On subsection 7-head office:

Right Hon. Mr. GRAHAM: Does this Board have any other office?

Right Hon. Mr. MEIGHEN: I should not think so.

The CHAIRMAN: It says the head office shall be in Ottawa.

Right Hon. Mr. GRAHAM: That is the head office; but is there any other?

Right Hon. Mr. MEIGHEN: It just has headquarters, no hindquarters.

Right Hon. Mr. GRAHAM: It looks as though it had subsidiaries.

The CHAIRMAN: The same term is used in all similar bills that come before Parliament.

Hon. Mr. DANDURAND: But that is when there are branches.

Right Hon. Mr. MEIGHEN: Not always.

Right Hon. Mr. GRAHAM: I do not think this will do any harm, but it implies that there are branches. The local boards will not thank anybody to call them branches.

The CHAIRMAN: Possibly. I do not see that this necessarily implies a branch office.

Subsection 7 was agreed to.

Subsection 8 was agreed to.

On subsection 9—payments authorized:

Hon. Mr. SINCLAIR: This brings up the point that I raised a moment ago about the organization of local boards. It says:

—to defray the operating expenses of the Board incurred by it directly and any expenditure incurred or authorized by the Board under the authority of section nine hereof.

Does that refer to the cost of organizing local boards?

Right Hon. Mr. MEIGHEN: Yes. The Board can apply some of its moneys to that purpose.

Hon. Mr. SINCLAIR: Then the local board would not be a charge on the tolls?

Right Hon. Mr. MEIGHEN: I would not say that. Later on you will find that the money is pooled; but before it goes to the pool reserves can be created, and so on. I should think that if the organization and completion of a local board cost some money

the charges could later on be set off against the moneys payable. I do not say they are going to be, but I should think it only right they should be, and that each board should stand on its own feet.

Subsection 9 of section 3 was agreed to.

On section 4, subsection 1—powers of Board: Paragraphs a, b and c were agreed to.

On paragraph d—compensation for depreciated currency:

Hon. Mr. DANDURAND: Would you allow me, Mr. Chairman, to ask an explanation of paragraph b? It says:

—to exempt from any determination or order any person or class of persons engaged in the production or marketing of the regulated product or any class, variety or grade of such product.

I take it for granted that that exemption covers any person or class of persons within the area where the article is regulated.

Right Hon. Mr. MEIGHEN: Oh, yes.

Hon. Mr. DANDURAND: Because if they are not within the areas they do not come within the regulation.

Right Hon. Mr. MEIGHEN: No.

I wish the honourable senator from Parkdale (Hon. Mr. Murdock) had read this before he spoke yesterday, because it shows that there is ample power to exclude those whom it is not necessary to include, even though within the area. It is fantastic to suggest that some fellow with potatoes in his back yard comes within this Bill. I should assume that only those would be included whose production amounted to quantity sufficient to indicate that they might be exporting, or delivering beyond their own province. Consequently the little fellow, unless he exported a small quantity, would not come in at all. Then also it might be wise, in some out-of-the-way place in British Columbia, for instance, where the quantity does not really matter, to exempt the locality altogether. Even though there is considerable product, it might be that there was not sufficient to affect the situation, and the result would be that that quantity, to a greater exent than before, would be consumed within the province. The Bill is made to apply to the larger areas.

Hon. Mr. MURDOCK: The right honourable gentleman, as is his custom, describes as fantastic something that originates in a source that he does not altogether appreciate. But here is the English language, and with all due respect to his superior intelligence, I submit