

Mr. McNAMARA: I think I would agree with that except for the reservation that we must always watch the importation of other substitute feeds and cannot allow ourselves to price ourselves out of this important market. We are very conscious of domestic requirements and mean to keep Canadian grain in the market. We always watch the importation of substitutes such as corn for barley.

Mr. KINDT: As a policy of the wheat board you take that into consideration at all times.

Mr. McNAMARA: Yes.

Mr. NASSERDEN: Since I cannot make a statement, may I ask a question. Do you not think the instructions under No. 7 here give the feeders every opportunity if possible to secure grain where they can get it, and get it ground into feed or mixed with supplements.

Mr. McNAMARA: That was the purpose of the instruction and it was made after representations which had been made to us by the feed mills. At that time we went as far as we could under the provisions of the act in an endeavour to cooperate with them. I think the feed mills will admit it has been helpful but they say it does not go far enough.

Mr. NASSERDEN: It seems it should meet the needs of the feeders. If I were a feeder I could get almost any quantity I want ground and mixed.

Mr. McNAMARA: In so far as the board is concerned, although we have had representations made to us by the industry, they have been very frank with us and have kept us posted. We have not had the same representations by individual producers for a relaxation of our control. In no area have the producers or the feeders indicated that our policy was making it difficult for them to secure their feeds.

Mr. KINDT: On the contrary you have had very violent support for the position of the wheat board in the policy they are pursuing.

Mr. McNAMARA: The criticism is we are not enforcing our regulations enough. We have been criticized for not enforcing our regulations.

Mr. HORNER (*Acadia*): Who has criticized you for that?

Mr. McNAMARA: Various farm organizations and individuals have brought it to our attention.

Mr. ARGUE: I have a general question.

Mr. CADIEU: I know of a feed outfit which does a good deal of preparation of feed. This is what they give as an illustration:

In 1959 we bought No. 1 feed barley from a grower and paid him the initial of 71 $\frac{3}{4}$ cents per bushel. Before we were permitted to use the grain we had to pay the board 12 $\frac{1}{2}$ cents—a total of 84 $\frac{1}{4}$ cents—but the board was buying the same quality of barley at the same initial payment of 71 $\frac{3}{4}$ cents. Add to this the final payment of three cents or a total of 74 $\frac{3}{4}$ cents and the difference is 9 $\frac{1}{2}$ cents a bushel or \$3.99 a ton.

This was drawn to my attention. This outfit prepares quite a lot of feed for small livestock producers. Why should he have to pay 9 $\frac{1}{2}$ cents more than is paid by the board?

Mr. McNAMARA: I endeavoured earlier to explain this in the case of oats. The initial payment price we pay is the floor price we guarantee at the time of delivery. It is not related to the actual value of the grain. The price at which we sell to feeders or any other customer is the selling level. The final price is determined by taking our gross selling price less the cost of administration, including carrying charges.