

be any standard way of carrying on, or any single decision made. It would have to be a matter of coming to a decision with regard to each product as we deal with it.

Mr. POTTIER: I am somewhat concerned about the meaning of "producer" in paragraph (c). I can see that a farmer would get the advantage if he were selling a natural product such as potatoes, carrots or something like that. Under this section the board has power to pay a primary producer the difference between the floor price and the market price. When you come to a manufactured article, however, I am not so sure that under this section as it is drafted the primary producer is going to get any advantage, because here you are only providing that the producer of the manufactured article will be paid the difference between the fixed price and the market price. He might keep that extra amount, and the farmer producer would not get any advantage. I have in mind that after the word "producer" you might add something like this: "On such terms and conditions as may be deemed necessary to ensure that such payment reaches the farmer producer." That may be going too far, but if "producer" means the primary producer and not the person who manufactures the commodity, I am wondering what the effect will be.

Mr. GARDINER: No; "producer" there means the farmer.

Mr. POTTIER: The primary producer?

Mr. GARDINER: Yes.

Mr. POTTIER: This paragraph contains the words "at which such product is sold in the market." You have the word "product" there, and I am wondering if it could not be interpreted as relating to a manufactured product. In the beginning you have the word "producer" which might mean the producer of the manufactured product. I am wondering if that is what it means. In that event it might be interpreted in such a way that the farmer producer would get no advantage in connection with a manufactured product.

Mr. GARDINER: The idea is that the board can package, produce, process, store, ship, transport, export or insure any agricultural product. We may even process it ourselves under that provision. Paragraph (c) was drafted precisely to make sure that the advantage in price would go to the farmer; that was the purpose of it.

Mr. POTTIER: That is clear, then.

Mr. WRIGHT: As yet the minister has not stated whether it will be the policy of the government to issue participation certificates.

Mr. GARDINER: I said that we shall have power to do so under this legislation, and the question will be determined when we decide to deal with any particular product.

Mr. WRIGHT: I wish the minister would explain how this clause can possibly work equitably in connection with any product on which there is a speculative price which varies with the season.

Mr. GARDINER: Which clause is the hon. gentleman dealing with?

Mr. WRIGHT: I do not see how section 9 (1) (c) can work equitably in a case like that. If the product is handled cooperatively by the producers themselves, under some method by which they make an advance payment and a final payment at the close of the season, I see how the clause can operate. I should like the minister to state whether it is the intention to have this clause apply to products which vary in price during the season, or whether it is put in simply to cover such products as cheese, where the producer pretty well controls the product, and where in many cases there is an advance payment and a final payment at the end of the season.

Mr. GARDINER: It is intended to cover producer organizations such as cheese factories and other organizations of that type. The cheese factory organization is a farmers' cooperative in the broadest sense of the term. They do not necessarily call themselves cooperatives in all cases, but in principle that is what they are.

Mr. WRIGHT: Then is it the intention to have this clause apply to other products? I quoted an example this afternoon. I do not want to go all over it again, but I said that a product selling in a speculative market might have one price early in the season, and later on have that price go up by fifty or even one hundred per cent, as we have known prices of agricultural products to vary. Under this provision the government would prescribe a price and would pay the difference between that prescribed price and the average price brought by the product throughout the season. Some people might sell at less than the average price; some might sell at very much above it. All would receive the same payment from the board under this section. I do not see how it can work satisfactorily except where the cooperatives control the product, and where initial and final payments are made.

Mr. GARDINER: I tried to deal with that point in my general remarks this afternoon