

31.5 million tonnes in any crop year. The amendment proposed in this bill is an averaging arrangement which the government claims will have the effect of removing the 31.5 million tonne cap and replacing it with a tally adjustment mechanism. Simply stated, this is a new system for setting the rate where the increase in the volume over the cap in one crop year will be set against years when the cap is not reached. However welcome this move is to the grain growers, it does not remove the cap or the ceiling of 31.5 million tonnes a year.

Subclause 9(a) of Bill C-44 puts a limit of \$150 million, plus or minus, as the outside limit within which annual adjustments can be made to compensate for large swings in the amount of grain shipped from year to year. These amendments pretend to remove the volume cap, a move which would be commendable although very costly to the government, but they do not remove the volume cap as was promised by the Conservatives in the election campaign. They simply create a new system for setting rates where the increase in volume over the cap in one year are set against the years when the cap is not reached. Granted, it will take out some of the violent swings, but it does not remove the cap. It is an improvement over what we have now, but when the \$150 million limit is reached, the farmers will have to pay the difference. At \$10 a tonne cost to the farmers, it will not take many years of high volumes to pass this \$150 million limit.

To claim, as the government does, that Bill C-44 removes the cap is just not true, and the farmers will soon see through this misrepresentation. However, this change is a step in the right direction, and I hope that the government will go the rest of the way and fulfill its promise to remove the cap entirely so as to help farmers with their total grain shipments in every year.

Honourable senators, the addition of more farm representatives of the Senior Grain Transportation Committee is a good move and will be supported by farmers. As far as branch line rehabilitation agreements are concerned, they have been signed with the railroads completing the promised program. The full commitment has been kept. It is the present minister who has cut back the work to be done this year and moved the whole program back. Perhaps it is a good thing to put the commitment in the act. It will save the minister from future cuts by the Minister of Finance or the Deputy Prime Minister.

The requirement to have the railways make public the annual statements of their general investment plans for grain transportation is welcome and should make for better understanding between them and the shippers of grain, and, as well, allow farmers to monitor the progress being made in rail modernization.

These, then, are the amendments to the Western Grain Transportation Act contained in Bill C-44—some improvements, but a far cry from what we were promised.

Honourable senators, I will mention a few items that we expected to see in any amendments to the Western Grain Transportation Act and which are strangely absent from Bill C-44. I will first mention the method of paying the annual

[Senator Steuart.]

freight assistance. Honourable senators will remember the great debate as to whether it would be paid to the railways, direct to the farmers or a combination of both. The Tories in opposition, including Mr. Mazankowski, were for having all or part of it paid direct to the farmers.

I will not review the arguments, pro or con, of this question, but will just remind the Senate that there was no doubt that a Tory government would waste no time in making a change in this regard. In fact, Senator Balfour made an amendment to Bill C-155, which read as follows:

I therefore move . . . notwithstanding anything in this act, based upon the recommendations of the committee established under section 62(2) to examine the method of payment, the Governor in Council may make regulations prescribing the manner in which and the parties to whom payment of the government contribution, including the Crow benefit, shall be made.

What did this amendment mean? Well, simply put, it would give the government power to change the method of payment by regulation, without even waiting to see what the review committee recommended.

The minister said that we must wait for the review process as prescribed in the original act, but in 1983 the Tories could not wait. "Do it now" was their cry. In fact, Senator Balfour said, at that time and in this chamber, and I quote:

I submit to honourable senators that this alteration to the method of payment formula should be implemented without delay.

Senator Balfour went on to say, in effect, that corrective measures should be taken without delay before further economic distortions resulted from paying all of the money to the railways.

Honourable senators, I do not know whether he was speaking on behalf of his party at that time, but he was taking the same line as Mr. Mazankowski, the present Minister of Transport, who now says that we must wait for the review to take place next year before any change can be contemplated in the method of payment.

Senator Balfour: It is a personal point of view.

Senator Steuart: A personal point of view—well, it was the party point of view, as well, because I heard it on party platforms all over the west.

What a difference a year makes—or is it that the Tories have come to love the Western Grain Transportation Act they cursed so roundly and campaigned so hard against?

Some Hon. Senators: Oh! Oh!

Senator Phillips: Now, now, Davie.

Senator Steuart: Honourable senators, a further look at the *Hansard* of November 17, 1984, shows that Senator Nurgitz also got into the act. He introduced an amendment to Bill C-155 demanding that the Government of Canada return the so-called British Columbia coal lands to the Province of British Columbia. I have never heard of it since. I do not see anything in this bill referring to the B.C. coal lands and I cannot even