

Canadian Livestock Feed Board

Then we turn to the definition of "designated area" and we find it means the area comprised of Manitoba, Saskatchewan, Alberta and certain parts of British Columbia. That is the basis of the interpretation I gave.

Mr. Danforth: But surely paragraph (g) does not confine it to the designated area. It says "and such other grains and grain products as may be designated by regulation". The definition given in clause 2 of "feed grain" includes "such other grains and grain products as may be designated." Surely they are going to designate feed grains in other parts of Canada other than in the designated area?

• (5:30 p.m.)

Mr. Sauv : I know pretty well what the intention of the bill is. There might be some confusion and we might have to redraft this, but when we discussed the bill it was clear to me that we could only buy grain through an agent of the Canadian Wheat Board. The hon. member now claims that under clause 8(a) grain can be bought from Ontario or any other province.

Mr. Danforth: Or from outside the country.

Mr. Sauv : Then I have no objection, if this is possible; but that was not my interpretation. If it is possible then it is better for everybody.

Mr. Danforth: This is my whole contention. I am in agreement with clause 8(1)(a) if the interpretation is such that the board may buy grain other than from the designated area, and other than from a broker on a grain exchange. If this were not a fact, then any surplus grain produced in the east could not be purchased by the board, and that would not be equitable or fair.

Mr. Sauv : I shall repeat that the board has two responsibilities. The first is to administer the transportation subsidy which normally amounts to about \$20 million. The second responsibility of the board is that, where there is not enough feed grain in eastern Canada or B.C., it may become a broker and buy grain from an agent of the Canadian Wheat Board. Does this preclude any surplus corn or grain produced in Ontario and other provinces? I have repeatedly said this afternoon that clause 6(a)(i) and (ii)—

[Mr. Sauv .]

Mr. Danforth: —deals with storage and transportation.

Mr. Sauv : Yes, and under this assistance can be provided respecting surplus grain produced locally. But when the board transforms itself into a buyer it would have to buy through an agent of the wheat board. The hon. member has given a wider interpretation to the bill than I have given. If his interpretation is correct, then I have no objection; but that would be not my interpretation and I would have to consult the law officers to see which interpretation is the right one. It is unfortunate that we have lost our director, who had been dealing with all these details in great depth. I shall now have to find out which interpretation is right.

Mr. Danforth: I can understand the minister's dilemma in this particular case. The principle of the bill is to obtain the cheapest possible grain for the feeders in eastern Canada, and I would think that those who drafted the bill would have considered that when a shortage existed in feed grains, which might cause upward price fluctuations, it would be the duty of the board to procure as swiftly and economically as possible an additional supply of feed grains to alleviate the situation.

My interpretation of the clause is that they should purchase the grain, in plain vernacular, wherever they can get the best buy and the fastest buy. I cannot see why the minister would interpret this as meaning that the board would have to leap over agencies in Ontario and Saskatchewan and go to buy in a designated area. The clause says that—

—the board may . . . enter into contracts or agreements for the purchase of feed grain in eastern Canada and British Columbia.

That is clearly stated and I cannot understand the minister's interpretation.

The Acting Chairman (Mr. Richard): Shall clause 8 carry?

Mr. Danforth: No, this is too important to the grain producers in central Canada. This must be clarified, because if the minister's interpretation is correct it precludes growers and dealers in central Canada from offering their produce for sale, unless through private enterprise. If my interpretation is correct the board can buy wherever supplies are available. It can buy from the United States if it can get an import permit. It can buy from B.C. and from the maritimes, in effect from