

Western Grain Transportation Act

rate and the prospect of variable rates will create a further disincentive.

A blended freight rate, a rate combining the new freight rate below the 31.1 million tonne limit with another freight rate above the 31.1 million tonne limit, is another example of the complexity of the rate itself which has been developed by the bureaucrats in the Government. As there is no clear consensus in western Canada concerning to whom or how the method of payment should be made, we in the Progressive Conservative Party are indicating that we will introduce an amendment to the legislation making the Crow benefit payable on an optional basis, either to the producer or to the railway. This would once again allow the greater opportunity of flexibility and freedom of choice.

Our spokesman on the legislation, the Hon. Member for Vegreville (Mr. Mazankowski), was allotted more than the ten minutes which we are allotted to participate in the debate. He elaborated on a number of the topics which I have touched upon. However, the Bill is essentially far too overgenerous to the railways of Canada because, by 1990, the railways will receive a 1,000 per cent increase in the freight rate as compared to today. There is no provision in the legislation that they are to reduce their rates in the event that their input costs should fall.

Let me close by saying that it is only fair to all individuals in Canada that the legislation have a fair hearing, not only from us as Parliamentarians, but also from the entire agricultural sector across Canada.

Mr. Jim Fulton (Skeena): Mr. Speaker, I am pleased in some ways to have a chance to say a few words in the Crow debate. In other ways, I am not so happy because the potential impact of the Crow does not bode well for the unity of this country. It also does not bode well for a great number of Canadians, not only farmers but also many others.

Mr. Pepin: You must mean the opposite, Jim.

Mr. Fulton: Before discussing the actual impact of the Crow, I would like to discuss the politics of it. I know the Minister of Transport (Mr. Pepin) quite well, and I think I can honestly say today that of all the Cabinet Ministers sitting on the front benches, I respect him the most. That is not difficult to say, with only three Liberals present in the Chamber for one of the most important debates that we have had in some 80 or more years in relation to the transportation of grain.

Let me deal first with the politics of it because the Minister of Transport knows full well how this has come to be over the last ten years. His predecessor, Mr. Lang, was defeated quite soundly by a colleague of mine for his philosophy of user-pay and so on. However, I know that the Minister of Transport has been under increasing pressure from certain commodity producers and movers, particularly in the raw resource sector, whether coal, petroleum products or forestry products. Through a variety of ways and means of contacts which the Liberal Party has in western Canada, it has contacted a lot of flacks and hacks with various large corporations to try to drum up some support in British Columbia and in western Canada

for the proposals which the Minister of Transport now has before the House.

We should be totally honest about it: the change which is being proposed here is because CN and CP have been saying to those raw resource and commodity movers, whether petroleum or coal, "Look, we cannot lower the rates to you. We cannot be more competitive because we have this Crow rate around our necks. We must be moving all this grain, be involved with all these hopper cars and all these other things." However, they have never bothered to be completely honest, saying that the real out of pocket expenses are about \$380 million a year. They have always used an excuse, getting the producers off their backs and putting them on the back of the Minister of Transport. So he sits in his office and I am glad to see him here today.

However, I think the Minister, as my colleague from Regina has pointed out, has forgotten about the impact on the farmers who comprise a very important sector of Canada. In terms of the balance of trade, it has always been a very important group within Canadian society. The average age of farmers is now 59 years of age. Anyone who has taken the time to read the Global 2000 report knows that North America and the world in general will run into a major crunch in terms of the cost of moving grain and getting it to the starving hundreds of millions around the world in the coming years.

This is a crazy time to be bringing in a policy which would end the many branch lines across Canada, forcing many grain producers to rubber haul, passing many costs on to the regional districts, towns, villages and Provinces which would have to upgrade their road systems because of the massive increase in many areas in rubber hauling. I do not think the Minister of Transport or his Government is dealing fairly with farmers or with the House generally in not having done what Emmett Hall did a few years ago and what is obviously the kind of scientific approach which should be taken on an issue such as this one.

What will be the impact on branch lines? What will be the impact on small towns? What will be the future impact in terms of the cost? As we know, by 1991 \$1 billion more will be taken out of the farmers' pockets. That means that they will not be buying tractors every three or four years but, rather, every five, six or seven years. They will not be buying as much fertilizer. The sum of \$1 billion will be taken out of the western economy and put to other purposes.

The other matter which neither the Minister of Transport nor any Liberal Member wants to rise to speak about is that this is a great big handout, another big bailout of CP. Any why? Yesterday I was speaking with a few Liberals hacks who were saying, "Oh, CP's stock is widely held by Canadians; it has a pension plan and all these other things". It is as though helping CP somehow has something tangible to do with the Liberal Party or something. Good grief, we have already given it over \$13 billion in recent years in direct subsidies and handouts, never receiving any equity.