

Hon. Mr. Macdonald (Cape Breton): Might I ask the honourable leader a question? Under section 8 the board can only do these things by order in council. The bill itself does not give the board the authority to do so, does it?

Hon. Mr. Connolly (Ottawa West): As section 8 is a long section, I wonder if the honourable senator would mind if I took that under advisement?

Hon. Mr. Macdonald (Cape Breton): My point is that section 8 says:

The board may, in furtherance of its objects, at any time when it is so authorized by regulation—

Hon. Mr. Connolly (Ottawa West): Yes.

Hon. Mr. Macdonald (Cape Breton): In other words, the board has not that power, but it can be given that power by regulation. Is that not correct?

Hon. Mr. Connolly (Ottawa West): That is right. There is power to make regulations in the bill before the house.

Hon. Mr. Macdonald (Cape Breton): No. That refers to the making of regulations by order in council.

Hon. Mr. Connolly (Ottawa West): The regulations will be made by order in council on the advice of the board. That is how it will work in practice, as I understand it.

Sections 16 to 18 of the bill deal with financial matters. Section 16 (1) provides that all expenditures under this act, including the amounts required for the payment of the cost of feed grain transportation and storage, and the payment of salaries and other administrative costs, shall be appropriated by Parliament. In other words, the amounts required will be provided for in the Estimates.

The board is authorized to make expenditures for the purchase of feed grain under section 16 (2), and these costs shall be paid out of the Consolidated Revenue Fund. There will be, in the Consolidated Revenue Fund, a special account set up for expenditures on the purchase of feed grains and receipts from the sale of the grain so purchased. The expectation is that the turnover of purchases and sales will be very rapid, so that the entries will be in and out entries.

Section 16 (4) contains a limitation on the financial activity of the board, in that the amount that can be expended from the account in the Consolidated Revenue Fund is

limited to the credits which the board has in the account, plus \$10 million which it can be granted, plus the amount of any loans which are made to the board by the Government under section 17. Section 17, as would be expected, provides that the Crown may lend money to the board, but that the amount of the loans may not exceed \$50 million without further authorization of Parliament. An audit of the board's accounts and affairs is to be conducted by the Auditor General, who reports to Parliament.

Section 19 provides for the making of regulations dealing with such matters as the cost of storage and transportation, the classes of persons to whom payments may be made, and the period during which feed grains can be purchased. This section also may define where eastern Canada begins.

The regulations will also be with respect to the grades of wheat not considered to be feed grains, and those which are considered to be feed grains.

They will define "livestock" for the purposes of the act, and they will determine the location of the head office. The board will have authority also to make such other general regulations as it sees fit.

Section 21 provides for the probative value for court purposes of orders of the board, and by section 22 the board must report to Parliament annually by March 31 for the crop year ending the preceding July 31.

Honourable senators, I apologize for the length of my explanation. It seemed to me, after a long recess, that my introduction of this bill should be as complete as possible, so that those desiring to speak to it would have the information readily available. It may also be helpful to the work done in committee.

Perhaps my conclusion may be an oversimplification of the bill, but I would point out that the transportation subsidy, which is a large one, has been favourable to the western grain producer and to the eastern livestock producer, but it has not been as fair to the eastern grain producer and the western livestock producer. The problem, in any event, is a big one, and it is hoped, by the establishment of this board and this committee, that equitable solutions can be found, and also that encouragement will be given to this very important aspect of our national life.

On motion of Hon. Mr. Flynn, debate adjourned.