

*Canadian Livestock Feed Board*

two representatives for the Atlantic provinces. For this reason we felt that five or seven members could look after all our regions.

Clause as amended agreed to.

On clause 16—*Appropriations*.

**Mr. Jorgenson:** Mr. Chairman, I should like to make one or two points in regard to clause 16, which suggests that all expenditures under this act, including amounts required for payments related to the cost of feed grain transportation, payment of salaries and other expenses shall be appropriated by parliament. During the course of this debate and on numerous prior occasions members of this house have likened the proposed eastern feed grain agency to the Canadian Wheat Board in that it will function on behalf of the eastern farmers in a way similar to the manner in which the Canadian Wheat Board functions on behalf of the western farmers.

Let me point out one or two significant differences. I think the minister already knows what I have in mind. So far as the Canadian Wheat Board is concerned, expenses incurred by the board, including salaries, are paid from moneys accruing from the sale of grain. In other words, the farmers of western Canada are paying for the cost of operating that board. They are also paying the freight on that grain which moves into the terminals at Fort William and Port Arthur.

In those respects there is a considerable difference between the operations of these two boards. I do not intend to move an amendment to change this situation or even criticize it, but I do point out that there is a considerable difference between the operations of the Canadian Wheat Board and the proposed operations of this board which will be acting on behalf of eastern farmers.

**Mr. Kindt:** Having regard to costs, does the minister visualize that the proposed board will pay the price set by the Wheat Board for feed grain or does he visualize the use of government funds to set up a monopoly to fight the Canadian Wheat Board which by statute is now operating in the interests of western farmers?

**Mr. Sauvé:** On Thursday and Friday last I gave several long explanations as to how the board will act and when it will act as a buyer or seller. When it does so it will purchase its grain on the Winnipeg grain exchange. It will

[Mr. Sauvé.]

act as a broker but will never deal directly with the Canadian Wheat Board. I envisage no difficulty in this regard.

**Mr. Kindt:** Is it contemplated that the board will buy on the open market?

**Mr. Sauvé:** Yes.

**Mr. Danforth:** Clause 16 indicates how moneys are to be allocated. Having studied clause 6(a), I fail to understand why some of these funds cannot be used to equalize freight costs from the province of Ontario to the maritime provinces. Can the minister explain whether the board will have the power to authorize the expenditure of money for this specific purpose?

**Mr. Sauvé:** I have already suggested that the board will have two main functions, to pay for transportation costs and storage and, when necessary, to act as a broker in the buying and selling of feed grain. I explained to my hon. friend on Friday that clause 6 (a)(i) and (ii) gives the board the authority to pay for the transportation costs of corn and locally produced grain. I have not changed my mind since that time.

**Mr. Danforth:** I am sure the minister appreciates that this situation is very important to me. He states that he explained to me on Friday that the board would be authorized to make payments relating to the cost of feed grain transportation. Under present government policy there is no subsidy paid on Ontario feed grains moving east. Has the minister indicated to me now that under the provisions of this legislation the board or the committee will have the authority to institute this government policy of equalizing transportation costs? Is that what the minister has said to me?

**Mr. Sauvé:** Yes.

**Mr. Muir (Lisgar):** Subclause 4 of clause 16 states that no payment out of the consolidated revenue fund under subsection 2 shall exceed \$10 million. Does that mean that the total cost in one year could be \$10 million in regard to the provision of rented or constructed storage?

**Mr. Sauvé:** That refers only to the cost of its operations as a broker in the buying and selling of feed grain and has nothing to do with transportation or storage.

**Mr. Kindt:** A large number of cattle are being fed in the foothills area of Alberta on