

tract and also had to respect the shipowner's schedule of contracts. On following days the *S.S. Wheat King* proceeded down the St. Lawrence towards Halifax to unload her cargo, while there was absolutely no space available at the elevator. The boat could not even be used temporarily for storage because of a tight contractual schedule.

On or about the 7th of October the two companies which were involved appealed to the government to find a way out. Canadian The Wheat Board disclaimed responsibility for making room, and as a consequence the National Harbours Board was unable to act and assist in settling the issue. The *S.S. Wheat King* was approaching Trois Rivières and no storage solution had yet been found. On October 9, 1964, in order to minimize costs and after conversations between the minister responsible for the Canadian Wheat Board and the minister responsible for the Feed Grain Administration, the *S.S. Wheat King* was diverted by Maple Leaf Mills Limited to Quebec City.

On that date the grain was still sitting in a Quebec elevator. Neither of the two companies was ready to make a move until the government had taken a positive or negative stand on its participation in the extra costs incurred. That is a running account of the circumstance.

Mr. Schreyer: And the wheat remained in the elevator at Quebec for four months?

Mr. Henderson: The charges had to be paid and the item appeared in the Supplementary Estimates. I think it was included in the Forestry vote as a separate items.

The Chairman: The National Harbours Board is the agency which is principally involved in this case.

• 1115

Mr. Winch: There is a very important question of principle here which I would like to ask Mr. Henderson about. I did not get the exact dates but I believe from what you read, Mr. Henderson, the National Harbours Board by agreement accepted the storage of 400,000 bushels and then the Canadian Wheat Board later disclaimed any responsibility. How do you tie those two together?

Mr. Muir (Lisgar): The Canadian Wheat Board did not enter into this at all because it was privately owned grain.

Mr. Henderson: Apparently there was an appeal to the government to find a way out. At that point the Canadian Wheat Board were consulted, but they said it was not their responsibility to make room. Consequently, the National Harbours Board was unable to act or to assist in settling this issue.

The Chairman: Why did the National Harbours Board allow this ship to be loaded when they knew there was no storage? This is the question.

Mr. Henderson: That is a question which should be addressed to the representatives of the National Harbours Board, Mr. Chairman. I do not think I am competent to answer it.

Mr. Lefebvre: Mr. Chairman, I do not think they had anything to do with the loading of the ship; as you stated, this was a decision of the company. The National Harbours Board told them they had no room, but the company went ahead and loaded their ship anyway.

The Chairman: No, I do not...

Mr. Winch: The National Harbours Board said they did have room and they would take 400,000 bushels.

Mr. Lefebvre: Two days before they said they had no room but the mill company said, "we are loading the ship anyway" Mr. Henderson just finished reading that.

The Chairman: We will just check this.

Mr. Long: That is right, Mr. Chairman. The National Harbours Board had set aside space and then they cancelled it. However, the companies felt they had proceeded so far on that advice that they could not stop.

Mr. Schreyer: They had contractual obligations to meet.

Mr. Henderson: The ship was there and presumably it had to make this run.

The Chairman: Mr. Muir, you had a question and then Mr. Bigg.

Mr. Muir (Lisgar): I was just going to say that in any case the National Harbours Board would have been responsible for the cost of the ship going down empty because the company had already contracted for that particular date on the advice of the National Harbours Board.

Mr. Bigg: I just think it is one of those errors which is very costly in the end. If it was a mistake, it could have been a typo-