

later. The elevator agent will issue the farmer a cash ticket, but delivery of the grain is deferred. But as I have said, before he can receive the advance he must make the application, sign the undertaking, and prepare the affidavit stating that the facts as set forth are true and correct.

I notice, although it is not very important at the moment, that the bill makes no provision, as is usual in legislation of this kind, as to who is qualified to take the affidavit.

There was a question raised, I believe by the honourable Leader on this side (Hon. Mr. Macdonald), as to how losses would arise. While there were some small losses under the method by which banks made loans to the farmers, the losses, if any, which would arise under this arrangement would probably be very small in amount. But a farmer who receives a cash advance may say to himself, "True, I owe this amount to the Government, but the Government has lots of money". So, he sells his farm, his grain and everything and moves away.

Hon. Mr. Aseltine: How can he sell his grain?

Hon. Mr. Crerar: I do not get my friend's point.

Hon. Mr. Aseltine: The farmer has to take it to the elevator and sell it to the Wheat Board.

Hon. Mr. Crerar: That is not what I mean at all. My thought is, some person may come along and offer the farmer a price for his farm, grain and everything; a transaction is made, and he moves away.

Hon. Mr. Aseltine: But the purchaser cannot sell that grain under the law.

Hon. Mr. Macdonald: He has a lien on it.

Hon. Mr. Haig: No, he has not.

Hon. Mr. Crerar: I will deal with the matter of liens in a moment.

Hon. Mr. Aseltine: The second man cannot sell that grain, because he did not produce it.

Hon. Mr. Crerar: My friend is not quite right in what he says. The farmer himself has received a cash ticket, which was really a sale of his grain; a week after he gets the cash against that ticket he goes out and sells the grain to a neighbour to feed livestock.

Hon. Mr. Macdonald: Clause 10 distinctly says the Wheat Board has a lien on the grain.

Hon. Mr. Crerar: That is true. I am speaking of the farmer who intentionally goes wrong on it. I suppose legally the board could take a lien on the grain, but what use

would that be if the grain had been consumed? But I have in mind another section, which I am unable to find at the moment, which states that the claim of the board has priority over all other claims.

Now, I am not a lawyer, but as I see it, if some other resident in the community has a registered lien on the grain—for whatever consideration you may like—will that lien not be a prior lien to the claim of the Wheat Board? This is a matter which occurred to me as I was reading the bill, and it is a matter for the lawyers to discuss.

Hon. Mr. Macdonald: And for the committee to discuss.

Hon. Mr. Crerar: Yes, for the committee too. I think that it is a matter that should be cleaned up.

Hon. Mr. Haig: Do I understand my honourable friend to mean that if his point of view is correct the legislation is no good and we should vote against it?

Hon. Mr. Croll: He did not say that.

Hon. Mr. Haig: He is capable of giving his own answer. Does my friend mean that the legislation has a quirk in it, and that another lienholder might beat us to the gun and we might lose money, so we should vote against this legislation?

Hon. Mr. Crerar: Well, my honourable friend has a rather fantastic idea about it.

Hon. Mr. Haig: I am just asking what you mean.

Hon. Mr. Crerar: The point I was making was a very practical one.

Hon. Mr. Haig: That may be so, but I want to be clear on it.

Hon. Mr. Crerar: If what the honourable leader says means anything it means that, notwithstanding any risk involved, we should still make the cash advance.

Hon. Mr. Haig: No, I did not say that. Your argument, as I understand it, is that if there is a possibility of another lienholder being ahead of us, we should not pass this legislation. Is that your argument?

Hon. Mr. Croll: He has not said it yet.

Hon. Mr. Crerar: I have just now been able to turn up the section I had in mind a few minutes ago. It is section 11. Perhaps I should read the first part of subsection 1 of that section:

Where a delivery of grain, otherwise than on a unit quota, is made under a permit book bearing an endorsement under section 8 by any producer named in the permit book, the manager or operator