

**Senator Grosart:** Who is the member?

**Senator Perrault:** I understand that it is Mr. Gray.

**Senator Ewasew:** The document in question authored by Mr. Domazet was brought to my attention simply because I know, after nine to ten years' experience with the Advisory Council on Manpower and Immigration, of the autocratic procedures sometimes activated by those in the Citizenship Section of that department; so much so that I felt that Domazet's objection should be made available to this house, if not formally then through the individual senators interested, seeing that he wrote the document, not as a private citizen but as a senior member of the Department of Citizenship and Immigration, who has since been suspended for having written it. That is why I should like to have a copy of what I understand he circulated, according to the press reports, to 20 members of Parliament.

**Senator Perrault:** Honourable senators, this is a precedent which has great ramifications. This report was authored by this individual. It is true that he is a former employee of one government department. I do not think it is appropriate to table a letter of this kind in the Senate. Certainly, that was not the inclination of the members of the other place. I can only repeat that those senators who are interested may wish to obtain a copy of that report, if copies are still available, either from Mr. Domazet directly or from the member of Parliament in the other place who apparently gave it to the press. I therefore think that the government properly resists the circulation and tabling of the document.

**Senator Ewasew:** The member of Parliament in question was Mr. Gray?

**Senator Perrault:** I understand that the member of Parliament who circulated the material is the Honourable Herb Gray. I can only pass along information which has been given to me.

**Senator Ewasew:** Honourable senators, I will now continue this privately, and I will contact Mr. Gray.

## ENERGY

### ACQUISITION OF OIL SUPPLIES FROM MEXICO—QUESTION

**Senator Austin:** Honourable senators, I should like to ask the Leader of the Government a question concerning a visit to Mexico by the Secretary of State for External Affairs, the Honourable Don Jamieson. Press reports indicate that Mr. Jamieson is engaged in negotiating the acquisition of oil supplies from new Mexican production. Could the government leader tell us whether this is, in fact, the case, and, if so, (a) what quantity of oil will be imported into Canada from Mexico; (b) what will be the role of private companies in acquiring this oil, as they are the only refiners in this country; and (c) will Petro-Canada have a role in this matter?

**Senator Perrault:** Because of the detailed nature of the inquiry, I will take that question as notice.

**Senator Flynn:** What else is new?

## ADVANCE PAYMENTS FOR CROPS BILL

### SECOND READING—DEBATE CONTINUED

The Senate resumed from yesterday the debate on the motion of Senator Molgat for the second reading of Bill C-2, to facilitate the making of advance payments for crops.

**Hon. John M. Macdonald:** Honourable senators, I am sure that we all listened with a great deal of attention yesterday to the speech given by the sponsor of the bill. Senator Molgat, in moving the motion for the second reading of the bill, provided us with a very comprehensive and concise statement, with the result that there is not a great deal left to say about the bill itself. I do not propose this afternoon to embark on an in-depth study; rather, I will make a few observations regarding the bill.

• (1410)

As Senator Molgat mentioned, the purpose of the bill is to assist producers of storable crops in all parts of Canada in marketing such crops in a much more orderly manner than has been the case to date. As most of us are aware, a farmer usually goes into debt to finance the production of a crop and is anxious to repay that debt as soon as possible. The result, of course, is that crops move on to the market in great supply at one time. In a situation such as that, of course, the price to the producer drops; later, when supplies become scarce, the price to the consumer increases. It is the middleman, of course, who reaps the benefit of increased prices, not the producer. For that reason it has become necessary to find a better method of marketing such crops, and in that respect a precedent was set for the marketing of wheat, oats and barley under the Prairie Grain Advance Payments Act. Bill C-2 constitutes an extension of that concept to include storable crops in all parts of Canada.

It is evident that such a method would be far superior to the present situation. The producer would be able to obtain a loan, guaranteed in a certain way, and could then discharge the debt incurred as a result of the production of a given crop, thereby allowing him to market his crop over a period of time. This would result in a much more orderly marketing system with relatively stable prices. The farmer would receive a better return on his crop and, at the same time, the consumer would not be subject to exorbitant price increases.

Bill C-2 received a favourable reception. While everyone seems to be in favour of the principle, there has been some criticism of the mechanism by which this proposal is to be put into effect. As the sponsor pointed out, the government, under the proposed legislation, would guarantee any loans, within certain limits, made to individual producers by the producer organization. The money is borrowed in the first instance by the producer organization and loaned out by it to the individual producers. Clause 3 of the bill states:

This Act applies in respect of crops grown in Canada, except such wheat, oats and barley as are grown in the designated area as defined in the Canadian Wheat Board Act.

And those, of course, are already taken care of under the Prairie Grain Advance Payments Act.