

that the sale of our products will be reasonably good. Consequently, if we are able to export during this crop year 300 million bushels of wheat, plus our normal export of barley and oats, it certainly is conceivable that the cash advances will be repaid within a reasonable time.

Senator DAVIES: If a wheat farmer has not been called upon to deliver any grain, will you expect him to turn the cash in within six months?

Hon. Mr. CHURCHILL: No, that is taken care of in one section of the bill.

Senator DAVIES: I have one other question. If a farmer takes advantage of this bill and he has already borrowed some money from the bank under the previous assistance bill, will the bank have any prior claim on the cash advance?

Senator ASELTINE: He does not get it.

Hon. Mr. CHURCHILL: There is a section in the bill which deals with that particular question. If you move forward a bit in the bill you will see it.

Senator EULER: If losses do occur—and you think they would be quite small—against whom would they be charged? Would that be taken care of by way of eventual distribution to the farmer, or would the Government stand the loss?

Hon. Mr. CHURCHILL: The Government is prepared to meet 90 per cent of the loss, and the elevator companies the remaining 10 per cent.

Senator CRERAR: How will that be done, Mr. Churchill? By agreement?

Hon. Mr. CHURCHILL: By agreement between the Wheat Board and the elevator companies.

Senator TURGEON: Am I right in assuming this proposed legislation will apply to the Peace River District of British Columbia?

Hon. Mr. CHURCHILL: Yes, in the designated area.

Senator REID: In the case of private elevator companies which have elevators at seaports, do they keep their elevators filled with wheat under the direction of the Wheat Board and are they paid for the storage?

Hon. Mr. CHURCHILL: Yes.

Senator REID: What I had in mind is this. If they were filled would they still bring grain from the Prairies to these coastal elevators? In other words, would they keep them filled?

Hon. Mr. CHURCHILL: I think the intention is to keep the grain in a position for immediate export.

Senator MACDONALD: There is one more question I wished to ask. I hesitate to ask it because somebody may say that I am against this bill, which is not the fact. I am wholly in favour of the bill. It is expected they will require advances totalling \$100 million to \$150 million. I understand that the Board is to borrow this money and then the cost is to be borne from the Consolidated Revenue Fund. Is that right, that the Government pays the costs which the Grain Board will incur by borrowing the money and making the advances?

Hon. Mr. CHURCHILL: Well, the Wheat Board will make its borrowings from the bank as it has done in the past, and the interest on this money which will be used for cash advances will be borne by the Government.

The CHAIRMAN: It will be paid out of the Consolidated Revenue Fund.

HON. MR. CHURCHILL: Yes.

Senator MACDONALD: Is there an estimate as to how much that might be?

Hon. Mr. CHURCHILL: My colleague, the Minister of Agriculture, who very kindly looked after this bill in the committee stage when I was at Geneva, estimated it at, I think, \$2 million. I had the reference here just