

*Transportation*

bushels of grain to Fort William, Port Arthur, Churchill, Vancouver and Prince Rupert. It states further that these figures represent 22,531 cars more than were moved in 1965. It also reports that C.N.R. officials have said they expect that this greatly increased movement of grain will continue all winter. The report in the *Western Producer* goes on to say that the C.P.R. announced gains in profit. Both the net earnings of the C.P.R. and those of the C.N.R. showed a considerable increase for the 10 months reported in 1966.

I believe this strengthens the view I am attempting to express, that within the next few years the whole transportation system in respect of the movement of our grain will be greatly improved. It would seem under these new arrangements that the railways certainly will earn sufficient revenue from the movement of the grain to more than offset the expenses incurred under the Crowsnest pass rates.

I should like to repeat the plea made by the hon. member for Jasper-Edson, that this matter of an inquiry into the revenue and expenses of the railways under the Crowsnest pass rates be not pressed at this time or if it is pressed that there be a longer period before such an inquiry is held. If this section is not to be deleted, then I would suggest that it include some reference to the possibility of the railways using the same running rights, or something along that line. I think this also is something which should reduce the expenses and help the railways in respect of their costs.

**Mr. Deachman:** Mr. Chairman, in listening to the remarks of the hon. member for Moose Jaw-Lake Centre, I was very interested in the quotations to which he referred from the minutes of proceedings and evidence of the committee on transport and communications, and in particular the quotation of the exchange between myself and Mr. Lloyd, the ex-premier of Saskatchewan, on the subject of the Crowsnest pass rates. It is on this subject that I wish to make a few remarks. I shall do so, not from the viewpoint of the people on the prairies, but rather from the viewpoint of the farmers in the Fraser valley when they look at the Crowsnest pass rates in relation to the matter of domestic grain. The farmers in the Fraser valley have a problem which they brought to Ottawa some time ago, and which still remains unsolved.

[Mr. Pascoe.]

I should like to refer to new section 328 at page 41 of the bill, where under subsection 1 the Crowsnest pass rates are described as—

—rates on grain and flour moving from any point on any line of railway west of Fort William to Fort William or Port Arthur—

Now, if you will turn to subsection 2 you will see that it refers to rates on grain and flour moving from any point on any line of railway west of Fort William to Vancouver or Prince Rupert, for export. The additional words here are “for export”. Then it continues with the words “over any line of railway now or hereafter constructed”, and so on. Subsection 3 reads as follows:

Rates on grain and flour moving for export—

Again the words “for export” are used here.

—from any point west of Fort William or Armstrong to Churchill over any line of railway—

That simply means that when grain moves from the prairies eastward to the head of the lakes it moves as grain, but when it moves from the prairies to Vancouver or the western seaboard it moves as export grain, or moves as domestic grain and under different rates.

Under the Crowsnest pass agreement there is one rate for shippers shipping grain eastward, whereas there are two rates in respect of grain being shipped westward to the coast or to Vancouver—an export rate and a domestic rate. When the committee on transport and communications held hearings in respect of this bill, Mr. L. A. Currie, chairman of the feed and grain committee of the British Columbia Federation of Agriculture, and Mr. B. H. Creelman, chairman of the British Columbia Feed Manufacturers Association, appeared. Between them, these two gentlemen and their associations represent virtually all the farmers of British Columbia and the feed grain producers of British Columbia. They presented a brief which deals with this problem, and the effect of it upon those who are users of domestic grain particularly for the feeding of livestock, poultry and so on in British Columbia.

● (6:40 p.m.)

They point out that the export rate from Calgary to Vancouver is 20 cents a hundred-weight or \$4 a ton. The domestic rate from Calgary to Vancouver is 65 cents a hundred-weight or \$13 a ton. So that if you want grain for domestic use or for feed in the Fraser valley you may get it from an elevator in Vancouver and it is the same grain that is poured into ships and sent overseas, in which case it is grain that is moved at \$4 a ton.