canada. We have the same impact in the rural ridings of Ontario. Contrary to statements that changes to the Crow

rate will destroy the social fabric of prairie farms and communities, allow me to put the following excerpts from the Hall report on the record:

Increased cost of labour forced farmers to improve production technology through capital. This resulted in social repercussions in rural western Canada, i.e. the decline in farm population and in the number of community centres of service.

—tendency to equate the significance of the railway of 35 to 50 years ago with its significance today.

I could not help but notice that the shipping rate for a tractor-trailer truck-train in Ontario is less from Chatham, Ontario to Toronto than the equivalent rail rate. That truck can load at the granary on the farm without having to go to the local elevator and reload. It eliminates one whole handling process. It is the railways which have had to adapt to these changes in order to stay efficient. Again I quote:

Even bulk farm imports such as fertilizer, fuel, chemicals and equipment are increasingly hauled from regional distribution points by truck.

It is the people and the spirit of the people which gives the community viability, not the railways nor the elevators.

The commission was unable to locate any study which indicated that the viability of a community which was already declining would be served by the retention of the railway.

Again I refer to my constituency. We have had branch lines close down because they could not compete with truck transportation which picked up a product either at the farm or at the gate of the manufacturing plant, in turn taking it to its unloading point or point of destination.

Vastly improved roads since the early 1950s . . . have enabled people to travel further for goods and services.

Towns being bypassed by modern highways, the development of regional health centres and hosts of other items have contributed to the phasing-out of many smaller centres with their own identities and social patterns. These changes have occurred and will continue to occur with or without the railway.

I must add that we are losing something of that way of life in rural Canada, but we cannot stand still. Improved facilities are being demanded by our population. Improved services go with it.

The evolution of few centres rendering a large number of services has taken place only because smaller centres have decreased in size or disappeared altogether. This took place, not as part of a planned development, but as a result of many people making individual decisions on where they wished to shop, do business and socialize.

In a good many cases, this is because of the variety of the options opened to them in the larger centres. In many of the towns and villages throughout my riding, their downtown core has become empty because of supermarket chains establishing malls and shopping centres on the outskirts of those towns or villages. This has happened all over Canada.

All elements of prairie life have changed significantly since the 1930s, not only prairie life but in the rest of Canada, particularly elevator rationalization and road construction. An effort has been made to hold some items constant such as branch line retention and Crow rates. Such a position defies reality and the results are obvious. In 1977-78, following three successive record harvests, the system broke down and prairie grain producers had to lose or forgo major grain sales due to transportation problems.