

Mr. HORNER (*Acadia*): In connection with this same problem, I have a particular firm in mind, which is an agent of the wheat board. They are buying feed grain, seed grain and grain for the wheat board.

Mr. MILNER: Are they licensed by the board of grain commissioners?

Mr. HORNER (*Acadia*): I am pretty certain that they are. I do not want to mention the names of any firms, but I am certain they handle those three commodities—seed grain, feed grain and grain for the wheat board; and yet when they come along to buy seed or feed grain they still purchase the grain, weigh it over the same scales, but audit it in their feed mill operations and do not deduct the P.F.A.A. payment. Now, this seems to me a kind of a technical point, but still a point about which I am concerned.

Mr. MILNER: If there was a producer's certificate issued there would have to be a P.F.A.A. deduction.

Mr. HORNER (*Acadia*): With seed grain, is there a producer certificate issued?

SOME HON. MEMBERS: No.

Mr. HORNER (*Acadia*): There is the hook-up.

Mr. MILNER: Seed grain does not come under the Canada Grain Act.

Mr. HORNER (*Acadia*): Well then, in the case of feed grain, they would not have to issue a producer's certificate either.

Mr. McNAMARA: If they were an agent of the board, yes.

Mr. FORBES: I have a very good question to pose at this time. Licensed seed operators are required to collect P.F.A.A. of seed grain they handle; on the other hand, you have a lot who are not licensed and they do not collect P.F.A.A.

Mr. MILNER: That is right.

Mr. FORBES: I would like to bring one more thought to your attention, and it is this. When a seed grower sells seed grain he pays a P.F.A.A. not only on the value of the product produced, but based on the value of the product that is finally processed, which includes the sack at 10 cents per bushel, the seed treat on the seed—also on the cost of cleaning, and the field and final inspection. I think it is very unfair. I think this whole matter of P.F.A.A. and seed grain should be carefully examined. You know, our seed grain is a big business today. Last year we exported over 3,500,000 bushels to the United States. It is unfair to the seed grower, because he is selling that grain and assisting in the reduction of our stock of grain—and doing it on a fairly close cost price.

Mr. MILNER: I would be in favour of having a look at it. I have suggested that there are certain things in connection with P.F.A.A. which I do not think are very proper, and yet we must, as a board of grain commissioners, administer the act the way it is given to us.

Mr. NASSERDEN: Would that be the regulations?

Mr. MILNER: No; it comes under the P.F.A.A.

Mr. HORNER (*Acadia*): Mr. Chairman, I was not quite finished asking my questions. I did not mean to lead the committee away from the question of feed mills, and their operation, but I wanted to find out whether agents of the board were licensed through the board of grain commissioners, and had to comply with their regulations.

Mr. MILNER: No.

Mr. HORNER (*Acadia*): They do not?

Mr. MILNER: Not all agents of the wheat board.

Mr. HORNER (*Acadia*): Not necessarily?