

Prairie Grain Advance Payments Act

I do not think it should be a part of the duty of the Canadian Wheat Board or the practice of the board to become a sort of snooping agent, to go around and see what a farmer had done with his grain. When this matter was discussed in the committee the minister, in answering a question that I asked, said:

—the difficulty with this amendment is that it would hamstring the board in one very important type of case where it comes to its attention that the person has, in fact, disposed of his grain.

I then asked the minister:

In what manner does this, then, come to their attention? Does an elevator agent inform them that the farmer sold his grain or does somebody else tell them? How do they know?

The minister answered:

Any possible number of ways. The farming community is sometimes aware of what is going on in regard to the neighbouring situation and if it is concerned about it, it may very well draw it to the attention of the board.

● (9:40 p.m.)

Are we to assume that neighbours are watching each other and slipping around to the Canadian Wheat Board saying, "I think Joe Blow has sold the grain that he got his cash advance on"? Does the Wheat Board then send someone out to Joe Blow's place to see whether he still has any grain on his farm, and if they do must they have a search warrant or do they just go on a sort of snooping expedition?

Mr. McCleave: Snoopocracy!

Mr. Gleave: Yes, snoopocracy. It seems to me altogether wrong to put this phrase in an act and to charge the Wheat Board with finding out what an individual did with a certain amount of grain. They probably have not the means of finding that out. Having made the cash advance, it seems to me the Wheat Board has a clear responsibility to recover the money by whatever means are open to it. If it doesn't get it this year it will probably attempt to get it next year, and that is quite proper. After all, the farmer borrowed the money and gave an undertaking that some time in the future, as quotas opened, he would deliver grain and pay what he owed.

As the bill is now drawn, the Wheat Board is charged with responsibility to find out if the farmer, in the words of the clause—

—has, otherwise than by delivery to the board, disposed of all or part of the grain in respect of which the advance was made.

In most cases they cannot do this. At what point in time will they undertake to find this out? Will it be before the account is due? They have no right to inquire before it is due. Will it be after the account is due? If so, what does it avail them? Are they any better off after the account is due if they find out what has been done with grain which in effect they had a lien on by reason of the cash advance? When the bill was before committee I inquired about this but did not receive a satisfactory answer.

If there is to be a system of inspecting farms to find out where the grain has gone, it should be a regular

[Mr. Gleave.]

system. The minister or other witnesses should be able to tell the committee what machinery is to be set up for inspection, how it will operate and what its powers are. The limits of that power should also be known. Nothing could bring the Canadian Wheat Board into disrepute more quickly than for it to be generally understood that they had inspectors in the country snooping to find out what had happened to certain amounts of grain. This is just not a workable system. It is for this reason, Mr. Speaker, that I have moved this amendment. I sincerely hope the House will give it serious consideration and remove this objectionable phrase from the bill.

Mr. Lang: Mr. Speaker, as indicated in committee the words in question are important because they relate to some instances where fraud may occur in connection with the cash advance system. While snooping is not intended, if fraud should come to the attention of the authorities it is appropriate that they should have the power to take immediate action. This seems to me to be quite legitimate. It is important to the maintenance of the cash advance system. I therefore urge hon. members to oppose the amendment.

Mr. Horner: I should like to speak briefly on this amendment, Mr. Speaker. I well remember when the hon. member for Saskatoon-Biggar (Mr. Gleave) brought this aspect of the legislation before the committee. At that time I agreed that it was not clear how this clause should be interpreted. It reads as follows:

or has, otherwise than by delivery to the board, disposed of all or part of the grain in respect of which the advance was made.

Mr. Lang: That is the way it appears in the present bill.

Mr. Horner: You are quite correct. I read it from the present bill.

Mr. Lang: It is in the present act.

Mr. Horner: I remember that the minister also said that in committee, but prior to the present act we did not have 46,675 outstanding accounts, so one has to look at this matter in a different light. We did not have the interest rate.

Mr. Basford: What was the dollar value?

Mr. Horner: I think it was in the neighbourhood of \$51 million, but don't hold me to that. The point I am making is that it is a lot of money and represents a great many permit holders. We have to ascertain how the loans will be paid back.

It was learned in committee that from 300 to 600 cash advances were repaid in cash. In other words, when a loan or cash advance was taken on grain and the grain was not delivered it could be fed to livestock or sold to a feedmill or a feedlot at a higher price and the farmer could then repay the elevator man or the Canadian Wheat Board in cash. I wondered how many people did that, and in committee we were told from 300 to 600 and that is not surprising.