

*Government Orders*

it will very likely destroy the feed grains production in Atlantic Canada and perhaps the beef and dairy industry.

There are very heavy implications, yet this government took absolutely no notice of those implications in its head-long and foolish attempt to do more of its cost cutting in the area of Canada where the last thing we need is cost cutting.

I want to read a small quote. This was said before the committee by Mr. Keith Russell, Director of Atlantic Farmers Council. He said: "Mr. Chairman, the organization I represent is a co-ordinating regional organization representing the four provincial federations of agriculture and the agricultural co-operatives in Atlantic Canada. As such, we can speak for more than 80 per cent of the livestock and poultry producers in the Atlantic region which is an industry with a farm gate value of \$500 million in 1989."

• (1210)

Mr. Speaker, \$500 million is a lot of money to Atlantic Canadians. That might not seem too much to Ontario or some of the other industrialized areas, but \$500 million is vital in Atlantic Canada. It is even more vital now that this government has decided to cut back on its regional development efforts and on other subsidies to Atlantic Canada.

I want to read another quote: "I am told that the elimination of this subsidy could mean a loss to Canada of something in the order of \$28 million worth of value-added processing activities or a total economic spin-off of something in the order of \$65 million."

That statement was made in this House on March 29, 1976, by none other than our esteemed Deputy Prime Minister, who ought to know something about grain production, farming and the terrible disservice that this proposed legislation will do to Atlantic Canada. I am making a plea today to this government. If it has any sense of propriety left, if it has any sense of fairness left, if it has any thought at all for Atlantic Canada, it should withdraw this stupidity and go back to what we had in terms of elevators and in terms of grain movement in this country and stop trying to destroy the grain, poultry, livestock and flour industries in Atlantic Canada.

**Mr. Lyle Kristiansen (Kootenay West—Revelstoke):** Mr. Speaker, I am pleased to rise for a few moments this afternoon to address Bill C-26, which would eliminate the at and east grain subsidy.

Some members may wonder why somebody from the mountains of British Columbia is speaking on this subject. Quite frankly, my own area of the Kootenays was brought into Canada by a contract with the people and the Government of Canada at the time of a strong secession movement. The West Kootenays were going to follow the normal flow of our economics and were seriously considering joining with Spokane and Washington state. There was an agreement to build the Crow's Nest railway and to have certain rates apply in order to keep us as a part of this country so that we could make our contribution to this act of political will that was and still is called Canada.

This is not a dissimilar sort of situation. Once again we see this government with its dogmatic theology of the private market that, come hell or high water, is determined to let loose those private economic forces to do what they will regardless of the impact on the regions of this country and the very fabric of this nation.

To briefly explain to anybody who happens to be listening, Bill C-26, the at and east freight assistance program, pays a subsidy to the railways on export grain and flour moving by specified routes through eastern Canadian ports. The rates paid by the shipper have been frozen since 1960 with respect to export grain and 1966 with respect to flour.

At the next stage in this discussion my colleagues in the New Democratic Party will be moving an amendment to this bill to set the freight rates for grain and flour shipments to Halifax and Saint John, New Brunswick at 5 per cent higher than the rate for shipments to Quebec City. This is similar in effect to a proposal made by the Atlantic Provinces Transportation Commission. The idea is reducing the cost of the program while ensuring the ports of Halifax and Saint John remain competitive.

The amendment currently before us on behalf of our colleagues in the Liberal Party is calling for the at and east to be left as is. It puts me in mind of the Liberal attitude to almost everything else around here, which seems to be: "Don't touch a thing, don't make a suggestion, feel no sense of responsibility to do something to bring costs a little more in line, don't have any innovative proposals or compromise proposals, just say