

Adjournment Debate

the meeting "resulted from an exchange of letters last February between Mr. Munro and Mr. McGregor". I think it is absolutely intolerable that a minister of the Crown who accepts responsibility for labour harmony and the reconciliation of difficult labour questions in this country should, having gone through the experience of August, 1973, have let lapse a considerable number of months before beginning to come to terms with this most difficult problem. The premier of P.E.I. suggested the alternative of a separate Crown corporation. Other members of the House have suggested the establishment of a special authority under the Ministry of Transport.

My own proposal which is recorded in *Hansard* of October 26, 1973, at page 7266, spells out what I will refer to as a double penalty, military alternative for maintaining continuity of service. I will not go into the details here. One thing is certain, with which I hope the Minister of Labour and the Minister of Transport will agree, that we are dealing with a vital service which was guaranteed and binding under the pact of confederation entered into by these two island provinces.

I find it shocking and unacceptable that to this date, some six or seven months later, we have not progressed. There is no indication that we will have this problem resolved shortly. What is most terrifying of all is that a comment appears in the minister's press release as follows:

The fact that we are sitting down together, looking ahead to some nine months from now, indicates we are all aware of the public's concern if the next round of railway bargaining should end in a strike.

Mr. Guay (St. Boniface): Which minister?

Mr. MacDonald (Egmont): The Minister of Labour. Is this an indication that we are on the path of another disruption of transportation between the two island provinces? Is this the kind of responsible action taken by this minister and the Minister of Transport to provide an acceptable solution? I hope that tonight the parliamentary secretary can give us much more information than we have had to date. The people of Newfoundland and Prince Edward Island are fed up with this lack of responsibility toward this vital question.

Mr. Joseph-Philippe Guay (Parliamentary Secretary to Minister of Transport): Mr. Speaker, my responsibility this evening is to answer on behalf of the Minister of Transport (Mr. Marchand). If the hon. member has some questions for the Minister of Labour (Mr. Munro), I am sure he knows the way to approach that problem. In regard to the question he referred to, the Minister of Transport recognizes the problems created by the disruption of service between Borden and Cape Tormentine as part of the Canadian National Railways' railway strike in 1973 and is anxious to find solutions. However, since there are alternative means of moving surface traffic to and from Prince Edward Island, he does not believe that he would be justified in taking any action which would interfere with the right to strike enjoyed by many Canadian workers.

We are hopeful that a partial solution might lie in the logical separation of railway and ferry matters, and to this end the east coast marine and ferry service was set up in late 1973 as a separate body within the CN organization to manage and operate the ferries and coastal service en-

[Mr. MacDonald (Egmont).]

trusted to CNR by the Ministry of Transport. In an effort to eliminate the possibility of any recurrence of the problems encountered as a result of the 1973 railway strike, the east coast marine and ferry service has entered into discussions with the various unions involved and we are optimistic that a mutually acceptable solution will be found.

AGRICULTURE—ACTION TO ENSURE PACKING PLANTS PASS ON BEEF SUBSIDY TO PRODUCERS

Mr. Bill Knight (Assiniboia): Mr. Speaker, on March 29 of this year I raised a question with the Minister of Agriculture (Mr. Whelan) on the subsidy which he announced, pointing out that it goes directly to the packer and not to the producer. I asked the minister to inform the House and the beef producers of Canada of any move to assure the producers that they will be gaining a subsidy and the packers will not. The minister gave no definite assurance to the producers of this country that they would receive that subsidy. I think this is a most serious situation, Mr. Speaker.

When the government announced a seven cents subsidy on certain grades of wheat, a number of factors were involved which pointed up that the subsidy would not go to the producer, and the consumers of Canada ought to know this. Number one, the payment of the subsidy is not made to the producer in any manner; it is made to the packer. Number two, when the subsidy was announced, the price on the Canadian market fell by an amount at least equal to the subsidy, so that the only beneficiary of the subsidy will be the packing industry.

● (2210)

The problem with the subsidy stems from the manner in which it is paid to the packer. There is no assurance for the consumer of this country that price will go down. There is no assurance, in other words, that although the price on the market has gone down in the last week, the saving will be passed on to the consumer. There is no evidence of any mechanism in the Department of Agriculture to make sure that any price reduction in the marketplace will be passed on to the consumer. So we have created the situation in which packers in this country can rip off the government and Canadian taxpayers. They can pay reduced prices to producers but not pass on the savings to the consumer. That is a bonanza for the middleman, I hope this problem will be dealt with in the answer given this evening.

At this point in time, because of concern expressed by cattle associations in Canada, the Canadian Cattlemen's Association in particular, over the influx of American beef into Canada there is support for a system of tariffs which could drive a wedge into the North American market. Because the associations demanded such action, the government acted. To keep prices down, the government paid a subsidy. I submit that by paying a subsidy to packers, who are to pass it on to producers, the government created a situation which allowed the packers to drive down the market price to the level of the American market. This has happened in the last few weeks.