

we said that we would take oats at forty-five cents a bushel there would be no possibility of our making any profit because we would not get the oats if anybody else would pay forty-six or forty-seven or forty-eight cents for them and still go on doing business in oats. But immediately the price dropped down to forty-five cents we would get the oats. As soon as the price went up to forty-six cents we would not get the oats. In other words, we would always be getting oats at the floor price and in all probability we would have to dispose of them at the same price, or lower, so that it is not anticipated that we would make a profit.

Mr. WRIGHT: It is probable that you would make a profit because the oats would be held by you until such time as the price came back. You would not immediately try to dispose of them at the floor price. The wheat board has made a profit on grain which it bought at the floor price and then sold for a higher price later, and it is likely to do it again in the future. I see no reason why in such a case the growers should not reap the benefit of that profit.

Mr. GARDINER: I am afraid that my hon. friend has not been following very closely the discussions that have been taking place recently in Saskatchewan. If he has I am sure he would realize that the government would not be permitted to make very much profit out of a transaction of this kind. Take our seed grain, for instance. We distributed oats at a price which gave no profit, and public pressure itself has made it impossible for a settlement to be made even on that basis. You will find pretty much the same here. If we took a product and carried it over as my hon. friend suggests, we would probably be carrying it because we thought that some day the farmer somewhere in Canada would be short of oats. I am assuming that what the hon. member has in mind is that our market for oats generally speaking is in this country.

Mr. WRIGHT: No.

Mr. GARDINER: Generally speaking it is. We happen at the moment to have a market for a part of our oats in the United States, but usually and even now the greater part of our oats is consumed in Canada.

Mr. WRIGHT: What about barley?

Mr. GARDINER: Pretty much the same, except malting barley. Our feed grains are pretty well consumed here. If we are in a position where there is so much feed grain on the market in the transition period that it

cannot be sold profitably by the farmer, then we say under this bill that we will set a floor price and take those oats at that price. I assume that in most cases it would be necessary for us to carry the oats over until there was a shortage. Then when there was that shortage we would have to put them back again on the market to the farmer. I am quite sure we would not be permitted to put them on the market in a manner which would result in a profit; we would be expected to do so in a way which would probably keep down the cost to the farmer who has to buy feed at that time, just as is the position now; and that being so, there would not be much opportunity of profit. Also I am afraid we would have to set up so much machinery to handle participation on all products that we would be in exactly the same position as the wheat board got into in connection with Ontario wheat. I believe the year before last only one farmer delivered wheat to the wheat board, and as a result he would have had to bear out of his one little crop of two or three hundred bushels of wheat the expense of the whole machinery of setting up a system of participation. So that the wheat was simply turned back to him and the provision was not made. I think we should run into the same condition here. We would have to establish so much machinery in order to take care of a prospect of the kind that I do not think it could be contemplated under this bill.

Mr. PERLEY: At a few minutes to eleven on Saturday evening I brought up this matter, and it is reported on pages 5634 and 5635 of *Hansard*. The minister agreed that the question should stand. At that time I tried to point out that there was no provision for participation certificates to producers of any one commodity. The minister has just mentioned oats and coarse grains. As oats are handled at the present time, the price is paid and then an equalization payment is made which is really a participation payment principle. I should like to have embodied in the bill a provision to the effect that if a profit was made on a certain commodity so taken, there would be provision for a participation certificate and a subsequent payment made to the producer. I am not very good at drafting, but I have drawn up an amendment which I am now going to propose:

That section 10, subsection 3, be amended by striking out all the words after "profit" in line 35 and adding thereto the following:

"with respect to the purchasing and marketing of any one commodity the board in that year shall distribute said profit by means of participation certificates."