

Mr. Sauvé: The board cannot purchase Ontario wheat. That is what I said earlier: It cannot be done under this bill.

Mr. Muir (Lisgar): If the minister will read the first two lines of clause 8(a) he will find that it says that the board may—

—buy or enter into contracts or agreements for the purchase of feed grain in eastern Canada and British Columbia and in the designated area—

So there is authority to buy feed grain.

Mr. Sauvé: But only from the Canadian Wheat Board. I am looking at the French text now—

Mr. Schreyer: While the minister is looking at his material I would offer the suggestion that grain produced in the east does not come under the aegis of the Canadian Wheat Board. However, it could be meant that it is western grain located at eastern terminals which could be bought from the Canadian Wheat Board by the federal purchasing agency.

Mr. Sauvé: I am sorry, I did not understand the question. Certainly eastern produced grain does not come under the authority of the Canadian Wheat Board. But we can buy only through an agent of the Canadian Wheat Board. That is what I implied.

Mr. Muir (Lisgar): Then this means that the only feed grain which could be bought in eastern Canada is grain held in an eastern position by the Canadian Wheat Board.

Mr. Sauvé: That is the meaning.

Mr. Muir (Lisgar): It is not spelled out that way.

Mr. Olson: Another question with respect to clause 8, which has a relationship to what appears in clause 16. Forgive me for quoting from clause 16, Mr. Chairman, but this involves the financial authority of the board and is, as I say, related to clause 8. Clause 16(2) states:

Subject to subsection (4) all amounts required by the board to defray any costs incurred by it pursuant to subsection (1) of section 8 shall be paid out of the Consolidated Revenue Fund.

I presume clause 17 speaks of an advance which has to be paid back. What is meant by the words in clause 16 (4) which indicate that no payment out of the Consolidated Revenue Fund under subsection (2) shall exceed "the amount by which \$10 million exceeds the balance of the Canadian Livestock Feed

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Board account"? Where will this account originate? Does it mean that this bill authorizes the government to transfer an amount up to \$10 million, in addition to whatever this account will be? I am not clear.

Mr. Sauvé: That is the amount which will be provided by the treasury and placed at the disposal of the board. If the board needs a larger sum, it can borrow from the treasury. But it is expected that this \$10 million will be enough for the operation in the circumstances envisaged, which will be limited. The board can only buy and sell in certain situations as laid down in the bill.

Mr. Danforth: I should like to direct the attention of the minister to clause 8(a). As I interpret it this provision allays at least one of the major fears I expressed earlier this afternoon. If he would peruse this paragraph he would see that some of the things he said earlier, were, inadvertently, not in accord with what we find in these provisions. I think the minister will agree with me that eastern feed grain does not come under the jurisdiction of the Canadian Wheat Board. Clause 8(1) says the board may "buy or enter into contracts or agreements for the purchase of feed grain in eastern Canada and British Columbia and in the designated area."

In an earlier reply the minister led me to believe that this was to the exclusion of all purchases of locally grown feed grain. But under 9(a), as I read it, the board does have power to purchase local grain in this area. Clause 8(1) continues, however with these words:

—but where any purchase is made by the board within the designated area of grain then being purchased in that area by the Canadian Wheat Board, such purchase by the board shall be made from the Canadian Wheat Board or an agent thereof.

This seems clear to me. First, the board does have power to enter into agreements for the purchase of feed grain in eastern Canada and British Columbia, but where such purchases are made from within the designated area they must be made through the Wheat Board. I think this clarifies itself. It alleviates one of the fears I had that this agency would not be able to purchase local grain. Perhaps I am wrong, but that is the substance of the paragraph as I understand it.

Mr. Sauvé: I now have the benefit of assistance from people knowledgeable in the drafting of this bill. I refer hon. members to clause 2 (g) where it says that—

"feed grain" means wheat other than grades of wheat grown in the designated area.