

Western Grain Transportation Act

Our third principle is that we believe the producers should be guaranteed an efficient, cost-effective and reliable transportation system. There is no disputing that fact. The provisions in the Bill are viewed with some degree of suspicion. Other Members of my Party will be dealing with that issue but I think it is fair to say that we do not find the provisions and safeguards in the Bill satisfactory.

When we consider efficiency and reliability, we must ask ourselves for whom. Naturally it must be for the producer since he is really the one we are trying to satisfy, make more competitive and to maximize his returns. I believe there are many improvements which should be made in the system besides changing the Crow rate.

Many people are not aware that in this country we weigh our grain six times before it is loaded on the boat for final disposition. We also grade our grain three times. I think that is unnecessary and clearly shows that there are areas for improvement in that regard.

The railways operate seven days a week; the elevator companies and terminals operate five days a week. Many of the bottlenecks and problems related to the slowing up of grain movement are not always associated with the transportation system, but indeed with the terminal. The bottlenecks occur there. A reduction in turnaround time of one day would be the equivalent of an additional 1,000 hoppers. That would reduce our investment in the system by some \$73 million.

We believe there could be more interchange agreements so that the two railways could work more closely together without nationalizing them. We think that the use of producer cars should be encouraged. Currently there is a saving of about \$600 to the producer if he chooses to load his own car. However, as has been the case over the years, producers are frustrated in their ability to use the producer car.

For example, in an article in the *Alberta Report* of May 2, it is pointed out that since August 2,300 orders have been placed for producer cars and only a thousand have been received, and the balance will probably not be all received before the end of July. That is a clear area where the producers' revenue could be maximized.

I am pleased to note as well that in 1977 the Hall Commission recommended the greater utilization of producer cars because the commissioners on that particular Commission saw this as a means to maximize revenue to the producers. The former Chief Justice indicated to me personally that if that was the case in 1977, the need for that is more apparent today. At that time he recommended that we could go as high as 20,000 cars annually.

Those are some steps which could be taken. As well, elevator charges are up to \$13 per tonne and perhaps could be reduced somehow. The use of trucking could be increased, thereby increasing competition in that particular area and relieving the pressures on the system. Another example is labour relations where strikes and lockouts have severely impaired our reputation as a reliable supplier of grain. Our strike record leaves much to be desired. There is much that could be done in terms of streamlining and making the system more efficient.

I come now to the fourth principle under which we examine this piece of legislation. The distortion of the low freight rates in grain and oil seeds vis-à-vis processed products should be removed and an actual advantage retained. I think that is very central to this piece of legislation, particularly now since the Minister has made some recent changes. It is important that the natural advantages be retained. It is important for us in western Canada to see our agricultural base broadened and diversified so that there can be more processing of agricultural products in western Canada. I say to you, Sir, that the payment directly to the railways will further distort the freight rate anomaly that exists and will militate against the further processing of products in western Canada and militate against further diversification.

• (1220)

I wonder how the Minister can now answer the contention that he made in his first proposal when he said that his original proposal would result in an additional \$1 billion in livestock production and an additional \$350 million worth of economic activity with respect to the processing, the packing plants and the feed mill industry. I wonder how he can respond to that today.

The short answer is that his latest proposal will hurt the livestock industry in western Canada and will militate against further diversification. I would suggest, as others have suggested, that under this particular mechanism the West could once again become a colony of Canada. Some have already called it the Crow colonization bill. With it has been engendered a great deal of bitterness and anger, and I say to you, Sir, that I hope the Minister will still be flexible and accommodating because there have to be some changes. That issue has to be addressed. We have heard a lot about accommodation and compromise. I sincerely hope the Minister is prepared to take another look at this matter. We believe a solution must be arrived at.

In that connection, I have put something to put forward to the Minister for consideration. Since there is no consensus on this issue and there are some differences of opinion, I ask the Minister to consider making the payment of the Crow benefit optional to the producer or to the railroad. Let the producer decide whether the money should go to the railroad, or let him decide whether it should go to him. With the complexity of this Bill, surely there will be enough computers, machinery and bureaucrats involved that this will not bureaucratize things too much more.

This proposal will do several things. I know the immediate answer will be that the proposal is administratively impossible. But I ask the Minister to consider it because it will do a number of things. It will provide the producer with freedom of choice. It will achieve the objective of further processing. It will serve to inject some competition into the system and, therefore, ameliorate the inefficiencies in the system. It could increase producer incomes. Most important, since this whole