

*Borrowing Authority*

about it the wrong way, and forcing its way through by the arbitrary use of its majority in the House of Commons, notwithstanding the fact that it has lost the confidence of the Canadian people.

**Mr. Doug Anguish (The Battlefords-Meadow Lake):** Mr. Speaker, the supplementary borrowing authority that we are discussing in the House of Commons today has the Liberal Government asking the Parliament of Canada to approve borrowing of some \$19 billion. The Government has not explained exactly how this money is going to be spent. We understand that there is a shortfall of some \$5 billion in terms of the current year's budget, but we have little knowledge as to what the Government is going to do with the other \$14 billion.

I suppose that the Government is asking us, on behalf of all Canadians, to trust it. I personally find it hard to trust this Government when it says in effect, "This is what we want. We cannot tell you what it is for, but trust us."

The New Democratic Party does not trust this Government, nor do many Canadians across this country. For example, last year the budget projected approximately a \$10 billion deficit for the 1982-83 fiscal year, but the end result was a deficit of \$26 billion. The accumulation of our national debt over the years amounts to what could be, by the end of this fiscal year, approximately \$160 billion. It would be impossible to find a business, an individual or a law practice in this country that could operate under the same financial management as this Government is operating under and asking Parliament to approve.

Another more pressing issue of mismanagement by this Government lies in the plan of the Minister of Transport (Mr. Pepin) to change the statutory rates for movement of grain. Possibly part of the money which the Government is requesting to borrow will be used in this plan, but let me use the example of the Crow rate to point out the mistrust that has built up in Canadians for this Government.

In the Battlefords-Meadow Lake constituency which I represent, by the year 1990 it will cost the grain-producers some \$42 million to \$46 million per year to move their grain to the ports. In fact, the cost is becoming so astronomical that it could possibly be cheaper to move grain through the United States, if the Americans would allow us to do so, and through the river system there to New Orleans, as opposed to moving it to our ports in Canada. I think it is a very sad situation in which we find ourselves.

I pointed out earlier that the change in the Crow rates will cost, in my constituency alone, somewhere between \$42 million and \$46 million per year. That is based on approximately 7,000 Wheat Board permit-holders who reside within the Battlefords-Meadow Lake constituency. In areas like this, agricultural economists say that the dollar produced by the farmer has a multiplier effect of somewhere between four to seven times. By simple mathematics, if the multiplier effect amounted to a minimum of \$4, looking at the cost of \$42 million per year, that would take out of the economy of the Battlefords-Meadow Lake area \$168 million a year by the year 1990. The worst scenario that is predicted is that if it

costs the producers of The Battlefords-Meadow Lake constituency \$46 million a year and it has a multiplier effect of seven times, it could cost the economy of our local area \$322 million a year.

Agriculture is a very important part of the economy in northwestern Saskatchewan, and this will have very serious effects not only on farmers themselves but on the business community and, in fact, all of the people who live within that area.

• (1550)

I see that the Minister of Transport, the Member for Ottawa-Carleton, has left the Chamber. The Ottawa-Carleton riding cannot stand to hear too much about the Pepin plan, as it has been called, the change in the Crow rate, because that is a damaging thing which this Government is doing to the grain producers of this country.

The Government says the grain producers have to pay more in order to upgrade the rail lines and get their products to the ports and on to the international markets which are so important. We had a trade advantage, it might be called, of some \$6 billion last year because of agricultural products which we were able to move under the statutory Crow rate. Once this is gone, it may not be financially viable for Canadian farmers to produce, especially those grains which fall under the statutory Crow rate. They will pay more for transportation than the price they actually receive for the product. We could end up with a very serious situation economically and in terms of the food production on which we are so dependent in our over-all economy. If I am not mistaken, 20 per cent of our economy is based on agriculture.

As I mentioned earlier, the Government says it is necessary to increase the cost of grain transportation to farmers so that the money can be used to upgrade the rail transportation system, even though by the end of this decade grain will only account for between 14 and 20 per cent of all products moved over the rail line. The products making up the larger amount will be coal, some of it owned by Canadian Pacific, petrochemical products and potash. These products are not now moved with any great efficiency unless the railways tend to benefit.

The Crow rate is an historic rate. Taken in isolation, one might come to the conclusion that it should be changed, but not so. We cannot look at the Crow rate in isolation. We must look at it in a global context.

The railway companies of Canada, especially Canadian Pacific Railway, were paid handsomely with millions of acres of land and millions of dollars in subsidies and grants for putting in place a rail transportation system in Canada. In fact, they had resources to draw funds from if in future years the statutory Crow rate did not fully compensate them for the movement of grain. The railway companies have forgotten about that. The profits which they have received from their ventures, made possible by the Government of Canada through land grants, money and rolling stock, were