

as possible. In the present instance I do not see any power given for the imposition of a licence fee.

Hon. Mr. DANDURAND: We have passed paragraph e, but I should like to ask the right honourable leader whether the grants or loans that may be given for the construction or operation of facilities for preserving, processing, storing or conditioning of regulated products may not in some instances represent very large amounts, and whether the Board would be entitled to make those grants or loans without getting a vote from Parliament.

Right Hon. Mr. MEIGHEN: Oh, no; the money would have to be voted.

Right Hon. Mr. GRAHAM: With regard to the question of licences, I fully agree that if control is to be exercised there must be some means of recognition of the persons or companies that are to be controlled, and the best means is a licence. But if there is a licence fee, it should be graded according to the business done, or in any event it ought to be very small and taken only for the purpose of providing some recognition to the licensed party. My honourable friend from Queen's (Hon. Mr. Sinclair) stated to me in private conversation that a fee of \$50 would be almost ruinous to some of the smaller dealers and producers. It was not the intention of the Fruit and Honey Act that any such fee should be charged, the purpose of the licence being merely to show that the person holding it is engaged in a trade that is subject to governmental control.

Paragraph f was agreed to.

Paragraphs g, h and i were agreed to.

On subsection 2—Board may authorize local board to exercise powers:

Hon. Mr. SINCLAIR: I wanted to ask a question in regard to the delegation of powers to the local board. I am not sure whether that matter is covered by this subsection. My question is this. Will the Board have power to delegate to the local board the right to make whatever assessment is deemed necessary on a regulated product, or will the local board have only the power to collect the toll after the Board has set the assessment? I think it is important to have that point cleared up.

Right Hon. Mr. MEIGHEN: These questions necessitate a close study of the Bill. The honourable member will appreciate that I am not in the same position as if I had been engaged in the preparation of the

measure. From a careful reading of the sections I should say that the making of the assessment can be done only by the Board. I shall correct myself later if I find that I am wrong in this matter. My understanding is that the local board cannot of itself make an assessment.

Right Hon. Mr. GRAHAM: Can the central board give the local board power to do so?

Right Hon. Mr. MEIGHEN: I do not think so. The central board has to approve of the assessment before it can be charged against the industry. If that is not the case, it seems to me it should be.

The CHAIRMAN: Subsection 4 provides:

The Board, whether exercising the powers conferred by this Act or by provincial legislation, may establish a separate fund in connection with any scheme of regulation and for the purposes of such scheme may impose charges and tolls in respect of the marketing of the whole or any part of the regulated product, which charges and tolls shall be payable by such persons engaged in the production or marketing of the regulated product as the Board decides.

Right Hon. Mr. MEIGHEN: So far as I know, the local board itself has no such power.

The CHAIRMAN: Subsection 5 provides that the Board may authorize the local board to collect the tolls.

Right Hon. Mr. MEIGHEN: Yes.

The CHAIRMAN: It seems to me that subsections 4 and 5 answer the question asked by the honourable senator from Queen's (Hon. Mr. Sinclair).

Subsection 2 was agreed to.

Subsections 3 to 6, inclusive, were agreed to.

On subsection 7—application of proceeds:

Hon. Mr. SINCLAIR: Has the right honourable gentleman any information as to what is meant by the creating of reserves or tolls? The application in that respect may be very wide. What is the object of creating a reserve, and what limit is set to the reserve that may be created by tolls imposed on a regulated product?

Right Hon. Mr. MEIGHEN: I do not know that I can give a correct answer. My idea is that these clauses contemplate dealing with grain, but I may be wrong in this assumption. I think the reserves would be for the purpose of taking care of losses that certain persons engaged in the regulated industry had to suffer in order that the general and overriding purpose of the scheme might