

parliament for the transportation and storage costs of the grain.

As I told the hon. member before, the problems which he raised about the Ontario locally produced grain can be dealt with satisfactorily by the regulations contained in clause 6 (a) (ii), as long as the payments are related to the transportation costs. We have to make a distinction there. If the board becomes an agent, it can only buy from the Wheat Board or an agent thereof. We cannot buy grain or corn from any agency of the provinces. This conflict which the hon. member foresees is not possible, inasmuch as the board deals as a buyer, in which case it must in fact buy in Winnipeg.

**Mr. Danforth:** Mr. Chairman, if this is the case, as pointed out by the minister, then this indeed does work an extreme hardship on feed grains offered for sale in eastern Canada, because if the board can only purchase western feed grains in its role as a broker on the Winnipeg Grain Exchange, and if its sole purpose is to purchase as cheaply as possible to provide the lowest possible price for the users of feed grain in the east, then that places the producers of grain in Ontario and Quebec in an untenable position because, under this new legislation, they will now be offering grain to the eastern market controlled by a government agency in direct competition with another government agency whose sole purpose is to obtain the highest possible price for its feed growers. Under this bill the minister has established a situation where one government agency sets out to get the highest possible price for feed grains and another government agency is established to procure feed grains at the lowest possible price. The rest of Canada finds itself in between the two competing agencies. This is an almost impossible situation.

**Mr. Sauvé:** I must refer the hon. member to clause 6 (a) (i) (ii). The board has two functions. Its first function is to make payments related to the cost of feed grain storage and feed grain transportation. It is only in extreme cases that the board will become a buyer and seller; otherwise the board does not go into the marketing field. In the normal course of events the brokers will be able to buy their grain where they want, as there will be no discrimination against the local producers, as exists under the present policy, which only applies to the transportation cost

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of grains from Port Arthur to eastern Canada. This afternoon I have said repeatedly that we were considering methods of equalization of opportunities for all producers. The situation which the hon. member feared would only occur if the board were to be permanently engaged in the purchase and sale of grain, which it does not. This would be an exceptional occurrence. Otherwise the board will, under the authority granted to it in clause 6 (a) (i) (ii), find ways and means of putting local producers at par with other producers of grain.

**Mr. Herridge:** I just wish to say, Mr. Chairman, that I think we should express our appreciation of the patience which the minister has shown. I understand he has been here since eleven o'clock and has not as yet had anything to eat today. I would suggest to the hon. member for Kent (Ont.) that if he carries on in this vein he is likely to be prosecuted by the society for the prevention of cruelty to ministers.

● (5:00 p.m.)

**Mr. Muir (Lisgar):** I should like to have a clarification of section 8(a), because the minister said that all purchases would be made through the Canadian Wheat Board. I took him to mean that they were buying through the Canadian Wheat Board in a designated area. However, the first part of section 8(a) says that the board may—

—buy or enter into contracts or agreements for the purchase of feed grain in eastern Canada and British Columbia.

This means that purchases of feed grain can be made in eastern Canada and that they will not be forced through the Wheat Board, although eastern Canada is not a designated area.

**Mr. Sauvé:** I think the hon. member has to read the entire clause. I am sorry, Mr. Chairman, but we are dealing with clause 6 and that question should be held until we reach clause 8. While I am on my feet, and since it is now five o'clock, may I ask for the consent of the committee to proceed with this bill rather than go to private members hour?

**Mr. Danforth:** In so far as the minister's request is concerned, Mr. Chairman, we have no quarrel with continuing but I wish to inform him that because of the importance of this bill I doubt very much that we can conclude it this evening.