

THE SENATE OF CANADA
STANDING COMMITTEE ON BANKING AND COMMERCE

EVIDENCE

OTTAWA, WEDNESDAY, November 6, 1957.

The Standing Committee on Banking and Commerce met this day at 10.30 a.m.

Senator **SALTER A. HAYDEN** in the Chair.

The **CHAIRMAN**: Gentlemen, we are now proposing to deal with Bill 14, dealing with prairie grain advance payments.

Hon. Mr. Churchill, the Minister of Trade and Commerce is here as is also Mr. Mitchell Sharp, the Deputy Minister, and Mr. J. D. Affleck, the Departmental Solicitor.

Shall we follow our usual practice of having a statement from the minister as to the purpose and the intent of the bill before we go ahead to consider the detail of it?

Hon. **SENATORS**: Agreed.

Hon. **GORDON M. CHURCHILL**, Minister of Trade and Commerce:

Mr. Chairman and honourable senators, I appreciate the privilege of appearing before you on this important piece of legislation. I know that you have already given consideration to it in your house and are now prepared to consider it clause by clause.

The purpose of the bill I think is pretty clearly understood. It is to meet the situation that has arisen over the last few years of surplus crops, not sufficient storage capacity, resulting in the holding back on the farms of grain which the farmer under other circumstances would have the opportunity of delivering and for which he would receive his initial payment. It is to meet that situation that this bill has been brought forward providing for advance payments on grain which cannot, due to no fault of the farmer, be delivered at this particular time.

We have attempted to make the bill as simple as possible, carrying the well known method in operation now for many years of dealing with farmers' marketings back one step further and authorizing, by this bill, the Wheat Board, through the elevator agents, to make to farmers advance payments on grain which subsequently will be delivered. It differs in no respect from the method of making the initial payments when the grain is delivered.

Now, working on that assumption, to keep the bill simple and in accord with the well known practice, we have brought forward this measure. The details will emerge as you consider the bill clause by clause.

We have endeavoured to impress upon the public mind that these are advances, and these advances will be repaid by the farmer as he delivers his grain. They are, definitely, not loans.

Senator **CRERAR**: It is really a purchase of the grain?

Hon. Mr. **CHURCHILL**: It is a purchase of the grain by the Wheat Board, just as it would do when the grain is delivered to the elevator.

Senator **EULER**: How much is the amount involved?