

You said it was easy for marketing boards to check with the banks. I do not know if you are aware of the evidence which we have heard here contrary to this. We heard that in the case of the main bankruptcy in Ontario last year there was a letter written to the marketing group by the bank shortly before the bankruptcy to the effect that the firm that went into bankruptcy was in good financial shape. This letter was written by the bank which put the firm into receivership. Therefore, I do not think what you say is true.

With regard to cans, do you not think this is a different product? You say that these people would be requesting this same protection under section 88, but cans are not perishable and cans can be identified, therefore the manufacturers can retrieve their stock because these cans can be identified by their serial numbers.

Mr. ROBINSON: What good would that be?

Mr. WHELAN: They could sell them to someone else because they are mostly standard-pack cans.

With regard to a fund, I cannot see why we as primary producers should set up an insurance fund for the inefficient processors just to make them more inefficient. If the growers were to set up such a fund the inefficient processors would know that if they went into bankruptcy someone would look after their negligence and inefficiency. I think this would be the feeling of a great many primary producers. If you as processors want to set up a fund for your inefficient partners in this game, I can see the point because it would be an advantage to your organization. However, I do not think you will do that until something like Bill C-5 is passed to force you to do so, to force you to guarantee the credit of the financial institutions of this nature.

Mr. ROBINSON: Would you not think, Mr. Whelan, that the point Mr. Pascoe touched might be the answer if it were explored? In British Columbia they have found an answer to this by securing the unpaid amounts as of a certain date.

Mr. WHELAN: I am not sure what they have done in British Columbia but I do know that we have a letter from the British Columbia association of agriculture endorsing Bill C-5 to take care of primary producers. I am aware and I am sure you are aware that they obtained legal advice before they endorsed Bill C-5. They did not come here and say "We are going to endorse it because we think it is a good thing." I know how their organizations are set up and I know they obtain legal advice.

I would say this also, Mr. Chairman. In Ontario, the licensing system is a fragile way of trying to protect the primary producers. I am aware of this because I happened to sit on a board in Ontario which recommended that a licence be not given to a buyer of a licensed product, but it was given over and above the recommendation of the licensing board. This sort of thing has happened in a good many cases. I know a processor of primary products who went into bankruptcy and I know that his wife now has a licence and is processing fruit and vegetables in the Niagara area.

Mr. ROBINSON: You are suggesting that licensing is not as rigid and strict as it should be?

Mr. WHELAN: It is not rigid and strict.

I see no way in which Bill C-5 would impair the operation of the financial institutions, because these figures are minute in comparison with the \$131 million with which they are dealing. They are not going to cancel this overnight when they are making \$60 million a year. The losses have been negligible to them but they have meant a great deal to the primary producers.

Mr. RYAN: To your knowledge, Mr. Robinson, have the processors approached any insurance company, such as Lloyds of London or similar com-