

Mr. ROBINSON: I believe Dr. McLean said himself that on receipts of raw fish they paid every two weeks, and I understand in the meat packing industry they are paid every week.

Mr. AIKEN: Mr. Robinson, I just have three or four questions to put to you. I will precede them by the statement that my concern about this bill has been that while it is stated that it is only to apply on bankruptcy, its effect will be immediate in connection with credit for both processors and producers. This is the background of my questions and this is the line along which I would like to ask these questions.

In your opinion, if this bill were passed as presented, would it have an immediate effect on the credit of the processor and of the producer?

Mr. ROBINSON: I do not know how you want to interpret the word "immediate". Do you mean if it went through now would it affect next year's credit?

Mr. AIKEN: Yes, rather than bankruptcy.

Mr. ROBINSON: I would certainly feel that if the bill were to be passed now, before processors were able to set up their line of credit from 1964 crops, they would find in some areas, because of this change, they would be facing a problem they have not had to face in previous years.

Mr. AIKEN: Would this affect the small processors more than the large?

Mr. ROBINSON: Very definitely. This is the whole point. The big fellow with plenty of financing has no problem. However—and I am very happy about this—he endorses what we are doing because he recognizes that we are doing it on behalf of the small man. We feel the small processor is essential to the community.

Mr. AIKEN: Is it not a fact that at least some of the money which the banks advance to processors on credit is paid to the producer in payment of his crops as they are brought in?

Mr. ROBINSON: Some of the credit under section 31 goes to pay growers.

Mr. AIKEN: I am trying to relate this to the growers.

Mr. ROBINSON: I would have to agree. I would certainly think that when he asks for his line of credit he is asking for money to do certain things, to buy goods, to buy cans, to buy labels and to pay wages.

Mr. AIKEN: And to pay the grower?

Mr. ROBINSON: I said to pay for goods and I meant by that the growers' product.

Perhaps Mr. Limoges would like to add something to what I have said on that.

Mr. LIMOGES: I think what you have said is correct.

Mr. McLEAN (*Charlotte*): It seems to me that the crux of the whole matter is section 88. It is a case of the bank coming in and asking the primary producer to put up collateral. You say the life blood of the food processing firm is the raw product of the primary producer, and I agree with that. We have to have fisherman in our business and we have to keep them going or we would not be in business. Do you feel it is fair that the primary producer, whom you have to have, should put up collateral for the processor? That is the crux of the whole matter as I see it.

Mr. KLEIN: I agree; that is the crux of the whole matter.

Mr. ROBINSON: Is there not another way of getting around this? Is he actually putting up collateral for the processor?

Mr. McLEAN (*Charlotte*): Yes, he is. When he goes into bankruptcy the end product belongs to the bank. The bank has paid the sugar people and the can people but not the producer; he goes on long term credit. A licence would