

Mr. KINDT: If he is not under contract with the wheat board.

Mr. McNAMARA: He can buy from the farmer, but must buy within the quota. He can buy from whomever he likes and at whatever prices exist. It must be within the quota.

Mr. HORNER (*Acadia*): I have a question in connection with oats and barley. During the past year I have myself had to purchase this from the wheat board. Could you give us the percentage of oats and barley sold in Canada through the wheat board, and that which is sold back to Canada? I would like the percentage of total volume bought and total volume sold back to the producers and feeders in Canada.

Mr. McNAMARA: Will you leave this with us for a few minutes? We will see if we can obtain the information for you.

Mr. BRUNSDEN: Mr. Chairman, there has been some reference made to complaints by the agreement mills with respect to the purchase of grain by the non-agreement mills. I am impressed by the fact that the board is doing a lot of work. Was this work inspired by a small volume of complaints, or is the complaint one of great substance? Is it a sporadic thing?

Mr. McNAMARA: No. Going back to the amendment in 1950, when the act was changed, feed mills were designated as works for the general advantage of Canada. There was criticism from the mills who were agents of the board, that they were being forced to buy at board prices and within a quota, whereas the other mills who were not agents of the board were taking grain over the quota, and they could not meet the competition. That is what was behind the 1950 amendment. However, in recent years, the complaints we have received are from the mills who are living up to quota regulations. They say: we are quite happy to buy within a quota, if everybody else does; but the board is not policing these regulations, and you should be policing them further. And, secondly, the feed mills have made representations to us, and pointed out, as it has been suggested today, that because of the board's quota policy, we are restricting the natural development of feed stuffs—of prepared feeds—and that we are holding back and stopping the normal development in western Canada to the extent that it has been developed in other parts of the world. We appreciated the point that has been made, and that is why, in 1957, we put in the regulations in regard to exchanging and allowing farmers to exchange for prepared feed, or to have their grain custom ground, with supplements added. We have gone as far as our act will permit us to, in meeting this problem, but it has not fully satisfied the feed mills.

Mr. BRUNSDEN: But you know you cannot police the non-agreement mills.

Mr. McNAMARA: Oh yes, we can.

Mr. BRUNSDEN: Within the quota.

Mr. McNAMARA: It is our responsibility, and not the provincial responsibility, to police quotas. I believe I told the committee last year that unless we have the general support of the producers for the quota system, we cannot enforce it, as there are too many delivery points. We would need a police force to completely enforce quotas. It is becoming a difficult problem and, of all our administrative problems, I think the policing of these feed mills would be most difficult.

Mr. BRUNSDEN: Still, with all due respect, you made my point—you cannot enforce the non-agreement mill to come within the field of your prerogative.

Mr. McNAMARA: I think we can, to a degree, but it would be difficult. For a two-year period, when this question was being decided through the courts, we refrained from policing it. As a result, it got out of control. At the present time we are controlling it a little more effectively.