

must cover, as nearly as the Wheat Board can estimate it or arrange it, the full market price. So that the price fixed for millers was \$2.30; that is the basic price. When the miller buys from the dealer he pays that sum. The sum of \$2.15 has already been paid by the dealer to the farmer, and the miller is therefore not allowed to pay the other 15 cents of the \$2.30 to the dealer for that would make a profit to the dealer. That 15 cents is returned to the Wheat Board and put into the pool, so to speak, and is therefore a counterpart of the extra price which will be received from the sum of the export grain to the purchasers in Europe. The House can easily see that unless there is something of that kind the farmer does not get the world market price for his wheat. The miller, therefore, having to pay the \$2.30, fifteen cents of which goes into the Canadian Wheat Board for the purposes which I have explained, there must be supervision and control to prevent that portion of the wheat, or any considerable part of it, which proceeds from the farmer's hands directly into the hands of the millers from not getting its increase along the line of the world's market or the world's price. As I have stated, it is so arranged that fifteen cents of the \$2.30 that the miller pays goes into the fund of the Canadian Wheat Board. Now there are millers who conduct customs milling as well as outright milling—that is they take in grists from the farmers in their localities as well as buy wheat for general milling purposes—and in those cases it is impossible to make a difference between the two. Otherwise there would be imposition and the farmer would not realize the amount which is his due. So that with reference to the customs miller altogether, or the customs miller who carries on customs work along with his general milling, the precaution has to be taken that the fifteen cents over and above the fixed price to the farmer goes into the fund of the Canadian Wheat Board. If the smaller miller simply grists the load that is brought to his mill by the farmer, and for the purposes of that farmer's own consumption, the board, as far as possible are trying to carry out their work so that they shall not interfere with that. But it would be manifestly unfair to allow the custom miller to grist the grain which afterwards in the shape of flour went into the general sale of the country without the payment of the full market price. Such impositions were attempted, and the fifteen cents payment is designed by the board to prevent that imposition. Special com-

[Sir George Foster.]

mittees have been appointed in Ontario and Quebec to carry out the rule of the board with the least possible dissatisfaction and trouble to the small farmer who grists his grain, or gets his grain gristed, for the purpose of home consumption. In carrying out a general rule you may find that it is troublesome to parties who do not intend really to break it; but in this respect the Canadian Wheat Board are doing the best they can to reduce that trouble to a minimum.

In the case of the seller for export, when the fifteen cents is paid into the Canadian Wheat Board a participation ticket is to be given to the producer or seller and that certificate is his warrant after it has been registered by the board for claim to his share of the surplus that may be left. Where the miller does custom milling, and this safeguard is necessary to prevent imposition, a participation ticket or certificate is also given in that case so that the seller or the grister of the grain will ultimately receive, just the same as the original seller for export, his share of what remains in the pool. This is a somewhat lengthy explanation, but I can quite see by the intelligent appreciation of my hon. friend from Brome (Mr. McMaster) that it has gone right to his heart.

Mr. McMASTER: Do I understand that the farmer—let us say in the Eastern townships where the farmers are very intelligent—who goes to the mill and gets, for instance, ten bushels of wheat ground into flour for his own personal use, pays the fifteen cents, and that he will have a right to a refund from this pool? Am I right in that understanding?

Sir GEORGE FOSTER: Well, partly right—right in essence, I think. Really it is the miller who has to pay that fifteen cents; he pays a set price and the farmer must get that—the set price for export. He pays fifteen cents over that set price—that is \$2.30—and he must see that fifteen cents gets into the fund of the wheat board. In that case, if he exacts payment from the farmer then the farmer gets his participation ticket and has his recourse in the end to the pool. But I want to say one word more: Where it is a bona fide case of small gristing on the part of the farmer the purpose of the committee is to make the thing as easy as possible.

Mr. PROULX: If the miller does not buy wheat from the farmer but only grists it, does he charge that farmer fifteen cents and put it into the pool?