No. 6 as an example. You quoted the price of $1.02 initial payment and the selling price of $1.47 3/8. Can you give us a breakdown of where that difference comes in? How much is freight charges, handling charges, et cetera? The full $1.47 is not returned to the farmer?

Mr. McNamara: No; from that we would deduct our expenses, the operating expenses, to come the final price. I think the best example would be in a previous year. We could indicate the price. We paid the $1.02 for No. 6 wheat. We could give you the final return for the 1957-58 pool. I will give you that figure in a minute. That narrows the gap. But I can say that it would be roughly seven or eight cents a bushel, in the price. I will give it to you.

Mr. Riddel: If that represents the average during the period of the pool, it could vary from a spread of 20 cents to 45 cents.

Mr. Jorgenson: I fully understand the board's position as to getting the best possible price for the producers. In other words, you are acting in the interests of the grain producers.

I think you will also agree that we members here represent not only grain producers, but feeders as well, and the problem that is arising right now is one of the producers versus the feeders. Do you agree that forcing the feed mills to buy through the wheat board is increasing livestock prices; would that be a fair statement to make?

Mr. McNamara: I would question that. I would not like to give a considered opinion. I would say that if all the buying and handling was through the wheat board, all the grain going into consumption would bear its share of the wheat board's charges. But to the extent that you allow grain to be marketed outside the board, then that particular portion of grain is not carrying its share of the cost of this administration.

Mr. Jorgenson: Is it not true that the trend today with most livestock producers is to buy balanced rations, prepared rations, from the feed mills?

Mr. McNamara: Yes.

Mr. Jorgenson: And if they are compelled—as they are, through this regulation—to pay a higher price, it would increase the cost?

Mr. McNamara: Of course, I think that is true. We sell, as a board, in Manitoba and Alberta—in the designated areas—at the same basic price that we sell all over Canada, and the eastern feeder would argue, why should we be making our feed grain available in the designated area at a lower price than we re selling in the rest of Canada.

Mr. Jorgenson: Is it not true, also, that in the west our main markets for livestock are in the eastern provinces, Ontario and Quebec?

Mr. McNamara: And B.C., yes. The domestic market is our big market.

Mr. Jorgenson: Would it not naturally follow that they would be in a better position to compete in eastern markets if feeders were able to buy more feed at a lower price?

Mr. McNamara: Yes. Of course, I think this raises a question that I suggested the committee should give consideration to, that I am personally disturbed that if we legalize sales outside the board, or take steps to encourage the movement of feed grain outside the board, within the designated area, at lower prices, then I would think that our consumers in other parts of Canada would question as to why western Canadian grain should be sold at the board price to them and why they should not have the right of dealing direct with western producers and getting some of this cheap priced grain.

This has been raised before, and it is one of the things that concerns me and which might well be undermining our whole market position for forced grains, which is our domestic market. I would suggest that this is a