

those records do not become available to us and the duplicate cash books and producers' certificates are not sent in to us, I do not know.

In a recent meeting the representatives of the feed mills suggested that the feed mills would be prepared to pay at least the initial payment price—not our full market price. This would still be, in most instances, below the initial return that we make to the producers. But I do not know how we could police that, to be frank with you, Mr. Jorgenson.

Mr. JORGENSEN: It would be just as difficult to police as the quotas?

Mr. McNAMARA: I am afraid it would. I would like to say, Mr. Chairman, that we have tried to put the facts before the committee. We are going to be very interested in the other submissions that are made to you. We will be watching those submissions with interest; but if at any time during the course of the deliberations, or at the conclusion of the deliberations you would like information from the board, we will be very pleased to come back and again explore this situation with you.

Mr. KINDT: Mr. Chairman, there was one word that was used that I would like to comment on. There was reference that sales to television and machine companies made them bootleggers. In a sense, that is a three-cornered transaction, and I had a lot to do, at one time or another, with that type of transaction.

A machine or television operator will not take wheat in for trade until he has sounded out an opportunity to sell and to turn that wheat over immediately to a feeder. In many cases the wheat is simply delivered by the producer directly to the feeder and the machine company comes in between, makes a sale of his machinery, and everybody under the barter transaction comes out ahead.

I do not think it is quite right to say that it is a bootlegging transaction. It is a logical development that works very nicely down at the local level.

Mr. McNAMARA: On that point, Mr. Chairman, I would agree that I would not call the type of transaction referred to as bootlegging. But unfortunately some of these dealers, when they take delivery of the wheat, are then going around and finding farmers who have used up their quota, or who have no grain to deliver of their own, and are arranging for the grain they have taken in exchange for the television set to be delivered against the farmer's permit. That grain comes back into commercial channels at the expense of the regular quota. That is what I mean.

Unfortunately, there is more of that developing all the time, and this is what gives me concern.

The CHAIRMAN: Gentlemen, I am sure we have received a wealth of evidence from the members of the wheat board. We very much appreciate the fact of their being here with us and presenting their case so magnificently to the members of this committee. We may take you up on your offer at some future date.

We have now before the committee Mr. Milner, chairman of the board of grain commissioners, and Mr. MacLeod, secretary. I understand that neither Mr. Milner nor Mr. MacLeod has a prepared brief to present to us today. They are, more or less, the policemen, and I will call on Mr. Milner at this time to address you. After he has done so you may ask questions.

Mr. JORGENSEN: Mr. Chairman, I was wondering if Mr. Milner is prepared to give us an outline of the duties of the board of grain commissioners. It would be helpful if it appeared on the record.

Mr. R. W. MILNER (*Chief Commissioner, Board of Grain Commissioners for Canada*): Mr. Chairman, I should say that the duties of the board of grain commissioners are very wide, and I do not believe it would have anything to do with the operation of feed mills. However, I will tell you the duties with respect to mills, which is the matter before the committee. Actually, I really do not know why we are here, other than to answer some questions.