

*Canadian Wheat Board Act*

War when the Canadian Wheat Board legislation was fully implemented and enforced.

● (1030)

This legislation has three items in it. One has to do with enlarged financial arrangements for the Canadian Wheat Board so that it can make more investments or whatever to benefit grain producers. Another has to do with some minor changes to allow for improvement in the very, very low expenses allowed for the Canadian Wheat Board Advisory Committee. We have no problem with those two provisions. They are relatively minor. But the fly in the ointment, the bug in the soup, is Clause 8.

Nobody is objecting to the producer having the right to have a producer car should he so choose. That has always been available. Even in years when I was on the railroad and we implemented the car order book, from time to time individual producers would come and order their own cars.

The principle of all of the producers sharing in the costs of the system cannot be and should not be departed from. I listened to the Parliamentary Secretary saying how this makes the western wheat growers happy. I think maybe they have 1,000 or 1,500 members at best. The Saskatchewan Wheat Pool has over 70,000 members. The three prairie pools plus the United Grain Growers, all four farmer owned co-operatives, oppose this and represent something in the order of 150,000 grain producers. They do not want this clause. But it is there to pacify the right wing Tory minority, an extremely small minority on the Prairies and is pandering to those who have always opposed orderly marketing. It is pandering to the private grain companies and the Winnipeg commodity exchange as well.

In a letter to the Minister of State in charge of the Canadian Wheat Board of June 9, the three pools in a joint letter and in separate letters from each of the prairie pools made it as plain as the nose on your face that they were opposed to the Bill because of Clause 8. They asked the Government to reconsider. When they last met with the Minister—they were happy about the consultation that went on and everything else—they waited for the Minister to raise the subject of Clause 8. When he did not report to them about any reconsideration—obviously there wasn't any—the pools raised it as the last item on the agenda, and then followed it up with their letter of June 9 in which they outlined their reasons for the opposition. The item was discussed at every single meeting of every local and sub-district of the three pools in the three prairie provinces. It was discussed thoroughly by the farmers. There would be in total tens of thousands attending those local and sub-district meetings and there was overwhelming opposition to this measure.

I think it is logical that a farmer who ships a producer car is not charged the elevation and handling charges normally assessed at a country elevator since it did not go through that country elevator. That is fair ball. But to relieve that producer

from paying his share of all the other costs means that a smaller number of most of the producers have to pick up all the costs, which means higher costs for the larger number of producers. Surely that is unfair. There are costs that are not being accounted for in the handling of producer cars. The Canadian Wheat Board charges a nominal fee for producer cars mainly to cover the extra administration costs entailed. There are costs such as capital, maintenance, taxes, et cetera on many of the rail sidings in western Canada which are being used exclusively for producer cars. The three pools believe that is a substantial figure and they asked the Minister of State to demand that the railroads provide those figures. There is the extra switching costs involved in the spotting of producers cars at those sites.

One of the economic benefits of elevator rationalization is the least number of stops that freight trains have to make to spot and pick up grain cars. That benefit is lost when you have to stop a 60, an 80 or a 100 car train and switch off one car and then a few days later stop another train and pick it up. Those costs are additional. If there is a siding and no country elevator the costs are even higher. The benefit, of course, is lost and the rail costs are not reduced. They may even increase on a per tonne basis if the spot is for a single car or two, three or four. The railways have told the pools that if producer cars are not loaded in the allocated time they must be picked up on the next train run. That adds to car turnaround time. A lot of fuss was made over the past several years about reducing turnaround time. At one time I think it was up to 27 days. Now I think we have it down to 17 or 18. When producers do not load their cars on time, it lengthens the turnaround time.

The grain companies, which are 80 per cent farmer owned, have spent tens of millions of dollars not only in rationalizing and modernizing their country elevator system but have spent many, many millions in addition by remodelling and putting the latest technology into their country elevators to provide for higher speed legs, longer car spots to accommodate a faster system for loading railway cars. By the way, this legislation will increase even more the number of producer cars and that increased use of producer cars will negate the investment, 80 per cent of it by the grain producers themselves.

A majority of producer cars conform to the shipments called for but there have been too darn many which are purposely or accidentally misshipped. The Canadian Wheat Board may call for a specific grade. If a country elevator manager ships No. 2 wheat as No. 1 wheat he is penalized two, three or four cars in the next round of car orders. But producers who ship the wrong grade, even if they do it innocently—there have been too many times when this was not done innocently—receive no penalty at all. Sure, there is the authority if they misship their grain for the whole carload to be returned to the shipper, but it is rarely done. In fact, I have never heard of it ever being done.

● (1040)

When the Canadian Wheat Board embargoed tough and damp grain in the fall of 1985, producer after producer