

That has the result that the Canadian Wheat Board Act allows a person to trade within a province without restriction. There is provincial legislation that affects it; but the dominion legislation allows farmers to sell to each other, to implement dealers, as long as they do not sell to an elevator or to any works that are works for the general advantage of Canada.

Consequently, an implement dealer, a car dealer, another farmer, a feeder, can buy directly from a producer at any price he likes, and no question of quota or control is involved, as far as the Canadian Wheat Board Act is concerned. He may be in breach of certain provincial statutes, but that is not a matter that we have any control over; enforcement of that is a matter for the province, and not ourselves.

Mr. JORGENSEN: A supplementary question, Mr. Chairman.

Mr. FORBES: That is very good in theory; but you cannot tell me that all these people have not got a farm—I mean the implement dealers, car dealers and those people who take in grain, you cannot tell me that if they have got a farm somewhere, they do not sell that grain to the elevator as their own.

Mr. MONK: They may. That is a breach of the statute, if they do. Most of them have feed lots, or connections with feeders, and they dispose of the grain—

Mr. FORBES: Some do, and some do not.

Mr. ARGUE: If they did—and I have no information on anybody—it would certainly be subject to the quota. They are limited anyway.

Mr. FORBES: Yes; what they sell to an elevator would be subject to the quota.

Mr. McNAMARA: Regardless of the quota, if they sell and market under their permit book—grain not produced on the land—they are violating the Canadian Wheat Board Act, and we prosecute on receipt of such information.

Mr. FORBES: You could prosecute, if you got an affidavit to the effect that it is being done?

Mr. McNAMARA: That is right.

Mr. MONK: It would probably raise an income tax problem too.

Mr. FORBES: It could. With some of them, it would not.

Mr. JORGENSEN: To follow up what was said previously, am I correct in understanding that implement dealers, appliance dealers, et cetera, are free to buy and sell grain without coming under the jurisdiction of the board, with that one condition, that they sell within the area to producers; and yet feed mills, who are capitalized to carry on this sort of business, are prevented from doing so?

Mr. MONK: The position is that feed mills have been declared to be works for the general advantage of Canada, as they are grain handling facilities, and anything that comes in to them must be bought within the quota system, within the quota. As far as car dealers and implement dealers are concerned, they are free, subject to provincial legislation, to sell and buy as they wish.

I may say there is provincial legislation in all three prairie provinces which prevents them, but it has not been enforced.

Mr. FORBES: What actually happens, in effect, is that the implement and appliance dealers are competing directly with the feed mills.

Some Hon. MEMBERS: No.

Mr. MONK: I do not think that is right.

Mr. PASCOE: Well, I wondered; it is beyond their scope. I wonder if the question of provincial legislation could be enlarged upon, especially in Saskatchewan. When was it passed?