

Mr. BRUNSDEN: I have a specific case. I do not know whether or not in this case it is an agent of the board. This organization is a family compact. It is an incorporated company and operates a very large feed mill. I am trying to determine in my own mind whether or not when they go out and buy grain, even though they buy under a permit, if there is any possible check by the board as to the relevant proportions of grain they purchase which is going into the feed mill.

Mr. McNAMARA: Probably I did not correctly interpret the question.

Mr. MONK: I do not know whether or not you said this organization operated entirely in the same province.

Mr. BRUNSDEN: Yes; in so far as its feeding is concerned.

Mr. MONK: If they purchase the grain in the same province as their feed lots, if they are not an agent of the board, none of the operations would be under the control of the board. They could carry on within the same province without any supervision by, or report to, us, provided they bought the grain from producers within the quota; that is, so long as each delivery is within the producer's quota. In the case of an agent of the board, the agent would buy at the board price and we would get a full report. We would not make it an agent of the board nor have an agreement with it unless the feed lot area was entirely separate from its purchasing from farm producers and its accounting to us. The feed lot would have to buy entirely as a separate entity.

Mr. JORGENSEN: In the event that you have a situation where an unlicensed mill runs a feed lot or poultry or hog farm in conjunction with its feed mill, what check have you on that?

Mr. MONK: The only check we have on them is on their purchasing. They are required to be subject to our quota regulations and that means they have to buy from producers within the quota, enter it in the producer's permit book and keep records of their purchases open for inspection by our inspectors, or report to us on request what their purchases are, who from and the amount.

Mr. JORGENSEN: Are they free to buy as much grain as they want to operate their feed lot? Do you have any check on that?

Mr. MONK: They can buy as much as they like so long as each individual purchases within the quota of the producer selling to him.

Mr. JORGENSEN: They can go to any number of producers and get any quantity.

Mr. MONK: They can only buy from producers delivering in that area.

Mr. McNAMARA: I think Mr. Jorgenson is speaking about a feed lot. The answer, I think, related to a feed mill.

Mr. MONK: You were speaking about feed lots?

Mr. JORGENSEN: I am talking about operators of feed lots.

Mr. MONK: For the feed lot they can buy any amount of grain.

Mr. JORGENSEN: There is no check at all?

Mr. MONK: No.

Mr. JORGENSEN: Supposing a person operating a feed lot also owned a feed mill, what check have you that the grain being bought will go into the feed mill.

Mr. McNAMARA: The only check is that under the provisions of our act we have tried to examine the operations of the feed mill and satisfy ourselves that the grain used has been bought from producers within their quota. If not, he is in violation of our act.