

Mr. MOLGAT: I think that your visit here and the discussions that we are having enable the western people to understand much better. That is why I said at the outset that it is essential that you continue these visits out here. The fear of people there is that your agency, your purchasing agency, is going to cut down the net income of the western producer. If it is clearly understood that your agency is only going to be a distribution agency to meet your needs, clearly there will be no price level favours for you.

Mr. CLERMONT: You know, there is no question of imports, because it is the Canadian Wheat Board which controls the import permits. Now, my other question is the following. You recommend, or your party recommends in your brief, that freight rate assistance on feed grains be dropped, and you mention in your brief that the West can produce low freight wheat. I think our farmers in eastern Canada would have no objection whatsoever, or not many objections, if the freight rate assistance were abolished. But, on the other hand, they would want to have your advantages in purchasing the grains without going through the Canadian Wheat Board.

Mr. MOLGAT: I had not thought of it in that way. There might be some difficulties in not going through the Canadian Wheat Board. I do not know how that could be done. I would have to look into the matter. Our viewpoint in this regard, to freight rate assistance, is this: when you go to certain regions in western Canada, you see enormous farms that can certainly produce low-cost wheat. But we have a good many areas, too, which are not as favoured. We have tiny farms, too. Our marginal land farms, and in these areas, the farmers' only chance of making a living is to raise herds. So we are very anxious to see livestock raising increase in the west. And with this assistance for the shipment of feed grains, obviously we feel that we are prejudiced.

Mr. CLERMONT: You are aware that freight rate assistance for feed grains does not benefit merely the livestock breeders. The dairy producers also benefit. The chicken producers also benefit. The poultry producers. And this assistance is most essential to eastern and B.C. breeders.

The CHAIRMAN: Mr. Berger.

Mr. BERGER: Mr. Chairman, I want to thank Mr. Molgat for his very interesting submission. At the outset, there are a few remarks I want to make, even if Mr. Clermont perhaps covered the same field. The question that interested me particularly—I share Mr. Molgat's opinion that it is an excellent idea to visit the province because we become aware of the problems, and we trust this will not be our last visit here. We might perhaps make an annual visit. When the Chairman goes back to Ottawa to-morrow night, perhaps he would put this idea forward. I want to thank you. To come into the field which is under discussion my friend, Mr. Clermont, and myself, are rather upset by the evident concern felt by western representatives up until now, the concern they have expressed about the setting up of the agency to purchase feed grains. Mr. Clermont put the question very clearly. I do not want to take up a lot of time, but I find it difficult to understand this concern in the Prairies in regard to this purchase of feed grain for eastern Canada. It seems to me that there could not possibly be a conflict between the provincial and federal authorities in the purchasing of grain. Could you give me perhaps a better and more detailed idea