

which are controlled by the agency, then all other cost factors should be the same, whether landed at a farm or rail siding in Newfoundland or in Quebec. Is that what you envisage?

Mr. KIRK: Well, the point is that the broad impact of feed freight assistance now is in the direction of an equalization of the transportation section of the cost. But, it does not altogether equalize it. For one thing, you have zones and it is not equalized within the zones. These zones vary in size and, therefore, it is a very complex policy area. I must repeat, I do not have a new freight assistance policy to build on this word "equitable".

Mr. MULLALLY: You are not suggesting it should be completely equalized in respect of every farmer.

Mr. KIRK: But, we have an agency here and one of its functions is to study and to thoroughly understand freight assistance, how it works and, as we go along, the impact of it, to note if inequities appear and, if they do, to correct them and to do the best job we can in this very difficult field of administration policy.

Mr. MULLALLY: But, as a general policy it is the thinking of the federation that it should be as equitable as possible?

Mr. KIRK: Yes.

Mr. MULLALLY: And that the agency should work toward this end?

Mr. KIRK: That is right. That is what the policy is designed to do.

The CHAIRMAN: Would you proceed, Mr. Beer.

Mr. BEER: Mr. Chairman, through you may I say to Mr. Kirk that we have to learn something from the statement submitted this morning. It would appear to be couched in very careful language. I note that you state that it was always therefore in the realm of possibility that with experience the agency might have concluded that marketing powers were needed and it might have recommended an amendment to the legislation to provide them. And then you go on to say that there is a sufficient possibility that intervention by the agency in the feed grains market may be desirable. I think these probably are a little less than firm recommendations in respect of what you want to recommend to the committee.

May I put my first question. What are we really trying to achieve by feed freight assistance generally, in your opinion?

Mr. KIRK: Would you mind if I commented upon your introductory remarks first?

Mr. BEER: No.

Mr. KIRK: It is a very firm recommendation in the sense of asking for the powers to be embodied in the legislation. The thing which is not firm about it is the prediction of what precisely will happen. There is a distinction there.

Mr. BEER: Then, are we firm in our determination as to what we want to achieve? Are we convinced we know what we want to achieve?

Mr. KIRK: So far as I am concerned, I think it is quite clear what we want to achieve. We want to ensure price stability, the elimination of speculation or excessive margins between what the grain is sold for by the wheat board and the price paid by the farmer for using the grain, as well as to ensure adequacy of supply. Those, in my view, are the objectives.

Mr. BEER: Yes, those are the objectives but do you think that the whole feed freight assistance policy is confined in that? In other words, are we trying to improve the income position of farmers in eastern Canada, and do we feel that this is going to do that?