

Mr. HORNER (*Acadia*): My question has to do with the subject of quota. According to my understanding the feed concerns showed in a statement that they were to some extent against quotas. There was a statement made by a group, that they would like to see quotas removed, or that they could buy additional quotas given to them; but I understand they are prohibited under the present regulations from doing this.

My question is: are the feed concerns considered fully?

Let us say at one elevator delivery point I can see where it would be very easy to determine the quota for that elevator, depending on the amount of grain, and reports from that source. But at another delivery point, where there was more than one elevator, and a couple of feed mills besides, does the wheat board receive many requests from feed mills, that they are not able to buy more grain? Do they complain to the wheat board that they are not allowed to buy more grain, and that the quota is not large enough?

How is their effect felt in the setup of the quotas?

Mr. McNAMARA: I should explain that, in the administration of the quota policy, the board at the first of the year establishes a unit quota, a general quota, regardless of the space available and the size of the farm. We get reports from the elevator agents as to the space available and the amount of grain delivered, so we are in a position at all times to calculate what percentage of the quota has been delivered, and how much space has been created at that particular market for a new quota.

When, in our judgment, the bulk of the old quota has been delivered and there is space available to start a new quota, we increase it at that particular point.

In relation to feed mill operations at that point, they take delivery of grain from producers under the quota, and the quota is revised accordingly. As the space becomes available we raise the quota at that particular point.

To my knowledge we have never had too much representation from individual feed mills that the quotas should be raised, because generally at most points in western Canada there has been enough grain available for delivery under the regular quota to satisfy the local requirements.

I must tell you that in some areas I can understand there could be a shortage of a variety of grain for feed mill requirements from time to time.

Mr. HORNER (*Acadia*): Do all feed mills, whether they are agents or not of the wheat board, have to receive deliveries according to the quota system?

Mr. McNAMARA: Under the act they have to do so, but we do not get reports from the non-agents. They do not have to report to us if they are non-agents.

Mr. HORNER (*Acadia*): In order to get reports from them there would be no way of doing this without making them become agents?

Mr. McNAMARA: We have the right under our act to go in from time to time and inspect their records to find out how much grain they are taking from the producers in order to satisfy ourselves that they are taking it within the quota.

Mr. HORNER (*Acadia*): But there is no regular inspection on unlicensed farms?

Mr. McNAMARA: No.

Mr. McINTOSH: I have a question along the same line. I understand Mr. McNamara to say that the wheat board decides when the quota will be open. How do you decide when it will be raised? Do you have certain key personnel at the different points to inform you?