

Canadian Livestock Feed Board

Mr. Sauv : Yes, this can be done, with the authorization of the governor in council. This is not a power that can be exercised by any member of the board. If one reads clause 7(2) he sees that—

—the Governor in Council may, from time to time, empower the Board to make inquiries—

And so on.

The board has to ask for authority from the governor in council to proceed in the way described. Therefore, there is the safeguard that this can only be done through action of the cabinet.

Mr. Muir (Lisgar): Referring to clause 7(1)(d), does the minister anticipate that the government will be building additional storage facilities in eastern Canada, under recommendations of the board?

Mr. Sauv : I mentioned earlier that I do not think the board will do so, because there has been this agreement between the railways and millers with respect to buying grain on a year round basis. There will be less need for storage facilities in eastern Canada. The board will judge according to needs. But it will have the authority to build such storage facilities as there is need for.

Mr. Muir (Lisgar): I understood the minister to say that there was some disagreement, because the railways wished to work on a year round operation. The grain comes down from Fort William to the eastern ports at lower rates by ship. That can be done during the shipping season.

Mr. Sauv : That was true until the new rates were proposed by the railways. A contract agreement was signed between the mill operators in the maritimes and the railways, as a result of which the cost of transportation by rail is about equal to the cost of transportation by water. There would be less necessity to establish storage facilities for grain transported by water because of the new agreement with the railways.

Mr. Douglas: Mr. Chairman, may I ask the minister for further clarification on the question of the equalization, the fair equalization, of feed grain prices to livestock feeders as it applies to British Columbia? Is any part of the transportation cost for livestock feeders in British Columbia paid under the feed grain administration?

[Mr. Danforth.]

Mr. Sauv : Yes. I am afraid I gave my copy of the order in council to the reporters, but in British Columbia there is a balance of cost of about \$4.60 a ton. We pay all the difference in the transportation cost.

Mr. Douglas: May I ask, on what basis is that? For the eastern livestock feeder the price is based on Port Arthur. What is the base for British Columbia?

Mr. Sauv : I do not know what the base is. I do know that all transportation has to be by rail. I do not know what the point is in the prairies from where we calculate the transportation cost. I do know, too, that the remaining amount is about \$4.60. I can provide the hon. member with the detailed information later.

Mr. Douglas: I do not need the details. I take it that there is a point fixed on the prairies, beyond which the Livestock Feed Board will pay the actual transportation cost, by the common definition which the minister has given?

Mr. Sauv : Yes.

Clause agreed to.

On clause 8—*Purchase, etc. of feed grain.*

Mr. Muir (Lisgar): On clause 8, may I again pose a question to the minister? I understood him to say that the board can only purchase through the Canadian Wheat Board. I take it that this is true so far as the western prairies are concerned, or for those places called the designated area. But, clause 8(1)(a) says:

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

(a) buy or enter into contracts or agreements for the purchase of feed grain in eastern Canada and British Columbia.

• (5:20 p.m.)

Mr. Sauv : I am not sure that the Canadian Wheat Board has no jurisdiction over eastern Canada. I remember we had an argument about this in the House of Commons. I do not have the act here but I think the board has authority.

An hon. Member: On import licensing only.

Mr. Muir (Lisgar): The minister will recall that an eastern grain board was set up to purchase Ontario wheat. The Wheat Board has nothing to do with the purchase of this wheat at all.