

*Supply*

known to some members of this House that in addition to being Minister of Justice I am the minister responsible for the Canadian Wheat Board. The Canadian Wheat Board has traditionally had a relationship with the Department of Industry, Trade and Commerce and, indeed, supporting staff for the minister responsible for the Canadian Wheat Board is largely carried in the budget of the Department of Industry, Trade and Commerce and located in their offices. Therefore, while this item appears under that departmental heading, it is in my responsibility as minister responsible for the Canadian Wheat Board that I am speaking to the item in the grains area of that department.

In my short explanatory remarks a few minutes ago I explained why the railways were not, on their own, likely to purchase this additional equipment in a situation where the elevators are operating on a five-day week basis at the terminals when the railways are arguing that the equipment to handle the grain to the elevators should move on a seven-day week basis. The rates for the movement of grain for export are the Crowsnest rates. That means there was no bargaining position between the railways and the elevators to arrange the best system without some intervention. In reply to the hon. member's question about reduced rates, the Crowsnest rate is applicable in this area.

This is not, as the hon. member claims a gift of \$48 million to the railways. It is a purchase of cars by the Wheat Board at the government's request. This is not a gift to the railways of these cars but, rather, the cars are in the hands of the Wheat Board to be made use of by the railways. There will be a possibility in the future of examining the question of when it is appropriate for the railways to purchase the cars rather than to continue to have a loan of them. That may be determined by the changing configuration of the railway transportation system.

**Mr. Hales:** The minister did not say when the decision was made to buy these cars.

**Mr. Lang:** Mr. Chairman, the decision was made and announced, I believe, in February a year ago.

**Mr. Hales:** The final question is a technical one but it is very important. This item appears in the Department of Industry, Trade and Commerce estimates under the heading of "marketing." I think we need great imagination to put hopper cars under that heading. This is equipment and capital expenditure; it is not marketing. We are being asked to pass estimates to buy equipment which is a capital expenditure, when it appears under the heading of "Marketing." Furthermore, the department is using \$7.7 million from their 1972-73 estimates under that heading for the purchase of equipment and for capital expenditures. I think this is wrong and this House should not be asked to pass such estimates.

**Mr. Lang:** Mr. Chairman, this is an item which is needed to purchase the cars. I do not know how the hon. member can say it is a capital item in that sense. It is very much a budgetary item in terms of the government putting funds into the hands of the Wheat Board for that purpose. This is quite similar to other measures within the over-all marketing category within this whole title, where from time to

time grants or payments, and indeed grants in respect of the purchase of capital equipment by an individual company, may be made to encourage the additional marketing of Canadian grain in an ingenious variety of ways.

In my earlier remarks, I explained to hon. members that the particular purpose of this purchase was to enable the Canadian Wheat Board to continue making sales beyond a certain volume of exports where they would have been stopped if there had not been more equipment available to handle grain and haul it to market. The point, in other words, is that the marketing of this grain for export depends on our having the handling and transportation system which can move the grain from where it is produced on the Prairies to the ports which, in Canada, are far removed from the production areas. Therefore, this kind of step is directly related to the capability of the Canadian Wheat Board to market grain.

• (1610)

**Mr. Hales:** Mr. Chairman, may I ask a final question? Under what department will this rolling-stock or equipment appear? Will it be on the books of the Department of Industry, Trade and Commerce, of the Canadian Wheat Board, or of the railways?

**Mr. Lang:** It will be on the books of the Canadian Wheat Board, Mr. Chairman.

**Mr. Benjamin:** Mr. Chairman, having listened to the minister in charge of the Wheat Board, I feel I must make some remarks. The minister has thrown out more strawmen and heifer dust than normal. No one objects to the purchase of rolling-stock for the movement of grain. Members on all sides of the House, the grain industry and farm organizations have said for many years that we do not have enough rolling-stock for the movement of grain. For the minister to throw out the strawman that somebody is objecting to the purchase of additional rolling-stock to move grain is sheer nonsense, and he knows it. He knows as well as I do and others who were elected to this chamber at that time that from his first year in office there was repeated discussion about the shortage of equipment for moving grain. So that problem is at least four years old in my experience and his, and it is 44 years old in the experience of people in the farming and grain handling industry. There is no argument about the necessity to increase the rolling-stock available to the railways for moving grain. The argument is whether it is the responsibility of the railways to buy such equipment.

It was pointed out by the hon. member for Assiniboia and the hon. member for Wellington that the Wheat Board and the Government of Canada are being required to shoulder responsibilities that should be shouldered by the railways. When the minister suggests that all he can do is discuss this question with the railroads, does he mean that the government and the Canadian Wheat Board in a better position to order hopper cars and ensure delivery more quickly than the railroads? If that is what he suggests, he is doing nothing but letting the railroads off the hook. When the government decided last February to purchase these hopper cars for grain movement, responsibility could have been transferred to the management of

[Mr. Lang.]