

Canadian Livestock Feed Board

transportation cost of corn—and particularly of Ontario corn. Because of technical difficulties any solution has not yet been implemented.

The administrative body concerned, before this bill was introduced, had intended to solve the problem of the inequalities with respect to grain transported from Port Arthur to local feeders in eastern provinces. Transportation costs have been paid on grain from the west to the maritimes, but not on grain produced in Ontario.

I am hopeful that we will be able to cope with this problem, and come up with a solution that will satisfy the hon. gentleman who has spoken, and the hon. member who was just mentioned. I am aware of the difficulties. The problem is a serious one not only for Ontario corn growers, but also for many of the maritime growers.

Mr. Danforth: Mr. Chairman, may I go further. Am I to understand from the minister's statement that the government in effect is turning over to the board in question the power of forming government policy, to the extent that under clause 6(a) subparagraphs (i) and (ii) this board shall determine (A) whether or not payment of cost to storage in eastern Canada shall be made, and to what extent, and (B) whether or not payment of the subsidy on grains moving out of Ontario may be made, and to what extent such payments may be made? Will this board have the authority to initiate such authority, and will it be able to demand a fee and make payments?

Mr. Sauvé: This is possible, according to this measure. The hon. member must have noticed that it is mentioned in the bill that there has to be concert in order to implement the recommendations of the board.

Mr. Danforth: I realize this.

Mr. Sauvé: It is possible. What the hon. member mentioned is possible.

Mr. Olson: Following the discussion that has taken place under clause 6 (a), with respect to where the board will be authorized, in furtherance of its objectives, to make payments relating to the cost of feed grain storage in eastern Canada, and also payments relating to the cost of feed grain transportation, may I ask the minister if there is any intention on the part of the government, and particularly on the part of the minister, to increase these payments. I think something

like \$1 million a year was paid for storage during the past two seasons. Is it the intention to increase these payments, and will the increase depend on the port the grain is shipped to? In other words, are there any increases with respect to one or other of the two areas contemplated at the moment?

Mr. Sauvé: No, Mr. Chairman.

Mr. Schreyer: At the risk of imposing on the minister's patience may I ask him to clarify further clause 6 (a)? When the board is given authority to make payments related to the cost of storage, and the cost of transportation, is it intended that these payments will be completely recoverable, or only in part recoverable? Will there be a subsidy, or what will be the situation? Because if it is intended to give the board power to make such payments that will be recoverable only in part, from the selling price, it would amount to the granting of the power to subsidize. I do not think that that is intended.

Mr. Sauvé: We are talking about two different kinds of operation. The policy now is that we are paying for storage and transportation costs. If the agency has to buy and sell, it will have to recover all its expenses. It cannot, under the bill, sell at a lower price than it pays. There is no danger of the situation the hon. member mentioned arising.

Mr. Schreyer: Am I to understand from that, Mr. Chairman, that the powers of the board are such that any subsidy, or any difference in such costs, would be authorized by the government? Otherwise it seems to me that the board is under the strict requirement to recover the full price of the grain, when it sells it.

Mr. Sauvé: This is so.

Mr. Herridge: Mr. Chairman, I want to ask the minister a question with respect to paragraph (d), which reads:

The Board may, in furtherance of its objects, . . .

(d) conduct negotiations for the obtaining of licences for the importation of feed grain into Canada for use outside the designated area and, within the provisions of any such licence obtained in its name, contract with feed grain dealers in Canada for the importation of feed grain by them into Canada under the terms of such licence.

Mr. Chairman, anyone reading that will realize that it is an involved clause. I should like the minister, if he will, to explain the mechanics relating to the operation of this clause, because I have read it several times