

Canadian Livestock Feed Board

and I find it quite difficult to understand what is intended. I would appreciate some explanation from the minister.

Mr. Sauvé: Up until this moment, the Canadian Wheat Board has granted licences for the importation of wheat into Canada. It is not inconceivable that the Canadian Wheat Board may want to deprive itself of such powers, relegating them to some other agency of the government. The clause is worded this way because we do not know what the Wheat Board will do. Until now the Canadian Wheat Board has had authority to import grain into Canada.

• (4:00 p.m.)

Mr. Herridge: That means negotiations would, in this case, be carried out with the Wheat Board?

Mr. Sauvé: Yes.

Mr. Thomas (Middlesex West): I should like to ask the minister whether it is the intention of the government to seek amendments to the Canada Grain Act or to the Canadian Wheat Board Act so that this power can be transferred to the proposed federal grain agency.

Mr. Sauvé: The only thing I can say is this: The information I have is that the Canadian Wheat Board would have no objection to depriving themselves of this authority to control imports to eastern Canada.

Mr. Danforth: This brings up an interesting point. Is it not conceivable that in order to obtain the cheapest possible price for feed grain in eastern Ontario the agency might request a licence to import grain offered for sale by a foreign country such as the United States. At the same time a supply might be available through the Canadian Wheat Board at a higher price.

This is why I pointed out this morning that it is of great importance to know where power will be vested in granting importation permits, and what the government's thinking is in this regard. It has a direct bearing on market prices in Chicago and on the availability of feed grain in eastern Canada. How does the government propose to handle this extremely delicate matter?

Mr. Sauvé: It is the Canadian Wheat Board which has the authority to grant these import licences. What will happen I do not know, but we have had an indication that there will be no objection to delegating it in this instance for this particular purpose. Evidently

[Mr. Herridge.]

it should not be possible for one government body to have power to deprive another government body of the opportunity of achieving its aims. We cannot think of any policy which would be followed by one organization contrary to the interest of another under the same government.

Mr. Danforth: I do not wish to labour this point, but has the minister not now drawn attention to the very situation I had in mind? The exercise by the Wheat Board of its power to control imports might be detrimental to the objects of this new agency, which could find itself unable to import grain at a much cheaper price than the price it would have to pay for grain grown in Canada.

Mr. Sauvé: The hon. member should bear in mind that the agency will not normally engage in buying and selling operations. If it were to do so it would do so as a broker and would have to buy through the Winnipeg Grain Exchange, which comes under the Canadian Wheat Board which, in turn, controls all grain imports into Canada. The same circumstances arise with respect to corn. Corn enters Canada uncontrolled, because there is a tariff. It is the same situation.

Mr. Danforth: I can appreciate the minister's approach to this question. He has told us the agency would be dealing with the Winnipeg Grain Exchange. Is it not also a fact that under the terms of this bill a purchasing agency could be designated to buy local supplies of home grown feed grain or to import foreign feed grain without using the services of the Winnipeg Grain Exchange in any way?

Mr. Sauvé: I do not think this has any bearing on the broader problem. In so far as the Canadian Wheat Board decides it no longer wishes to control the import of grain into Canada, it has nothing to do with the larger problem at all.

The brokers who normally deal in this field will act as they normally do. We have nothing to do with that. The problem does not arise with the agency, but with the Wheat Board. It is the Wheat Board which will decide whether or not it wishes to give up this power over the import of grain. We have nothing to do with that, so the situation will not be affected at all by the existence of the feed grain agency. This is clearly stated in later clauses.

There is really no problem in terms of conflict between the two bodies. The federal grain agency does not buy from the Wheat