

*Canadian Wheat Board Act*

the government to compensate certain pools if they run into adverse conditions and suffer losses above and beyond the level of initial payment which may be guaranteed or beyond any obligation with respect to administration costs?

**Mr. Lang:** Mr. Chairman, the guarantee of initial payment is the only federal obligation or cost contemplated, apart from the rather regular governmental-type costs which may be involved in the administration of inspection services and, therefore, administration of the law as such.

[Translation]

**Mr. Lambert (Bellechasse):** Mr. Chairman, can the minister tell the House what advantages could encourage the producers to participate or not participate in that type of marketing? Can he also tell us what the freedom of association, or not, rests on? And finally, can grain marketing entail certain advantages for those who are part of it, or those who are not?

[English]

**Mr. Lang:** Mr. Chairman, the price of rapeseed may go up or down rapidly or quite significantly over any period of time. There are many farmers who are producers of rapeseed who simply want to be in the farming business. They do not want to become experts in judging when the market is going to be good or when it is going to be bad. They would prefer to have the average price for the year for their product rather than risk taking a low price or gambling on a high one or hoping they will be getting a high one. It is meant to allow them to get an average price without their trying to guess the market during that particular year.

[Translation]

**Mr. Lambert (Bellechasse):** Mr. Chairman, will that way of doing things not be a source of difficulties for the new act, which could prevent it from being really efficient, and from giving really efficient marketing services to those who truly want a marketing organization, because in other fields, for instance, in the egg marketing business, which Parliament knows very well, the situation is not quite the same: everything must be marketed globally to get results. Are things different in the field of cereals, of rapeseed; and are the producers willing to see the bill passed as proposed, or is it being imposed upon them?

[English]

**Mr. Lang:** The key answer is that the creation of a pool simply gives the farmer an additional option. He may choose to market the way he now markets and decide his own time for selling and try to guess the best price or he may join the pool. But, of course, if he joins he brings in all his rapeseed to that pool. The choice is that of the farmer.

**Mr. Benjamin:** Suppose a farmer has 80 acres of rapeseed in one place and 80 acres a few miles away. I take it he cannot volunteer one lot of 80 acres to be delivered to the pool and the other to be kept for placing on the open market at his convenience. All of it has to be sent to the pool or nothing?

**Mr. Lang:** That is so.

[Mr. Goodale.]

**Mr. Benjamin:** Can the minister tell us who would do the enforcing in order to prevent bootlegging or attempts to evade a contract? Would it be the association with which the contract is made or the Wheat Board? Because the person concerned has put himself under an obligation according to his permit book. Or would it be done by the minister from his office?

**Mr. Lang:** The act merely provides for the designation of persons as inspectors. We would certainly not see this as meaning the participants or agents of the pool as such in an ordinary case. If the Wheat Board inspectors or the Grain Commission inspectors, or other inspectors who would be available in any case, could add this to their duties, that solution might be considered, or special inspectors would be designated. I would look forward to using inspectors who are presently engaged in grain-related duties in the region.

**Mr. Benjamin:** In other words, the inspectors would be the employees of an agency of the government and they would be carrying out inspections having to do with contractual arrangements with a voluntary pool which had nothing to do with the Wheat Board. That is, they would be federal employees carrying out duties on behalf of an association.

**Mr. Lang:** That is the way I would see it. I see it, really, as being a regular part of law enforcement.

**Mr. Benjamin:** If violations were discovered would the inspector from the Wheat Board or the Grain Commission lay criminal charges, or would that be up to the association?

**Mr. Lang:** The charge might not technically be a criminal charge but it would be laid with the advice of the attorney general, as are charges laid under various other statutes.

**Mr. Benjamin:** What does the minister envisage by "an association representing a significant number of producers engaged in the production of grain" and so forth—the words appearing on page three? Can he tell us what he would consider would constitute such a number? I presume this means rapeseed producers. What percentage of producers would need to be involved? Would they come from the whole province or from part of a province? It seems to me this is a clause which is far too vague.

● (2220)

**Mr. Lang:** Mr. Chairman, it suffers from some vagueness, without any doubt. It may be difficult to have a judgment in advance as to what would in the end be the answer to the hypothetical question whether a certain number of producers was sufficient. It is designed to give some flexibility to the clause, which would have otherwise restricted the move toward these pools to firms actually engaged in the marketing of grain. It seemed desirable to have an open door for some others. The financial security, the guarantee of the initial price and so on gives us the additional flexibility to make some judgment here. That clause can work notwithstanding, as the hon. member says, that it is vague in its technical sense.