

Transportation

government in payment of the loan, and 24 million acres were sold to settlers at prices of about 50 cents to \$1 per acre. I just wanted to put this information on the record.

It does not make sense to waste time now questioning the wisdom or fairness of dealings between the CPR and the Dominion Government more than 100 years ago. We clearly face a situation now where western rail capacity is not adequate to meet the needs of western farmers and other rail users. We must get on with doing something about it.

We have also heard the Premier of Saskatchewan and others, including the hon. member for Oshawa (Mr. Broadbent) and a couple of other NDP members, charging that changes to the Crow will wipe out hundreds of small rural communities in the west. This relates to the question of variable rates, in other words, rates which would vary on volumes shipped, location, shipping season and other factors. The government has not advocated variable rates. What we have said in our policy statement is that we would consider suggestions from western agricultural associations concerning variable rates, provided that they are, and I quote from the policy statement:

—consistent, however, with the principle that such rates should not work to the detriment of the individual producer.

In other words, producers, not the railways, will decide if they want variable rates and, if so, what kind of rates. The government will seek to protect the interests of individual producers.

This question of decline in rural communities is of concern to me and other members of government. We are not insensitive to the situation. How could anyone be insensitive to such a situation? We are not about to contribute to decline in rural communities in Canada. There are many factors at work which are causing rural change, quite apart from the Crow rates. A change in Crow rates will not likely materially affect current trends. As the Hall commission pointed out, it is the people and the spirit of the people which give a community viability; not railways and elevators. The commission found no evidence that any community which was already declining would be saved by the retention of the railway. Nonetheless, the government has guaranteed by order in council until the year 2000—and I may still be Minister of Agriculture at that time—that about 16,000 miles or about 83 per cent of the original rail line system will be maintained. We have also announced our intention to legislate that Parliament, not the railways, will decide on the framework and conditions for future changes to the railway system.

Another myth about changing the Crow is that the livestock industry in eastern Canada, particularly in Quebec, will be placed at a severe competitive disadvantage by any change in Crow rates. Premier Blakeney of Saskatchewan has been quoted as saying that the help western hog and cattle producers receive as a result of changing the Crow will be at the expense of eastern livestock farmers. He is trying to divide the country; he is hoping to do that. I am glad the Saskatchewan government recognizes that the Crow has distorted the use of agricultural resources in the west between grain and livestock production. This is one of the reasons the federal government is anxious to see the Crow changed, but increasing Crow rates will have little or no effect upon the livestock industry in eastern Canada. Some people may ask, "Why?" It is because Ontario produces 400,000 tonnes of surplus grain over and above its need at the present time. Quebec will be doing that within five years. The Livestock Feed Board has a surplus of \$1.5 million this year because there was not much grain moved under the livestock feed grain program.

Let us take the price of feed grain, for example. This price is directly linked to the price of United States corn. Prices for Canadian grains are determined on world markets, and there is little chance to pass on higher freight rates to foreign buyers. Therefore, feed grain prices at Thunder Bay will not change as a result of revising the Crow. Similarly, an increase in western grain transportation tariffs for hogs and cattle will not affect the basic price relationships between Omaha, Calgary, Toronto and Montreal.

Changing the Crow will decrease the relative price of feed grains on the prairies, enhancing the profitability of livestock production in the west. The main idea behind all this is to improve the general economic structure of the west, to provide jobs and to process products there. I see that my time is up. I would love to debate at any time, in any place with anyone, why we are changing the Crow. It will be the best thing which has ever happened for the west and all of Canada, as far as I am concerned.

[Translation]

The Acting Speaker (Mr. Blaker): Order, please. It being five o'clock, it is my duty to inform the House that under the provisions of Standing Order 58(11), the debate on the motion has been concluded. Therefore, the House stands adjourned until Monday at two o'clock p.m., pursuant to Standing Order 2(1).

At 5 p.m. the House adjourned, without question put, pursuant to Standing Order.