

THE REPORT OF
THE PPAIRIE FARM ASSISTANCE ADMINISTRATION
COMMISSION OF INQUIRY
ESTABLISHED UNDER
ORDER IN COUNCIL P.C. 1963-1896
OF 21ST DECEMBER, 1963

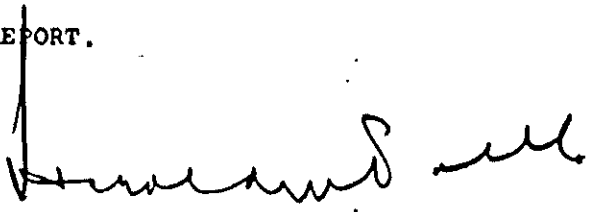
June 10, 1964.

TO HIS EXCELLENCY THE GOVERNOR GENERAL IN COUNCIL
MAY IT PLEASE YOUR EXCELLENCY,

As the Commissioner
appointed by Order in Council dated 21st
December, 1963, P.C. 1963-1896, to inquire
into and report upon:

- (a) the circumstances leading to the dismissal of Mr. George Walker from the position of District Supervisor of the Prairie Farm Assistance Administration; and
- (b) irregularities alleged to have occurred in the processing of claims for benefits under the provisions of the Prairie Farm Assistance Act and the payment of such claims, relative to the crop grown in the year 1962 in the Province of Saskatchewan.

I BEG TO SUBMIT FOR YOUR EXCELLENCY'S
CONSIDERATION THIS REPORT.



COMMISSIONER

TABLE OF CONTENTS

	<u>Page</u>
Introduction	1
Part I - The Dismissal of Mr. George Walker	7
Part II - The Alleged Irregularities	43
Suggested Changes in the P.F.A. Act	51
Conclusions	58
Recommendations	59
 <u>Appendices</u>	
Copy of Order in Council P.C. 1963-1896	
Summaries of Farmer's Evidence	

PRAIRIE FARM ASSISTANCE ACT INQUIRY

ORDER IN COUNCIL PC 1963-1896

I N T R O D U C T I O N

It would appear desirable that as an introduction to this report, the operation of The Prairie Farm Assistance Act be fully outlined, as it has a direct bearing on the manner in which the questions submitted to the Commission were considered and the conclusions were reached.

The Prairie Farm Assistance Act does not provide an insurance scheme for farmers as individuals. It is, in fact, a program for providing assistance where a general crop failure has occurred in a municipality or a local improvement district. No farmer who has a poor crop is entitled to payment unless he is situated in an area in which a crop failure has occurred.

In order to provide the funds required for the payment of awards under the Act, all farmers who may be eligible for an award are levied one percent of the value of all grain sold through the regular channels of the grain trade. If at any time the fund is insufficient to make payment under the Act, the Minister of Finance may use unappropriated monies in the Consolidated Revenue Fund, with the approval of the Governor in Council, in making an advance to the program of the amount necessary to meet the deficit. The funds required to make the awards under the Act are, therefore, provided by the farmers of the spring wheat area of western Canada, augmented, if necessary, by the taxpayers of Canada.

When the municipality, or in the case of a local improvement district, the Government of the Province, considers an area within the municipality or local improvement district has suffered a crop failure entitling it to benefit by the provisions of the Act, an application for assistance is submitted to the Prairie Farm Assistance Director. This is supported by full information with respect to the estimated average yields of wheat in the township, and if applicable, to adjacent areas, for which the application is made. This application must be made before any individual farmer can receive payment under the Act.

In cases where a township is found to be an eligible area, there may be added to this township a section of land or more, having a side that lies along the boundary of the eligible township. Such adjacent sections of land may be declared eligible for awards as though they were complete townships. In cases where an area has been declared eligible for awards, then a rectangular block of sections of land outside such area, comprising an area of not less than one-third of a township in size, but not necessarily contained within the boundaries of a given township, may be declared eligible for awards as though it were a complete township.

Upon receipt of the application the Director causes inspections to be made in the area affected. These inspections are undertaken by the field staff of the various Supervisory Districts. Their work is directed by a resident Supervisor who hires, under the authority of the Director, the staff needed to carry out the necessary work. Inspectors, checkers and office assistants undertake the work required.

In the area in which the crop failure has occurred, an inspection must be made of all farmlands, and this is recorded on a form called the Cultivated Acreage Report (hereafter referred to as a CAR). This report gives all information as to the crop actually harvested by the farmer in the particular year. So that there will be no question of the accuracy of the report given, questions are asked and answers tabulated under the direction of the Inspector, and the form is signed by the farmer and by the Inspector. It is the duty of the Inspector to see that correct information is secured from the farmer to determine the actual yield of grain on each parcel of land farmed and operated by the farmer.

It is necessary to be sure that the farmer accurately discloses the information required, because not only is his own award dependent upon the accuracy of his report, but the award of another farmer within the area might be affected by a false or incorrect report.

The successful and efficient administration of the Act is dependent almost entirely on the accuracy of the work of the Supervisors and Inspectors. If Supervisors and Inspectors fail to carry out their duties properly and efficiently, it is very difficult indeed for the Administration to ascertain irregularities or inaccuracies occurring in these reports.

There is established under the Act a Board of Review consisting of three persons appointed by Governor in Council. This Board determines the eligibility of an area for an award and any question concerning the eligibility of any farmer or class of farmers to receive an award under the Act. The

decision of the majority of the members of the Board constitutes the decision of the Board, and any decision or determination of the Board is final.

When the inspections have been completed by the Inspectors and the CARs have been checked under the direction of the Supervisor, the CARs are forwarded to the Director with maps prepared by the Inspectors covering the areas in which inspections have been made. The staff at the Regina office then prepare from this information, ledger yield sheets for submission to the Board of Review. There are occasions when inspections indicate that an area may not be eligible because the yields are much higher than was originally anticipated.

In these cases very often the matter is referred back to the municipality concerned and a withdrawal of the application is secured. This, of course, is done to avoid the necessity of processing an area in which there is no possibility of an award to the farmer being made. This is done before the matter is referred to the Board of Review. However, if additional information received would indicate the desirability of carrying out inspections in order to clear contiguous sections lying alongside eligible lands, the Administration then proceeds to complete the necessary inspections in such townships.

After all matters requiring a decision of the Board of Review have been determined as required under the Act, payment requisitions are submitted to the Regina Treasury Office of the Department of Finance and cheques are issued to the individual farmers for the amount of the award.

The basis of the award is determined by taking into consideration the average yield of the township or smaller area, either under Section 3, Section 6 (a) or 6 (b) of the Act. In calculating the average yield in a township, or other eligible area, for an award, the entire yield of the township or area shall be included. But, in calculating the average yield in an eligible township or other area for the purpose of ascertaining the amount of the award, there shall be excluded the yield on all sections in the township having a yield of 12 or more bushels per acre. No award shall be made in respect of those sections where the average yield is 12 or more bushels per acre. This means that a farmer, whose land is situated in a section which, overall, has a yield of 12 bushels or more per acre, is not entitled to an award. As an example of this, a farmer who has a yield of only four bushels per acre on a half-section would not be entitled to an award if the other half-section has a yield of 20 bushels per acre.

The maximum number of acres for which an award may be paid to an individual farmer is 200, and he cannot receive an award for more than one-half of his cultivated acreage. The award paid to a farmer varies with the amount of the yield. The maximum award is \$4 per acre when the yield in the township or eligible area is not more than three bushels per acre; when the yield is more than three bushels per acre but not more than five, the award is \$3 per acre and when the yield exceeds five bushels per acre but is not more than eight,

the award is \$2 per acre. The individual farmer is paid on the basis of the yield in the township or eligible area.

It is possible for a farmer occupying a partial section to obtain an award even though he has harvested in excess of 12 bushels per acre, so long as the other occupant of his particular section has a yield low enough to bring the average for that section below 12 bushels per acre and the average yield of the township is eight bushels per acre or less. The maximum any farmer can receive, regardless of the size of his farm, is \$800, on the basis of \$4 per acre for a maximum of 200 acres, as provided in the Act.

This briefly, outlines the procedure and the manner in which the Prairie Farm Assistance Administration discharges its duties under the guidance of the Director.

PART I

THE DISMISSAL OF MR. GEORGE WALKER

The Minister of Agriculture is responsible for the administration of The Prairie Farm Assistance Act. These duties and responsibilities are carried out by the Director under the direction of the Minister of Agriculture, and his Deputy.

The officers, clerks and employees of The Prairie Farm Assistance Administration are not members of the Civil Service. They are appointed by Order in Council and hold office during pleasure. The present Director of The Prairie Farm Assistance Administration, Mr. Howard S. Riddell, was appointed to that position on June 1, 1961, by Order in Council. His Superintendent, Mr. W.F. Davies, joined the staff of the P.F.A.A. in September, 1957 and was appointed Superintendent by Order in Council on June 20, 1960. The supervisor of the Swift Current District, Mr. George M. Walker, was appointed to that position by Order in Council in December, 1962. All members of the Board of Review were appointed by Order in Council in the years 1961 and 1962.

Mr. Walker impressed me as a capable person. He had had a great deal of experience in P.F.A.A. matters, having served as Inspector in 1957 and becoming, in 1958, the "key man" for the Swift Current Supervisor, Mr. Jack Davidson. It was upon Mr. Davidson's retirement as Supervisor that Mr. Walker was appointed in December, 1962. Mr. Walker's responsibilities as

Supervisor did not commence until December 4, 1962, but he was, of course, familiar with the work in the area for some time prior to that date.

The difficulties that arose in the year 1962 were brought about, to a large extent, by a different approach being taken to the manner in which the Act could and should be administered. The Director, Mr. Riddell, although feeling everyone entitled to an award under the Act should receive it, nevertheless considered it the responsibility of his Administration to ensure that no one received an award under the Act unless he was clearly entitled to an award under its provisions. He further considered it the duty of those engaged in the Administration to see that no other influence caused awards to be made. He believed that his Supervisors and Inspectors should be concerned only with securing information and protecting the Administration in carrying out its responsibilities. He was of the opinion that nothing should interfere with investigations which he thought necessary, and that his Supervisors and members of his staff should accept directions only through him.

The Director was not satisfied that he had received the type of co-operation that should have been forthcoming from the Swift Current Supervisory District. He cited many instances which had made him concerned about the manner in which Mr. George Walker, the Supervisor in this District, carried out his duties.

Here possibly I should review some of the matters that were placed before the Commission, which although perhaps small in themselves, caused some apprehension in the mind of the Director in his dealings with Mr. Walker. They were produced in evidence to show some of the things that the Director thought were not in accordance with good practice on the part of the Supervisor.

I refer first to the Bymoer case which concerned a first-year farmer. The file came to the attention of Mr. Morton, P.F.A.A. Administrative Officer in Regina. When he reviewed the Bymoer CAR he first marked it "eligible". After reading through the file a second time, he decided this case did not appear to him to be one for which an award should be given. Certainly an award should not be paid without the matter being referred to the Board of Review for its consideration.

The farmer had written a letter complaining that he had not received his P.F.A. payment, so the full facts concerning the matter were referred by Mr. Morton in a memorandum to the Board of Review. They reviewed the file on April 18, 1963 and decided that the farmer was ineligible. The same day that the Board arrived at this decision, Mr. Walker, the Supervisor from the Swift Current District, called at the Regina office and was advised of the action taken by the Board of Review, and told to inform the farmer what had happened. A memorandum to this effect was placed on the file.

Subsequently a letter was received from Mr. Walker in which he reviewed the circumstances concerning the Bymoan application, and urged that the matter be referred to the Board of Review for reconsideration. Both Mr. Riddell and Mr. Morton thought the report which had been received from Mr. Walker regarding Bymoan rather unusual, because the matter had already been dealt with by the Board of Review, and the appeal of the farmer closed. They considered this, in effect, an appeal by Walker acting on behalf of the farmer. They felt, however, that in view of the letter it should again be referred to the Board for their review. On the 24th day of May the matter again came before the Board. They confirmed the action which they had already taken, and held that the farmer was ineligible.

Another case where Mr. Riddell believed Mr. Walker had gone farther than he should have as Supervisor in dealing with an application, concerned the Cummings application. This had reference to the withdrawing of acreage as irrigation land so that the crop grown on this property would not be included in determining the yield in a particular section. The Cummings CAR, which was taken on October 1, 1962, indicated that he had no irrigation on his farm in 1962. Subsequently, on the 23rd of March, 1963, a special report on irrigation land was submitted by Mr. Walker, indicating that the Cummings' land was irrigated, and stating that the type of irrigation was spring flood. If this were so, it would be excluded from the provisions of the Act. The

evidence of Cummings and the Inspector given to the Commission established without question that there was no irrigation project on the land in question. The irrigation report was submitted with the idea of eliminating the Cummings' land, and enabling another farmer to obtain an award. Certainly the Supervisor, in acting as he had, endeavoured to obtain an award for a farmer who was ineligible under the Act and Regulations.

There were other difficulties with Mr. Walker in regard to several of his expense accounts. The first of these related to removal expenses. Mr. Walker vigorously pressed for payment of moving expenses from Glentworth to Swift Current on his appointment as Supervisor. I do not think that any blame should be attached to Mr. Walker for endeavouring to obtain moving expenses if they could be properly obtained, but when this matter was reviewed, there were other expenses, too, that came under surveillance. There was an expense account in connection with a trip to Elrose which seemed to be incorrect in both particulars and purpose. Mr. Jack McIntosh, Member of Parliament for the Swift Current-Maple Creek Constituency accompanied Mr. Walker on this trip, as he intended to address a political meeting. He stated that he went with Mr. Walker only because Mr. Walker had arranged to make the trip. Mr. Riddell, however, did not look with favour on his Supervisor's assisting a Member of Parliament in his campaign and was very annoyed with Mr. Walker for making his car available for this purpose.

Then there were the two expense accounts having to do with improper charges being made by Mr. Walker while attending in Regina, and charging expenses to cover his wife as well as himself. One of the vouchers submitted had been changed. This receipt apparently was first made out to "Mr. and Mrs. G. M. Walker". It had then obviously been changed to "Mr. G.M. Walker" and submitted by him as a voucher for accommodation charges at the Hotel Saskatchewan. Mr. Walker in his evidence, said he did not change the receipt himself, or have it changed. Both receipts were not in the regular form. He got special receipts on both of these occasions. Unfortunately, I cannot come to any other conclusion but that these two receipts were submitted to the Department to improperly obtain expenses from the Department. In both cases they were checked and disallowed as submitted.

These things, small as they are, were of great concern to a Director charged with the responsibility of administering the Act honestly and efficiently. They caused the Director to lack the confidence that he should have had in his Supervisor for the Swift Current District; and when he received a letter from the Minister, the Hon. Alvin Hamilton, concerning the Schock case, he became greatly concerned.

The Schock case came to the attention of the Director in a letter from the Minister which read as follows:-

Ottawa, Ontario.
January 21, 1963.

Mr. H.S. Riddell, Director,
P.F.A.A.,
418 Federal Bldg.,
Regina, Sask.

Dear Mr. Riddell:

I am attaching hereto a copy of a letter received from Mr. S.S. Schock of Hodgeville, Sask., together with a copy of my reply.

I suggest that, in company with Mr. Walker, you visit Mr. Schock as soon as possible and insist that he substantiate the statements which he makes.

If, as he suggests, certain of your inspectors have not been properly carrying out their duties, you should make sure they are not employed again.

Please provide me with a report when you have completed your investigations.

Yours sincerely,

Alvin Hamilton.

The enclosure read as follows:

Sam S. Schock,
Box 82, Hodgeville, Sask.
January 10, 1963.

Rt. Hon. Alvin Hamilton,
Ottawa, Canada.

Dear Sir:

I would like to bring to your attention and for your consideration things pertaining to the P.F.A.A. I have been a field inspector with P.F.A.A. for several seasons and the more work I do the more I feel that this Act has outlived its intended purpose and usefulness in its present form.

I have never tried to hold the farmer to the last kernel of wheat, but no farmer has put it over me by more than two bushels per acre, either. There are inspectors in the field who do not measure grain even though this question has been answered in the affirmative. I am positive that 20 to 30 bushel crops have been reported at less than 12 bushels.

Now that results of the survey are coming out I am utterly disgusted. I will do no more work under this Act in its present form. Not when you are working alongside inspectors who are not doing the job. Farmers who have given truthful statements are disgusted and infuriated with the way pay areas are coming out.

Honesty has cost me at least \$2,000 to this date. This year's results are not out for my area. I'm sure it cost me another \$400. This is getting hard to stomach.

Give me several months and the authority and I am positive that I can prove that we are getting far from the facts called for under this Act. As I told Mr. Walker, the supervisor at Swift Current the other day, its going to be difficult to explain to eastern members that the prairies had a record crop and then make P.F.A. payments to the extent that they are going to be made.

Mr. Walker suggested that I should come up with something better to replace this Act. The Act, in its present form has been under discussion by several of us inspectors for several years now, and I feel that we can come up with something much more realistic and which would make it possible to make payment to the individual farmer instead of on an area basis as at present. We have no doubt that what we have in mind would be acceptable to the farmer, and it would be possible for all farmers for once in their life to affix their signatures to a statement which they would know to be truthful.

I am aware of the fact that P.F.A. payments have over the years been helpful as far as the agricultural economy on the prairies is concerned and for that matter the whole Canadian economy stands to profit by these payments. I just do not approve of the Act in its present form because it is penalizing the farmer who is truthful and a great many farmers have resorted to affixing their signatures to false declarations. What we propose would be in a

sense force a farmer to make a truthful declaration, failing to do so would penalize only the farmer having made a false declaration.

Also under the method which we would propose it would be possible over a period of time to deal with the individual farm case, or in some cases on an area basis, whichever would be advisable. Over the long haul we might get somewhere to solving or correcting some of our agricultural problems in the wheat-growing areas.

I will also give Mr. McIntosh, my representative a copy of this letter, and I intend to see him personally before he returns to Ottawa. I am fully aware of the fact that you men are very busy and I hate to take up your time, but I can't help but register my thoughts and feelings pertaining to agriculture.

Yours truly,

S.S. Schock.

This communication caused Mr. Riddell to check many files in the areas concerned, by comparing the CARs for 1962 with the CARs for 1961. These comparisons indicated that the CARs for 1962 in many instances contained inaccurate information. The suspected irregularities were so extensive that Mr. Riddell got in touch with the Minister, suggesting an investigation in the Swift Current District and in other areas. He was instructed by the Minister to withhold payment of cheques and to proceed with an investigation. The Minister's letter dealing with this matter read as follows:

OTTAWA,
February 12, 1963.

Personal & Confidential

H.S. Riddell, Esq., Director,
Prairie Farm Assistance Administration,
418 Federal Bldg.,
Regina, Sask.

Dear Howard:

In reply to your letter of February 1st concerning suspected falsification of Cultivated Acreage Reports, I've talked to the six Members of Parliament concerned about the areas where there's suspected activity of this sort and we all agree that the first responsibility of the Administration of P.F.A.A. is to carry out the responsibilities of the Act fairly and honestly. Therefore, I am accepting your recommendation that action be taken to clear up these difficulties in any local areas where they might occur.

We all agreed that the supervisors, who, I expect, will be the key men in the local investigations, should keep the local Members of Parliament informed of developments. I would emphasize that this is absolutely essential if we are to maintain the co-operation we are now getting from the Members.

I think the Members of Parliament have adopted the right attitude. They agree to supporting the efficient operation of P.F.A.A. if, in return, they are kept informed. They understand that the Party will gain more from the efficient operation of P.F.A.A. than from any idea of favouritism, gaining them support. They are genuinely concerned, however, about a blundering bureaucratic approach causing needless difficulties.

Howard, I sincerely believe that if you inform the M.P.'s of your plans, and of your intention to do everything honestly, but firmly -- with due consideration to the manner in which it is done -- that the Members will back you up.

I have had the same problems with P.F.R.A. in local areas, with Farm Credit and with the Wheat Board. So far I have been able to maintain the integrity

of each of these organizations, and at the same time bring the human element, which the Members of Parliament represent, into full consideration. If a procedure is right, and if it is explained to the M.P.s ahead of time, they usually go along with it. It certainly adds to my work to approach it in this manner, but I think it has achieved better results than the approach of my predecessor, who got the Members very upset.

Many thanks for bringing this matter to my personal attention, as it helps me clear the way for you. I have had discussions with Cliff Barry on the subject, so you need not raise it with him officially. He approved of what you are doing.

Yours sincerely,

Alvin Hamilton.

Mr. Riddell proceeded immediately to carry out the investigation in accordance with the instructions which he had received from his Minister. He experienced no difficulty in the other Supervisory Districts but was met with a great deal of opposition in the Swift Current District.

Mr. W.F. Davies, P.F.A.A. Superintendent, was highly regarded by all parties to the Inquiry. Both counsel for the Department and counsel for Mr. Walker and Mr. McIntosh were anxious that his evidence be secured. Unfortunately, Mr. Davies had suffered a heart attack and was unable to give his evidence at the formal sittings. It was arranged that his evidence would be secured at his home and that counsel would submit to the Commissioner the questions they wished answered by him. All of his evidence was taken in the presence of counsel, the Secretary to the Commission and the court reporter.

Mr. Davies had, in February, 1963 accompanied the Director to Swift Current to arrange for the investigation in that area. He had this to say about the trip to Swift Current:

WITNESS: Mr. Davies
BY: The Commissioner

Q. What happened then?

A. When we arrived in Swift Current, we arrived there at night and the next morning we went down to the office, that is the Swift Current P.F.A. office and Mr. McIntosh, as I understand it, was to come over to that office and meet Mr. Riddell whenever he could. I don't know if there was any definite time stated or not but Mr. Walker and Mr. Riddell and I discussed this situation while we were waiting for Mr. McIntosh.

Q. Can you tell us what the discussion was?

A. Yes, the discussion was, Mr. Riddell had some examples with him and, of course, Mr. Walker at that time was aware of the old wheat situation. The discussion, more or less, was should it be investigated or shouldn't it, and Mr. Walker seemed to be of the opinion that it shouldn't be investigated at that time.

Q. Why did he take that stand?

A. He stated that if the investigation was carried out at that time it would cost us the seat -- those were the words he used.

Q. And was there any further discussion?

A. Mr. Riddell said that politics had nothing to do with it and then he went on to explain that if it did, we would be in a funny position if the administration in Ottawa changed and then we decided to do this, somebody would want to know why we waited. Mr. Walker's reply to that was, well what do you care about that; if the administration changes in Ottawa you and I won't be working for this outfit ten minutes.

WITNESS: Mr. Davies (cont'd)
BY: The Commissioner

Q. How about you?

A. I was sitting there listening. I don't know if that included me or not.

Mr. McIntosh and Mr. Walker did not feel that the payment of the cheques should be held up pending the investigation and they were not satisfied with the type of investigation that was proposed. It was impossible for Mr. Riddell to obtain any co-operation at all from either Mr. McIntosh or Mr. Walker. It is hard to understand why any co-operation was necessary from Mr. McIntosh, except, of course, that Mr. Riddell had been instructed by the Minister to keep the Members of Parliament informed.

Because of the controversy which had developed, the Minister had instructed his Executive Assistant, Mr. Roy Faibish, to take the matter in hand. It was arranged by Mr. Faibish that Mr. Riddell and Mr. McIntosh would meet in Swift Current and would get in touch with him by long distance telephone so that the difficulty could be discussed between the three of them. Accordingly, after Mr. McIntosh and Mr. Riddell had talked with Mr. Faibish over the long distance telephone and after a great deal of controversy and discussion, Mr. Riddell reluctantly agreed to issue the cheques on the understanding that Mr. Faibish would call a meeting later on at which Mr. McIntosh, Mr. Walker, Mr. Riddell and himself would determine if an investigation was warranted and, if so, the type of investigation which would take place.

Mr. Davies had this to say about the meeting between Mr. McIntosh and Mr. Riddell and the result of this meeting:-

WITNESS: Mr. Davies
BY: The Commissioner

- Q. What happened after Mr. McIntosh arrived?
- A. After Mr. McIntosh arrived, Mr. Riddell and he went into -- there are two offices in the P.F.A. office there, one sort of private one and one outer one; then there is another big room which is -- this incidentally is in the basement of the Post Office building -- there is another big room which is kind of a storage space, or intended for, which we had the use of as a checking office, and Mr. McIntosh and Mr. Riddell went into the private office and Mr. Walker and myself went into the big room down the hall, and we made a cup of coffee.
- Q. So you didn't hear anything of what took place between Mr. Riddell and Mr. McIntosh?
- A. No, sir.
- Q. Did you hear the result of what took place?
- A. No, sir. Only what Mr. Riddell told me.
- Q. You didn't hear anything from Mr. McIntosh?
- A. No.
- Q. Did Mr. Riddell say anything to you in the presence of Mr. Walker about what took place?
- A. Well, he said to me, as I recall, he came into the room where Mr. Walker and I were and he said, "Well, you and I can go back to Regina. I guess we are going to pay these townships."
- Q. I see. And did you go back to Regina?
- A. Yes, sir, we did.
- Q. Did you have any further discussion with Mr. Riddell about the investigation?

WITNESS: Mr. Davies (cont'd)
BY: The Commissioner

- A. On the way in, Mr. Riddell related to me what had gone on in this meeting,
- Q. Yes. Did he give you any instructions?
- A. Yes, he said that we were to begin to process these townships. These townships were held up, payment was stopped on them. We were to begin to process them and present them to the Treasury office for payment.
- Q. I see. Did anything take place on the week-end that changed that at all? Were you not in on that at all? What took place?
- A. All I know, sir, we came back from Swift Current on Thursday evening and Friday when we went down to the office, Mr. Riddell gave instructions to the staff to get the machinery started to process these things and send them in to Treasury. When I came home that night I didn't feel very good about it; as a matter of fact I discussed it with my wife and I decided it was time I looked for employment elsewhere.
- Q. You didn't like not having the investigation?
- A. No, sir, I did not.
- Q. You thought there should be an investigation?
- A. Yes, sir, I did.
- Q. You were satisfied that from the information you had, there should be an investigation?
- A. Yes, sir.
- Q. And did you so express yourself to Mr. Riddell?
- A. Many times.

Upon his return to Regina, however, Mr. Riddell was still concerned about proceeding in the manner proposed by Mr. Faibish and Mr. McIntosh because he thought difficulty

would be experienced in carrying out an investigation after the cheques had been paid. He had found it was impossible to obtain information concerning crop sales from the Canadian Wheat Board, unless the farmers consented to the information being given. He anticipated that difficulty might be experienced in securing information if the cheques were paid. He ascertained, however, that the Minister of Agriculture was in Regina at this time. Accordingly, he got in touch with the Minister in regard to the problem and indicated his feeling that there might be some reflection upon the Minister himself, and the Director as well, if, in fact, payments were made without an investigation being undertaken. The Minister instructed Mr. Riddell not to make the payments if he felt they should not be paid and to do nothing in regard to the matter until he heard again from him or Mr. Faibish. The Minister indicated he would instruct Mr. Faibish concerning the matter.

Mr. Hamilton appeared before the Commission and corroborated Mr. Riddell's evidence in this regard. He indicated the difficulty that he had experienced with Mr. McIntosh, who insisted that no investigation was necessary and that payments should be made, but stated definitely that he told the Director that he should not make the payments if it were against his conscience to do so, and that he would see Mr. Faibish. Unfortunately, the Minister because of his busy schedule, did not contact Mr. Faibish.

Part of the evidence dealing with this phase of the matter reads as follows:

WITNESS: Mr. Hamilton
BY: Mr. Kohaly

Q. Tell me, Mr. Hamilton, in the course of time the question of whether or not the cheques should or should not go out in the Swift Current area arose and you had representation from both McIntosh and Riddell. Did you not?

A. Yes.

Q. What was your position with respect to this item between the two men?

A. You mean at that time?

Q. Yes.

A. I think there was no question about that, that I was supporting the Director. I had given him those instructions on February 12th, when that letter went out. I had kept to those instructions when later discussions occurred as to who was going to investigate and so on, and I would say generally speaking, all during this period I was supporting the position that I had put the Director in, and I was aware, of course, near the end of these big issues, but at the time I think I can say that I stuck with the Director.

Q. Did you at any time turn the matter of the cheques being paid or not paid over to anyone else?

A. Later on yes, in the debate it got to a point where there was a great discussion going on about who should investigate in this area, and on such a small matter as who was going to investigate -- I got in the centre of this business with these conflicting points of view, and I recall on one occasion that I asked Mr. Riddell to go to Swift Current and I 'phoned Mr. McIntosh and made them both promise not to lose their tempers -- to discuss the thing rationally and surely as grown men they could come to a satisfactory solution as to who was going to investigate an area. Mr. McIntosh was not objecting to Mr. Riddell going in, but he was at this time very adamant about one person going in. I thought this was the type

WITNESS: Mr. Hamilton (cont'd)
BY: Mr. Kohaly

of thing that I should not be mixed up with. I called Mr. Faibish on the 'phone -- I have forgotten where he was -- he was moving about the country very quickly (and so was I). I said: "This is your work; get these men together, and whatever the three of you agree on, I will accept. I trust your judgment; I trust your integrity; I will accept whatever the three of you agree on, but there must be agreement between the three of you. Don't bother me any more with this thing. Get it cleared away." Those were my instructions to him.

Q. Did these instructions include the decision to pay or not pay the cheques?

A. Well, of course this had all been in the whole discussion. I could recount many little items of pressure that were put on from either side. Mr. McIntosh was waving the Act; pointing out what the Act said and pointing out my duties as a Member of Parliament to support what he said were many arguments -- and I couldn't deny these were powerful arguments -- but on the other hand I was trying to back up the Director in carrying out in a convenient, administrative, way these investigations. I was just -- not upset, but a shade annoyed that they should bother me as to who was going to inspect an area, like this. So I deliberately tried to remove myself from this type of situation.

Q. From the time you turned over this matter to the direction of Mr. Faibish, did you in your mind consider that he had the right to say when the cheques would go out, or did it have to come back to you?

A. I said: "I don't want to hear any more of this. I want you to clear this matter up. It is an administrative detail, which is in your field of operation -- not mine." As a matter of fact, I never did hear until long afterwards what the decision between the three really was.

Q. On the question of when the cheques would go out?

A. No -- on the details. I didn't hear until long afterwards what the whole quarrel was about.

WITNESS: Mr. Hamilton (cont'd)
BY: Mr. Kohaly

Q. There has been some evidence that, notwithstanding the fact that this had been turned over, that Mr. Riddell contacted you about -- "shall I pay out the cheques or shall I not pay them." Do you have a memory on the subject?

A. Yes. I can't tell you the date. I recall the place. It was in the Drake Hotel here in Regina. Mr. Riddell came to me about the problem again and said he was very concerned about these cheques going out and felt quite unhappy about it.

Q. Did you exercise any authority on the subject of -- "Go ahead, pay them out" or "Don't pay them out" -- or "Whatever Mr. Faibish says, you make your choice."

A. I don't think I put it that way. I think I do recall saying to Mr. Riddell that he shouldn't do anything that would go against his conscience, but I did say to him that I would take this matter up with Mr. Faibish again if it would make him feel any happier. I never did get the time to take it up with Mr. Faibish.

Q. You never did which?

A. I never did get a chance to take it up with Mr. Faibish.

Nothing then developed until March 21st. On that

date Mr. Walker came to the Regina office and Mr. Davies, the Superintendent, saw him at that time. Mr. Walker was upset because the cheques had not gone forward, and wished to see the Director about it. Mr. Riddell was in Saskatoon at the time and Mr. Walker got in touch with him by long-distance telephone and discussed this matter with him, in the presence of Mr. Davies.

The evidence of Mr. Davies in this regard reads

in part, as follows:-

WITNESS: Mr. Davies
BY: The Commissioner

Q. And when was the next time that anything was done about the cheques?

A. The next thing, it just ground to a halt until towards on in March, I would say around the 20th or 21st of March, around there. I believe it was the 21st of March, Mr. Walker came into the office in Regina and he came in to see me and he asked me why these cheques had not gone out, as was agreed in Swift Current. I told him I didn't know what the situation was other than my instructions were that they were to be held and we were to wait for further instructions.

Q. About this time, what did Mr. Walker do about it?

A. Mr. Walker became slightly annoyed and there was a political meeting here in Regina that night. The Prime Minister and the Minister of Agriculture and Mr. Faibish were here in town. He indicated to me that he was going to see one or all of them, or some of them and find out what was going on.

Q. What did you tell him?

A. I instructed him that he was to see nobody until he cleared it with the Director. Incidentally, the Director was in Saskatoon at a Municipal Convention at that time. I said to Mr. Walker that I would try to get him on the telephone. I said, 'I will get him on the telephone and you can talk to him.' And he agreed to do that.

Q. Did you hear the conversation?

A. I heard one side of it.

Q. What side, what did you hear?

A. Mr. Walker's side.

Q. What did he say?

A. He, in my opinion, was quite insubordinate. He said, 'You're God damn right I'm interested in this and I am going to find out what is going on here.'

Q. And was there anything else you heard him say?

WITNESS: Mr. Davies (cont'd)
BY: The Commissioner

- A. I heard him -- I couldn't quote him exactly, but he said in effect that he had no business going to see the Minister.
- Q. He told Mr. Riddell this?
- A. Yes.
- Q. And you know that Mr. Riddell was on the other end of the line?
- A. Yes sir, because I had got him on the 'phone. He was on the other end of the line when I had stopped talking to him.
- Q. Did you receive any instructions from Mr. Riddell after that conversation?
- A. Yes, sir, the following day I got a 'phone call from Mr. Riddell in Saskatoon, instructing me to put the staff to work processing these claims and presenting them to Treasury Office for payment.
- Q. You don't know of your own personal knowledge why those instructions were given?
- A. No, sir. All I know is what he told me.

Mr. Walker gave evidence concerning this interview, and his evidence dealing with this conversation reads in part as follows:-

WITNESS: Mr. Walker
BY: Mr. Goodall

- Q. ~~It is correct, is it not, that Mr. Riddell had previously told you to stay out of this matter?~~
- A. You are on the same 'phone call, sir?
- Q. On the same matter. Sometime or other during your talk with Mr. Riddell, did he not tell you, prior to your seeing Mr. Hamilton, to stay out of it?

WITNESS: Mr. Walker (cont'd)

BY: Mr. Goodall

A. He could have on that 'phone call, yes.

Q. Now, is it not correct that despite that order from Mr. Riddell, you still went to see Mr. Hamilton at the airport? That is correct, isn't it?

A. Yes, sir.

Q. Now, if you were the Director and this happened, would you call that action insubordination?

A. Not without just cause, in my opinion, sir.

Q. Then you wouldn't call it insubordination?

A. No, sir, not in that case.

Q. Will you tell me just how you reason or figure that you had the right at that time to go over the head of the Director?

A. The Director and I along with two others had made a solid deal that didn't go through, sir. In order to get these farmers paid who I was interested in, something had to be done by someone, because apparently it wasn't going to be done by the Regina office.

Q. And that is the basis on which you felt you could go over the head of the Director and go right to Mr. Hamilton, is that correct?

A. I don't feel I went over his head. I advised him of what I was going to do, sir. Had I not advised him, that would have been different.

Q. But he advised you in reply that if you did there would be serious consequences, or you would be fired?

A. Apparently that is what has happened, sir.

Q. And you took that calculated risk in going to see Mr. Hamilton?

A. It is calculated into having been a risk apparently, sir.

Q. Well Mr. Riddell, in your own evidence said: "If you do this you will be fired." That is correct?

A. That is correct, sir.

Mr. Walker did contact Mr. Hamilton briefly at the airport. Mr. Hamilton told him he had turned over all P.F.A.A. matters to Mr. Faibish, and that he should see him about any matter pertaining to the P.F.A.A. Administration. Mr. Walker then got in touch with Mr. Faibish who assured him that he would instruct Mr. Riddell to pay the awards immediately. Mr. Faibish got in touch with Mr. Riddell by long-distance telephone and instructed him to see that the cheques were issued, and stated that he would confirm these instructions in writing.

Mr. Riddell returned to Regina on Friday, and although he had received no confirmation in writing from Mr. Faibish, he immediately instructed his staff to proceed to issue the cheques. On the following Monday, however, the Board of Review held one of its regular meetings at Regina, and Mr. Riddell reported to the Board exactly what had transpired in connection with the Swift Current District.

As a result he was instructed by the Board Chairman not to send out the cheques, and it was indicated to him that the Board would go to Swift Current in an attempt to straighten matters out. Subsequently the Board Chairman, after the Board meeting with Mr. McIntosh and Mr. Walker in Swift Current, countermanded the instructions to withhold the cheques, and instructed Mr. Riddell to let the cheques go forward in accordance with the instructions he had received from Mr. Faibish.

It is unnecessary for me to go into the controversy that developed between the Board and Mr. McIntosh and Mr. Walker. Suffice to say that as a result of this meeting, the Board Chairman instructed Mr. Riddell to arrange for the cheques to be issued.

There is no doubt but that Mr. Jack McIntosh, M.P. for the Swift Current-Maple Creek Constituency, interested himself in the whole P.F.A.A. program. He attended many of the schools held for Inspectors, and got in touch with Mr. Walker on many occasions concerning problems of his constituents. According to Mr. Walker, he did not receive or take any instructions from Mr. McIntosh, and Mr. McIntosh in his evidence indicated that he did not at any time give any orders in connection with the work of the P.F.A. Administration. From the evidence, however, it seems to me that Mr. McIntosh had a very profound influence over Mr. Walker, and also tried to exert pressure not only on the Director, Mr. Riddell, but on the Board of Review as well.

In his evidence, Mr. McIntosh had this to say about Mr. Riddell:-

WITNESS: Mr. McIntosh
BY: Mr. Kohaly

Q. Now, shortly after Mr. Riddell took over his job and there was a meeting, as I understand it, in Swift Current and you were contacted by some P.F.A.A. official (probably Mr. Walker) to attend at the Swift Current office and to have some discussions with Mr. Riddell on the question of a large school in the Swift Current supervisory area. Have I identified the time and place to you?

WITNESS: Mr. McIntosh (cont'd)
BY: Mr. Kohaly

A. Except that Mr. Walker didn't contact me; it was Mr. Davidson who was the Supervisor at that time. He 'phoned me up and said: "Mr. Riddell is in my office and he would like to see you." I said: "If Mr. Riddell wants to see me he'll come down to my office," which he did do.

Q. Did he come alone or with someone?

A. No, he came with Mr. Davidson. When he came into the office I could see that he was very annoyed and he talked from the time he came in until I said, "Well, just a minute Mr. Riddell; you sit down and listen to a few remarks that I have to make." Do you wish me to carry on with the conversation?

Q. Appropos to the schools?

A. Yes. Well, this is in the field. I talked with him for about an hour and I must eliminate some of it as it goes into the field that the Judge does not want me to touch upon. So I will relate it as close as I can remember. First of all I said: "Mr. Riddell, I am going to be very frank with you and possibly you think I'm very blunt but if it appears that way, I intend it; I intend to be blunt." I said, "First of all, the remarks that you made when you first came in here, I asked myself why they were made, and it is for one of two reasons, in my opinion. One is that the step from the Secretary of the Municipality to the Director's position was too much for you, or you have not been properly briefed in your position as Director of P.F.A.A., or you have been improperly briefed in it. Now, getting back to the one remark that you made when you first came in the door, and your first statement, I believe, was that 'McIntosh, you're not running P.F.A.A., I am the Director' -- 'I am running it' -- getting back to the first remark that 'I am not running P.F.A.A.' -- that is correct. The second remark 'that you are the director' -- that is correct, but the remark that 'you are running P.F.A.A.' is not correct."

Mr. McIntosh had this to say about the Board

of Review:-

WITNESS: Mr. McIntosh
BY: Mr. Kohaly

Q. Do you know Tom Garland?

A. Very well. When I went into the Skyline Hotel I asked if Mr. Garland was there, and I was directed to a room upstairs to which I went. I knocked and went in, and there were several gentlemen in the room. I immediately recognized them as Members of the Board of Review. I said, "What is this, an official or unofficial visit?" They said it was an official visit. I said, "In what respect?" They said, "In connection with the holding back of payments on the P.F.A.A. cheques." I said, "On what grounds?" I was informed that because of the suspicions of Mr. Riddell. I asked, "What suspicions did Mr. Riddell have?" They said something to do with the carry-over of wheat in particular areas. I said, "Gentlemen, those are suspicions. Has he given you any concrete examples of whether there are irregularities in any of these areas?" They said, "No, he hadn't at that time." I talked with them again for close to an hour and in this field, and I also talked about politics, which you wish me to stay away from.

However, I must make this statement, that I was afraid that there was political influence being used in this case and I reminded them of a former instance where it seemed to me that politics were creeping in and what had happened and the individual concerned was the former Director, who I said was the former Chief Liberal organizer for the province of Saskatchewan, was involved. I told them further that if they had no concrete examples and they had passed these claims, then they had no authority to withhold the cheques. I think I cited the Act. I told them that the cheques should have gone out in December and if they insisted that they had the power to withhold, then possibly the penalty provisions within the Act should be applied; that they were violating the Act if they were using that type of power, which they had no authority to do.

WITNESS: Mr. McIntosh (cont'd)
BY: Mr. Kohaly

I also informed them that this was an Act passed by the Parliament of Canada and once it was passed it applied to everyone; not even the Minister could violate the provisions of it without the penalty being applied if someone so wished, and in this case, I so wished, on behalf of the people that I represented. And if I was going to have any more trouble with this, I would lay a complaint against the whole works, including the Director, the Board of Review or anybody else that tried to interfere in withholding these cheques.

- Q. Sounds like the Teddy Roosevelt situation -- walking softly but carrying a big club, Mr. McIntosh. Was that your situation?
- A. There was no club. I intended to lay the charge if it was necessary.

Mr. McIntosh had this to say about the proposed investigation:-

WITNESS: Mr. McIntosh
BY: Mr. Kohaly

- Q. Were you satisfied you were talking with Faibish?
- A. Oh, yes.
- Q. You knew Faibish?
- A. Very well. But he said: "In regard to an investigation, have you any objection to it." I said: "I have no objection to any investigation."
- Q. Was this your position?
- A. Absolutely.
- Q. Did you ever convey that to Mr. Riddell?
- A. Yes.

WITNESS: Mr. McIntosh (cont'd)
BY: Mr. Kohaly

Q. Go ahead?

A. Providing there were grounds for it. It was arranged that we would meet sometime later and go over the suspicion that Mr. Riddell had, any grounds that he had, and if an investigation was warranted, the subject of who would conduct the investigation would be discussed and a settlement arrived at.

Q. Was this a private conversation between you and Mr. Faibish in which Mr. Riddell is not about, or is he about?

A. Well, when Mr. Riddell was speaking to Mr. Faibish, I walked out of the room. I didn't know whether Mr. Riddell wanted to tell him something in confidence or not. He didn't ask me to go out. I just walked out and I think I went into one of the other rooms where Mr. Walker, the Supervisor at that time, and Mr. Davies, the Superintendent, were sitting talking, and we passed the time of day. Mr. Riddell came out of the supervisor's office and he said, "Mr. McIntosh, Mr. Faibish would like to speak to you." I said, "Fine", so Mr. Faibish said, "This is what I have arranged with Mr. Riddell. Do you concur?" I said, "That suits me fine as long as the cheques are sent out immediately."

Then we hung up and passed the time of day for a few minutes, and Mr. Walker came in. I forget whether Mr. Davies did, but I said, "So that there would be no misunderstanding, then, Mr. Riddell, these cheques will go out immediately on your return to Regina, and if an investigation is warranted, we will arrange that at a later date." He said, "Absolutely."

It is very unfortunate that this situation prevailed in the Swift Current District. The fact that it did made it almost impossible for the Director, Mr. Riddell, to carry out his duties in a proper manner. In order to have an efficient administration, there must be an established line of authority in any Government Department. The Director

of P.F.A.A. is responsible to the Minister of Agriculture and his Deputy. The Supervisor under him must be responsible solely to the Director. He must be prepared to carry out the instructions of the Director, and should not do anything to impinge on his authority.

A Member of Parliament is not, as such, entitled to interfere in any way with any Department of Government. A Member of Parliament is a representative of the people of a constituency. He may be a member of a party in power or he may belong to the party that is in Opposition. In either case, his position as a Member of Parliament should be exactly the same. Members of Parliament are not part of the executive branch of Government. If a democracy is to work properly and efficiently, the line of communication, insofar as a Member of Parliament is concerned, should be to the responsible Minister of a Department, or to Parliament itself. Our whole democratic system would break down if Members of Parliament interfered unduly with Department heads, or members of the Civil Service of Government agencies.

Mr. McIntosh, in his own evidence indicated that he had actually threatened the Director of P.F.A.A., Mr. Riddell, and the members of the Board of Review, that he would lay a charge under The Prairie Farm Assistance Act if they failed to pay the awards. In a release to the press prior to the Inquiry he indicated that as the Act provided that awards be paid in the month of December, the Director was in default. At the Inquiry, when it was made clear to him that a great number of the awards had not even been

processed by the end of December, he indicated that he had in mind an offence under Paragraph 10 (1) of the Act, which provides that:

"every person is guilty of an offence ...who: (a) violates or fails to comply with any provision of this Act or any Regulation."

This provision, of course, has nothing whatever to do with what was being done by either Mr. Riddell or the members of the Board of Review.

The fact was that both Mr. Riddell and the Board of Review were suspicious of irregularities and I find they had reasonable grounds for such suspicion, and they would indeed have been guilty of a serious breach of duty if they did not at least draw to the attention of the Minister the facts as they had them, and undertake to make a reasonable investigation into what appeared to be irregularities in a great many of the returns that had been submitted from the Swift Current District.

Mr. Riddell decided to carry out an investigation, and in fact had been instructed by the Minister of Agriculture, the Hon. Mr. Alvin Hamilton, to make an investigation. On the other hand, Mr. McIntosh, Member of Parliament for Swift Current-Maple Creek, insisted that no investigation was necessary; that there was nothing but suspicion and no concrete evidence of wrong-doing. He took the position that no investigation at all should be held at that time, and that the awards should be made, and all cheques released, and then subsequently at some

future time it could be decided whether or not an investigation should take place, and if so, by whom. Mr. Walker was caught in the middle of this controversy. He chose to support Mr. McIntosh rather than his Director, and he took an active part in seeing that the wishes of the Member of Parliament for Swift Current-Maple Creek were carried out. I can, of course, understand Mr. McIntosh's reluctance, as a Member of Parliament running for office, to have any investigation concerning anything within his constituency. But I cannot understand Mr. McIntosh's lack of understanding with respect to the obligations of Mr. Riddell, as Director, to make sure that nothing improper was being done by claimants under the Act, nor can I understand the position taken by Mr. Walker in regard to this controversy.

In spite of what had taken place, Mr. Riddell did, even after this controversy, carry on with Mr. Walker as Supervisor, but then further difficulties arose in connection with the Rural Municipality of Carmichael, No. 109. There may have been a misunderstanding in respect to the instructions which Mr. Walker received from Mr. Riddell in this regard, but it is hard to see how there could have been a misunderstanding in view of the fact that the Director made a special trip to Swift Current to instruct Mr. Walker with respect to the matter. It is understandable, however, why Mr. Riddell took the action he did when he felt Mr. Walker had again totally disregarded his instructions.

On August 5th, 1963 Mr. Riddell decided that it was impossible for him to carry on efficiently with Mr. Walker as Supervisor of the Swift Current District. He accordingly wrote a letter to Mr. S.C. Barry, Deputy Minister of Agriculture, which read as follows:-

418 Federal Bldg.,
Regina, Sask.
August 5, 1963.

Personal & Confidential

Mr. S.C. Barry, Deputy Minister
Department of Agriculture,
Confederation Building,
OTTAWA, Ontario.

Dear Mr. Barry:

Re: George Walker, PFAA Supervisor,
Swift Current, Saskatchewan

For sometime now the matter of continuing with the services of Mr. George Walker as P.F.A. Supervisor for the Swift Current area has been a problem to me.

He was appointed in December, 1962 and I was not consulted in any way before his appointment was made. Previous to his appointment as supervisor he worked as a P.F.A. inspector in the office, acting in the capacity of assistant to Mr. Jack Davidson, his predecessor. However, since his appointment as supervisor he has been most difficult. His utter lack of co-operation with the Regina office is one fault, and his disregard for myself as Director and Mr. W.F. Davies, Superintendent, cannot be overlooked.

During my tenure as Director of P.F.A.A., the administration of the Act in the Swift Current area has been most unsatisfactory as I had been instructed that it would be more or less administered by the supervisor for the area under the direction of the local Member for Parliament. This has resulted in a lack of co-ordination in the administration of the Act, in that particular area and the supervisor has not been carrying out our instructions.

A situation has now developed in the R.M. #109, where application was made by the municipal council last fall to have inspection work carried out in six townships in this municipality. Inspections were completed in two of the townships and 6A blocks being established therein. The council agreed to withdraw their application on the remaining four townships, provided that all possibility of establishing any payable area in these four remaining townships had been thoroughly investigated by our field staff and we had determined that no payable areas could be established therein. A copy of the letter advising us of the withdrawal of the municipality's application covering the townships in question was sent from this office to Mr. Jack Davidson, who was the supervisor at that time, on the 14th of November, 1962. However, the letter was filed away and the townships in question were not cleared.

Recently the present supervisor, George Walker, paid a visit to the municipal office in this municipality and found the council in session. The question of clearing the townships was raised by the council and Mr. Walker advised them that he would take it up with the Regina office. Following his return to his own office he wrote the secretary of the R.M. 109 to this effect. After Mr. W.F. Davies, Superintendent, had discussed the situation with me, I felt that no inspections should be made in this area covering the 1962 program in July, 1963; knowing, of course, that we would certainly not get a full disclosure of the proper yields of the townships in question. In order that there would be no misunderstanding whatever on the stand taken by me, I cleared it with Mr. W.R. Bird at Ottawa, and Mr. Bird gave approval to my decision in this matter.

On July 24th I paid a visit to Mr. Walker's office and verbally gave him very definite instructions as to the procedure he was to follow in dealing with the council in R.M. 109. I instructed that he was not to contact the council for at least two to three weeks; the idea being to give them time to write direct to the Regina office if they still wished to press action for further inspections, and, if and when they did write to our office, I would notify Walker and he was then to go back to

the secretary of the municipality and explain to him that we felt that the matter should now be closed as, if the council were of the opinion that any areas in the townships in question were eligible for awards under the Act, they should have raised the point long before July, 1963. However, Mr. Walker again could not follow instructions. He proceeded to this municipality on July 30th and advised the secretary that I had called at his office and told him that the 1962 program was completed and we were now preparing for the 1963 program, and no further inspection work could be carried out in this municipality.

The council are holding their next meeting on August 9th, and I feel when this report is made to them there is a large possibility that they may appeal to the Minister regarding same. Had the matter been left for two or three weeks, particularly until after the council meeting for the month of August was over, and the farmers were then well into the 1963 harvest operations, no doubt it would have died a natural death.

It seems to me, and I cannot think otherwise, that Mr. Walker is endeavouring to embarrass me and my staff at every turn and this last action of his fully warrants that I ask for his dismissal at the earliest possible date. I have discussed the situation with Mr. Bird and Mr. Bird concurs wholeheartedly with me in making this decision.

I regret very much having to forward a report to you such as this regarding one of my supervisors, but things have now come to a point where I feel that this is the only proper action to take for the good of our whole organization. In view of the lateness of the season and the harvest coming in very shortly, should this recommendation be acted upon, consideration will have to be given immediately to appointing a replacement for Mr. Walker, and I would be glad to be kept informed of the situation in this regard.

Yours very truly,

H.S. Riddell,
Director.

Upon receipt of the letter from Mr. Riddell, the Deputy Minister wrote to Mr. Riddell in the following manner:-

OTTAWA, Ontario
August 12, 1963.

Personal & Confidential

Mr. H.S. Riddell, Director,
Prairie Farm Assistance,
418 Federal Building,
Regina, Sask.

Dear Mr. Riddell:

I have yours of August 5th with respect to difficulties experienced with Mr. George Walker, P.F.A.A. Supervisor at Swift Current.

It will be in order for you to request Mr. Walker's resignation.

Yours very truly,

S.C. Barry,
Deputy Minister.

Upon receipt of the letter from the Deputy Minister, Mr. Riddell got in touch with Mr. Walker by telephone and arranged for him to come to Regina, and upon seeing him asked for his resignation. Mr. Walker refused to give his resignation unless Mr. Riddell would give reasons for asking him to resign. Mr. Riddell did not think he was in a position to give any reasons. After reporting the matter to Mr. Barry by telephone, Mr. Riddell received instructions from the Deputy Minister to advise Mr. Walker that his services were no longer required, and Mr. Walker was accordingly dismissed without any reasons.

having been given. Possibly the reasons for Mr. Walker's dismissal should have been given.

I find, however, that in view of the difficulties that had been experienced between Mr. Riddell and Mr. Walker, it was necessary and desirable that Mr. Walker be relieved of his duties to enable the administration of the P.F.A. program to be undertaken in the Swift Current District in a proper and efficient manner.



PART II

THE ALLEGED IRREGULARITIES

Mr. Riddell received from the Hon. Alvin Hamilton, the then Minister of Agriculture, a letter dated January 21, 1933, enclosing a letter which the Minister had received from Mr. S.S. Schock of Hodgeville, Sask. Both these letters have been recorded commencing on Page 13 of this report. Because of the Minister's letter a thorough investigation was undertaken by Mr. Riddell with his Superintendent, Mr. Davies. By comparing the CARs for the year 1961 with the CARs for the year 1962, it appeared that there were discrepancies in the 1962 CARs that had been filed not only in the Swift Current District, but in other areas as well. Mr. Riddell said he was suspicious and thought an investigation should be made, and wrote the Minister about the matter. The Minister instructed the Director to proceed with an investigation.

As I have already indicated, investigations were undertaken in other parts of the province which resulted in the saving of many thousands of dollars. In one municipality alone, some \$50,000 was not paid out as originally anticipated, because of the investigations which were made, but in the Swift Current District, an investigation was opposed by both the Member of Parliament for the Swift Current-Maple Creek constituency and Mr. Walker, the Supervisor. Neither Mr. McIntosh nor Mr. Walker thought an investigation was necessary. They took the position that there was no evidence of

irregularities -- only suspicions. They both were of the opinion that the cheques covering P.F.A.A. payments should be released immediately, without delay.

Mr. Roy Faibish, the Executive Assistant to the Minister, discussed the proposed investigation with Mr. Riddell and Mr. McIntosh over the long-distance telephone (as outlined earlier in this report). As a result of these discussions the proposed investigation was delayed, and Mr. Riddell was persuaded to make the P.F.A.A. payments immediately.

Mr. Davies, in giving his evidence, said he was absolutely satisfied that an investigation should have taken place. When it was postponed, and the decision made to pay the awards under the Act, he was so upset about the matter that he thought he should look for another job. Mr. Riddell, of course, was not at all happy about the decision which had been made, and after returning to Regina, decided to see the Minister who was in Regina at that time. He saw the Minister and outlined the situation to him. As a result of this interview, the cheques were withheld.

I have already outlined under PART I the circumstances dealing with this phase of the matter and just what transpired subsequently. Mr. Riddell had indeed good grounds for his suspicions. The paper investigation which he had already made indicated that there were a great many cases in the Swift Current District where explanations were necessary. On the face of the documents

many of the 1962 CARs were not correct. Actually I would consider that the paper investigation disclosed something more than suspicion; the documents themselves, in a great many cases, in the absence of some explanation, indicated irregularities.

It is hard to understand why an investigation, in view of the information in the hands of the Director and his Superintendent, was so strenuously opposed. It is also rather difficult to justify the action of Mr. Faibish in ordering the payments to be made when he apparently had no knowledge of the information in the hands of the Director which caused him to feel that an investigation should be made.

Under ordinary circumstances, even without suspicions, it is desirable that there be investigations from time to time. Every company requires an audit; every Department of Government is subject to an audit or an investigation. Audits, inspections, investigations are made not because people are dishonest. They are not always made even because of suspicions. They are undertaken for the most part in any public administration or any government Department to assure the efficient, honest and capable administration of a particular Department or branch of it. The absence of regular inspections, audits or investigations is an inducement for honest people to become careless, indifferent, inefficient and sometimes dishonest. If everything is all right, no one should object to an inspection, audit or investigation nor should those who are being investigated or being checked have the right or privilege

to say by whom such an investigation should be made, and the manner in which it should be undertaken.

But here in the Swift Current District, when there was grounds for suspicion and more, the Director and his Superintendent were being curtailed, restricted and stopped from proceeding with an investigation, and were directed to release the cheques relating to the subject of the investigation -- before any investigation was made.

One hundred and three farmers were summonsed before me to give evidence in connection with their 1962 production. This represented only about ten percent of the farmers involved in the proposed investigation in the Swift Current District. I have analyzed the evidence of these farmers and a summary of their evidence is contained in APPENDIX "B" to this Report. In fairness to these farmers I have omitted to set forth their names and addresses, but this information, if required, can be secured from the transcript of their evidence.

The evidence given by these farmers indicated definitely that there were a great many irregularities. This, I think, was brought about not so much through intentional dishonesty on the part of a great many of the farmers; but was caused by the very loose and inefficient manner in which reports were taken. It appeared that inspectors were too casual about the manner in which they secured their reports. Many of them did not attempt to obtain accurate information. They seemed to have the

attitude that approximate figures were sufficient. There was a tendency on the part of the Inspectors and the farmers alike to assist others to obtain benefits under the Act through underestimating yields.

It was the responsibility of the Inspector to see that everyone who was entitled to a P.F.A.A. payment received it, and also that only those who were entitled to receive a payment, received it. The former responsibility appears to have been over-emphasized. Farmers have a tendency to assist each other. Inspectors who are drawn from a local area have a tendency to do the same, and although the whole program under the P.F.A. Administration made accuracy of yield reports essential, there appears to have been little attempt in the Swift Current District to make sure that yields were accurately reported.

As I have indicated in the introduction, the amount payable to a farmer varies from \$4 per acre for a yield of not more than three bushels per acre to \$3 per acre when the yield is more than three bushels per acre, but not more than five; to \$2 per acre when the yield exceeds five bushels per acre, but is not more than eight. In addition to this, the report of one farmer in a block or township might not only change the amount payable in a township or block, but might determine whether or not any award whatever should be paid. The average yield in the whole township or block is the determining factor.

There is no question, from the evidence submitted to me by the farmers who gave evidence, that an excessive sum was paid in awards to farmers in the Swift Current Supervisory District, but it is impossible now to know exactly what the proper awards should have been.

I was impressed with the frank manner in which many of the farmers admitted the errors they had made. They were anxious to correct the information which was wrong and to give as accurately as they could, their proper yield for the year 1962; but I also realize there were some who did not give the correct facts. In many cases this was not their fault. They simply did not know now what the real facts were. Some of them, of course, did not wish to give as much information as they could.

The fact is, there is no way now of checking accurately the CAR report of any farmer for the year 1962, unless the farmer himself knows the true facts and is prepared to admit these facts. To determine the proper award, if any, that should have been paid, it is not only necessary to estimate the entire yield of a farmer on his total acreage, but it is necessary to apportion the yield in many cases among different parcels of land farmed by him. In many instances it would be impossible to do this now.

It is unfortunate that the investigation proposed by Mr. Riddell was not permitted to take place in the spring of 1963. Without subjecting anybody to publicity or embarrassment, accurate information could then have been obtained by qualified, experienced personnel from the head office of the P.F.A. Administration. It is too late now for such an investigation to take place.

The 1962 crop has been sold. Another crop has been harvested. There would be no way of checking a farmer who is not prepared to co-operate, or who is unable through lack of knowledge to give accurate figures.

The manner in which the CARs were obtained by the Inspectors created, in the farming community, an improper attitude in regard to the purpose and necessity of giving accurate reports. In a great many cases, bins were not checked as they should have been. There was a complete lack of care on the part of Inspectors to secure essential information which resulted in almost induced irregularities. Many people are careless, thoughtless and indifferent, but most people are fundamentally honest. They may sign statements without due care, but when properly checked and confronted with facts, are prepared to admit and correct inaccuracies. All that was necessary in connection with the 1962 program was a proper checking of reports. All that was required was a properly conducted investigation on the ground to secure accurate information.

Because of the impossibility at this time of obtaining the information necessary to determine the proper awards that should have been made to all farmers in the district, I do not feel that it would be just to endeavour to obtain reimbursement from only some of the farmers where adjustments can be definitely established. It would not be right or proper to insist on re-payment from farmers who are willing to co-operate and assist the Department, when it is impossible to obtain reimbursement

from others where possibly even greater inaccuracies have occurred. Irregularities in many of the cases were to some extent unintentional and were caused by the system itself.

This fact also must not be overlooked. An award to a farmer in a crop failure area is based on the average yield of a township or area. Many farmers, who furnished accurate information, received awards by reason of the fact that other farmers gave incorrect information in their CARs. The amount of the awards were determined by the P.F.A. Administration. In some cases, farmers who received awards could be required to return all, or part of the awards received because accurate information was not obtained by the Administration from other farmers in their area whose yields affected their right to an award.

Through no fault of their own, and without any attempt on the part of some individuals to deceive the Department, awards were paid. They should not have been paid without an investigation having been made, but they were paid. It would be a hardship to some of these farmers who gave accurate information to now demand return of money which they thought they were entitled to receive. For this reason too, I do not think any attempt should be made at this time to obtain reimbursement.

SUGGESTED CHANGES IN THE P.F.A. ACT

It is not my responsibility to suggest any changes which might be desirable in The Prairie Farm Assistance Act or its Regulations. Nevertheless, after considering the evidence before me in this Inquiry, and realizing the difficulties experienced in administering the Act in its present form, I think it desirable that I should make some suggestions which might be beneficial in improving the P.F.A.A. program.

The purpose of The Prairie Farm Assistance Act is to grant assistance to farmers within a municipality or district which has suffered a general crop failure. This principle must, of course, be maintained. I am not satisfied that P.F.A.A. payments should be made on an individual basis, even if this could be done. Payments should only be made if there is a crop failure within a municipality or district of such a size as to constitute a general crop failure.

Under the present Act, the minimum area that can be considered a general crop failure area is an entire township. Under Section 6 (b) of the Act a rectangular block of sections having an area of not less than one-third of a township and located outside an eligible area, can be declared eligible for an award as though it were a complete township; but it would appear that this can only be done if it has been established that there

was a general crop failure in the district by reason of a crop failure occurring in an entire township. There can, of course, be added to a township under Section 6 (a) additional sections of land that lie along side of the boundary of an eligible township but I doubt if this applies to a block of sections established under Section 6 (b). This Sub-Section provides that such a block of sections shall be eligible for an award, but does not provide that such a block shall be considered to be a complete township for all purposes of the Act. The provisions of Section 6 (a) and (b) should be clarified and possibly the principles involved reconsidered.

Rain does not necessarily fall in a straight line. Hail sweeps through an area in an irregular way and flooding follows the contour of the land, not the township lines. It seems to me that a minimum area which it is considered should constitute a general crop failure in a municipality or adjoining municipalities should be more clearly set forth in the Act. The Act should also provide that when it has been determined by the Administration that such a crop failure has occurred, all farmers within the municipalities or district affected who have a yield of eight bushels per acre or less shall be entitled to assistance, irrespective of whether or not they are within a particular township or block of sections or attached directly to these areas.

After hearing the evidence from a number of farmers, it is quite apparent that accurate information concerning crop production has not in the past been obtained by the Inspectors, who are called upon to complete and secure the CARs. Under the present system the Inspector is supposed to check the accuracy of the farmers' statements. It is, of course, in some cases difficult for him to do this. There is the mixing of grain from previous years with current crop production. The inspector must rely on the information given by the farmer as to just how much old wheat he had in his granary before new wheat was dumped on top of it. In addition, except in cases where there are two crop failures in consecutive years, it is impossible to know the number of bushels of old wheat previously declared.

The evidence indicated that in many cases Inspectors did not even measure the new production. In any event, an Inspector would be required to rely on the information given to him by a farmer as to what wheat was old wheat and what wheat was current production.

For these reasons it seems to me that the present system of securing CARs through the employment of a large number of inspectors is both unnecessary and expensive, and serves no useful purpose from the point of view of assuring accuracy in the report.

Two things I think must be done to secure accurate reports. In the first place, as a condition precedent to a farmer having a right to secure a P.F.A.A. award, he should be required to set forth in his Permit Book

at the time he receives it an accurate statement of the grain on his farm. A new Permit Book is secured at the end of a crop year for the coming year, and as the year ends on the 31st of July, this would be before the current crop is harvested. If a farmer disclosed his grain in storage on the farm at the time he obtained his new Permit Book, and was bound by this figure insofar as the P.F.A.A. program is concerned, then little difficulty would be encountered in determining accurately the amount of current crop harvested. In addition, this would be valuable information for the Wheat Board, because it would give the Board accurate information as to exactly how much wheat there is in storage on the farms in the entire spring wheat area.

Secondly, when a Municipality or the Province makes an application under the Act for assistance under the P.F.A. program, all farmers in the area affected should be required to complete CARs for the current year and to deliver them to the secretary of the municipality or departmental official concerned. In local improvement districts some special provision should possibly be made, but in the case of the municipalities it should not be necessary for these CARs to be secured by Inspectors. There would appear to be no reason why the CARs could not be properly completed by the farmers themselves, and delivered to the secretaries of the municipalities. It should be the responsibility of the municipality concerned to see that all the CARs are secured and submitted to the P.F.A. Administration. The cost of checking and undertaking this work by the municipality should be met by the P.F.A. Administration.

To ensure the accuracy of the CARs submitted, spot checks should be made throughout the municipality by an investigator, or a team of investigators, from the P.F.A.A. Headquarters. Such an investigation should be undertaken by trained people who will make a proper investigation without embarrassment to the farmer. Every form or CAR should have upon its face a statement to the effect that such spot checks will be made, so that all farmers who complete or forward these reports will anticipate such investigations being made.

There is another matter that should possibly receive consideration. This is the desirability of payments being made only in cases where the average yield of a farmer on his entire acreage is less than 12 bushels per acre, and then only for such portion of that acreage where the yield is less than eight bushels per acre. In other words, an individual farmer should not receive an award if he has a 12 plus production on his whole acreage.

This provision, I think, should replace the present provision which eliminates a farmer from receiving a payment on a 12 plus section, even though his own production is much less than eight bushels per acre. The effect of this would be to eliminate farmers who do not require assistance because they have a 12 plus production on their entire farm holdings, but to permit individual farmers to secure assistance even though they may be situated on part of a section with a yield of 12 bushels per acre or more.

The effect of this provision too would be to discourage an urge on the part of some farmers to estimate low yields because of some consideration for their neighbours, and would at the same time curtail "dumping" of wheat from one farm to another in order to obtain a P.F.A.A. award on a part of a farmer's land. It would also to some extent eliminate the necessity of allocating production among parcels of land in order to obtain proper production on each parcel.

There is a provision in the present Act that should receive consideration. Section 7 of the Act provides that all awards shall be paid in the month of December. It is not always possible that this can be done. The evidence before me indicated that in 1962 there were many CARs that had not even been processed by the Supervisor of the Swift Current District by the end of the year. It is impractical to fix a definite date for the payment of all awards, because the Minister must assume responsibility for determining when all provisions of the Act have been met and awards can and should be paid. To avoid any misunderstanding, Section 7 should be repealed or amended in such a way that would enable the Administration to carry out its requirement.

Finally, there is one other matter that should receive consideration, and this is the desirability of eliminating from production marginal lands on which crop failures continuously occur from year to year. Some of these lands only remain in production because of the

P.F.A.A. program. The farmers on them would be unable to continue to farm these lands if they did not obtain P.F.A.A. awards. Lands of this type may be farmed and kept in production for the purpose only of securing P.F.A.A. assistance, which tends to prejudice the entire program and to create an unfair burden on the farming community.

The Prairie Farm Rehabilitation Administration is charged with the responsibility of rehabilitating lands of this type. It would seem logical, therefore, that the P.F.A.A. and P.F.R.A. Administrations should be more closely associated with each other in order to eliminate on the one hand marginal lands from receiving P.F.A.A. assistance, and on the other hand, to provide alternate land uses that would broaden the base of agriculture and improve the economy of the affected areas.

CONCLUSIONS

(a) The evidence before me indicated that the Director of The Prairie Farm Assistance Act was justified in recommending the dismissal of Mr. George M. Walker as Supervisor of the Swift Current District.

(b) The evidence before me indicated that there were in fact irregularities in the Swift Current Supervisory District, and that an investigation should have been made at the time it was recommended by the Director of the P.F.A.A.

(c) The evidence before me indicated that the present system being employed by the P.F.A.A. does not tend to secure the accurate information necessary to efficiently administer the program outlined in the Act.

(d) The evidence before me indicated that the system and the lack of care in carrying it out were responsible to a great extent for the inaccuracies which occurred in the Cultivated Acreage Reports submitted by the farmers.

(e) The evidence before me indicated that it is impossible at this time to accurately determine the proper awards that should have been made to all the farmers in the Swift Current Supervisory District for the year 1962.

RECOMMENDATIONS

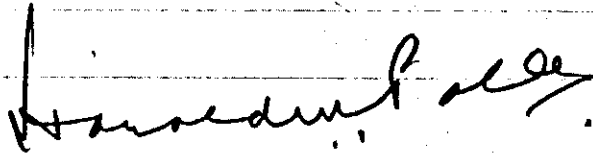
(1) In view of the fact that many farmers in the Swift Current area received awards without any wrongdoing on their part, and that it is now impossible to accurately determine the proper awards that should have been made to all farmers who received the awards, or for that matter determine accurately as to whether or not a farmer should in fact have received a lesser amount, or no amount at all; I recommended that no attempt should now be made to secure reimbursement from any of the farmers who received an award, for the reasons which I have more particularly set forth on pages 49 and 50 of my report.

(2) I recommend that consideration should be given to changing the method in which reports are obtained and received under the Act and Regulations; and greater care should be taken in investigating and checking the accuracy of reports received.

(3) I recommend that consideration should be given to the feasibility of securing reports through the secretaries of the municipalities affected by crop failure, the P.F.A. Administration providing reasonable financial assistance to enable this to be done.

(4) I recommend that consideration should be given to placing the permanent staff of the Prairie Farm Assistance Administration under the Civil Service of Canada, in order to eliminate the possibility of political pressure being exerted on those entrusted with the responsibility of administering the Act.

ALL OF WHICH I RESPECTFULLY SUBMIT FOR YOUR EXCELLENCY'S CONSIDERATION.



COMMISSIONER

June 10, 1964.

APPENDIX "A"

THE ORDER IN COUNCIL

P.C. 1963-1896

Certified to be a true copy of a Minute of a Meeting of the Committee of the Privy Council, approved by His Excellency the Governor General on the 21st December, 1963.

The Committee of the Privy Council, on the recommendation of the Prime Minister, advise that His Honour Judge Harold Walpole Pope, a judge of the District Court of Saskatchewan, Moose Jaw, Saskatchewan, be appointed a Commissioner under Part I of the Inquiries Act to inquire into and report upon:

- (a) the circumstances leading to the dismissal of Mr. George Walker from the position of District Supervisor of the Prairie Farm Assistance Administration; and
- (b) irregularities alleged to have occurred in the processing of claims for benefits under the provisions of the Prairie Farm Assistance Act and the payment of such claims, relative to the crop grown in the year 1962 in the Province of Saskatchewan.

The Committee further advise:

1. That the Commissioner be authorized to exercise all the powers conferred upon him by section 11 of the Inquiries Act;
2. That the Commissioner adopt such procedures and methods as he may from time to time deem expedient for the proper conduct of the inquiry and sit at such times and at such places as he may decide from time to time;
3. That the Commissioner be authorized to engage the services of such counsel, staff and technical advisers as he may require at rates of remuneration and reimbursement approved by the Treasury Board; and
4. That the Commissioner report to the Governor in Council with all reasonable despatch, and file with the Dominion Archivist the papers and records of the Commission as soon as reasonably may be after the conclusion of the inquiry.

R. G. Robertson,
Clerk of the Privy Council.

APPENDIX "B"

SUMMARIES OF FARMERS' EVIDENCE

PRAIRIE FARM ASSISTANCE ACT INQUIRY

During the course of the Inquiry, 103 farmers from the Swift Current P.F.A.A. Supervisory District were subpoenaed to give evidence to the Commission on alleged irregularities in the submission and processing of claims for awards under the Prairie Farm Assistance Act. The following summaries of evidence are not identified as to the names and addresses of the farmers concerned. This information, if required, can be secured from the official transcript of evidence.

FARMER NO. 1

This farmer operates on a relatively small scale and had only 65 acres in crop in 1962. He reported his yield as 312 bushels when, in fact, evidence indicates it should have been 383 bushels. This would adjust his yield per acre from 4.8 to 5.8 bushels.

FARMER NO. 2

A carry-over of 500 bushels of old wheat was incorrectly included in his 1962 returns. His 1962 yield was also improperly measured. His production for 1962 should have been 3313 bushels instead of the 2,005 reported. This would adjust his return per acre from 8.9 to 14.5 bushels.

FARMER NO. 3

The 1962 yield was reported as 645 bushels when it should have been 799 bushels. A carry-over of wheat amounting to 791 bushels was incorrectly reported. There, in fact, should have been no carry-over. The correct yield

per acre should be 11 bushels rather than the 9 bushels reported. This farmer admitted his error and stated that he was confused at the time his 1962 return was completed.

FARMER NO. 4

This farmer declared his production in 1962 to be 1,946 bushels when, in fact, it was 2,450 bushels. The proper yield per acre should be 12 bushels rather than 9.7 bushels as reported.

FARMER NO. 5

Wheat carry-over to 1962 should be 100 bushels rather than the 1,000 bushels reported. This farmer reported that his bins were inspected by the Inspector. Differences noted between production and sales in 1962 were explained by the farmer on the basis of mixed grains.

FARMER NO. 6

The declared production of this farmer in 1962 was 1,181 bushels when the actual production should have been 2,670 bushels. This would adjust his yield per acre from 6 bushels to 14.9 bushels.

FARMER NO. 7

The declared production of this farmer in 1962 was 1,413 bushels with an actual production admitted to by the farmer of 1,688 bushels. This man's actual sales in 1962 were 2,603 bushels. He produced a receipt for \$700 to show that this value of grain, which was represented by 700 bushels of wheat, was paid to him against a loan he had extended in 1956. Giving credit for this, the farmer

agreed that his yield should be 8 bushels per acre rather than 6.9 as reported.

FARMER NO. 8

This man showed no carry-over in his 1961 return but noted old wheat amounting to 1,100 bushels in 1962. He explained that this amount of grain was received from the estate of his father who had died. This explanation seemed reasonable and his declared production of 1,817 bushels in 1962 should be considered as accurate.

FARMER NO. 9

This farmer declared a production of 2,014 bushels in 1962 against an actual production of 3,445 bushels. He agreed that his yield should be 11.3 bushels per acre instead of the 7.7 reported.

FARMER NO. 10

The declared production of 1,477 bushels should, in fact, be 2,409 bushels. The farmer agreed that his yield should be 10 bushels per acre rather than 6 as reported.

FARMER NO. 11

This farmer has 136 cattle and feeds them grain. Because of this livestock operation it is now impossible to determine the amount of grain grown in 1962. He had no carry-over of wheat from 1961. The bins were not measured at the time of the inspection, but he declared a carry-over of 704 bushels in 1962 with a declared production of 1,151 bushels. Sales records for 1962 show that 2,988 bushels were sold. The farmer explains this difference by stating

that he had made incorrect estimates of production.

FARMER NO. 12

On this farm there was an actual production of 881 bushels and a declared production of 454 bushels. This increases the yield reported from 4.5 bushels per acre to 8.8 bushels.

FARMER NO. 13

The farmer's copy of the CAR does not agree with the original copy of this document. It would appear that adjustments were made in the form by the Administration after the Inspector took the report. From evidence presented actual production should be 1,012 bushels, while 807 bushels were reported. This will adjust the yield from 10.7 bushels per acre to 13.4.

FARMER NO. 14

This farmer had a declared production of 1,991 and an actual production of 2,391 bushels. His average yield should be adjusted from 15.5 bushels per acre to 18.4.

FARMER NO. 15

This farmer declared a production of 4,467 bushels. On questioning, the farmer revised his figures to total 12,874 bushels. This would adjust his return from 9.5 bushels per acre to 27.3. This man received a 1962 P.F.A. award.

FARMER NO. 16

In this case, the farmer admitted that there was an error in his return due to the wrong size being given for

his bins. The correct yield should be about 3,000 bushels instead of a declared yield of 2,090 bushels. This will adjust his yield from 7.4 bushels per acre to 10.7 bushels.

FARMER NO. 17

This farmer declared 1962 production to be 434 bushels while the actual production was, in fact, 1,420 bushels. The adjusted yield on this basis would be 7 bushels per acre rather than 2 bushels. The error was blamed on a misunderstanding between the farmer and the Inspector.

FARMER NO. 18

This farmer agreed that his production should have been 1,020 bushels instead of 820 bushels. This will increase his yield from 10.2 bushels per acre to 12.7 bushels.

FARMER NO. 19

In this case the farmer agreed that his production for 1962 should be 1,128 bushels instead of the 604 bushels that he reported. This results in an increased yield per acre from 5.7 bushels to 10.6 bushels.

FARMER NO. 20

The yield reported by this farmer is incorrect and this resulted from the inaccurate listing of acres under cultivation. The proper acreage should be 320 rather than 355. This results in an increase of yield from 18 bushels per acre to 19.9 bushels.

FARMER NO. 21

This farmer said that his wheat carry-over from 1961 should have been 1800 bushels instead of the 800 bushels.

that he reported. His yield, sales, and carry-over figures were reviewed with him and it would appear that there still should be another 1,000 bushels of carry-over to add to his previous correction of 1800 bushels. At this time it is impossible to accurately determine his production for 1962, but it would appear that this production should be substantially more than he set forth in his CAR.

FARMER NO. 22

The 1962 CAR showed a wheat carry-over of 2800 bushels. In view of production and sales records available to the Commission, this figure is not correct. From evidence available it is impossible at this time to determine the exact production in 1962, but it would be in excess of the amount reported.

FARMER NO. 23

This farmer reported that he did not try to give accurate information on production or carry-over to the Inspector. His wheat carry-over for 1962 should be 522 bushels rather than the 635 bushels reported, and his 1962 production should be in excess of 1,000 bushels as against the 492 bushels reported. This would adjust his yield from 5.9 bushels per acre to 12.7 bushels.

FARMER NO. 24

This man did not seem to be well and was, therefore, excused from giving evidence. It would appear that he is a rancher and is only incidentally concerned with wheat production on a relatively small scale. He farms irregularly shaped fields where it is hard to determine accurate yields.

The fact is, however, that declared production in 1961 was 1150 bushels with no carry-over and after selling 669 bushels in 1961 the farmer on his 1962 CAR declared old wheat totalling 1,400 bushels, and 1962 production as 1,000 bushels. Sales in 1963 totalled 2,142 bushels. In view of the fact, however, that this man did not complete his evidence, no finding can be made in this case.

FARMER NO. 25

This farmer's report was not properly checked by the Inspector in 1961. There is no entry on the farmer's copy in the space for wheat carry-over while the Inspector's copy shows "no carry-over". This change was apparently made after the form was signed by the farmer. The farmer says his carry-over was 2,000 bushels, and if this is so, his return for 1962 would appear to be in order.

FARMER NO. 26

This man was very frank in admitting that his CAR was completely wrong. He said that the figure of 1,400 bushels of old wheat shown on his CAR as carry-over was not correct. There, in fact, was no carry-over and his 1962 production should have been 4,106 bushels rather than the 2,043 bushels shown. The correct yield should, therefore, be adjusted from 6.9 bushels per acre to 13.9 bushels.

FARMER NO. 27

This man freely admitted that he had not included his landlord's share in his return, and that his production should have been 5,055 bushels rather than 4,567 bushels.

This would give a yield of 10 bushels per acre rather than the 9 bushels reported.

FARMER NO. 28

This farmer agreed that his correct production for 1962 should have been 7,075 bushels rather than the 4,244 reported. This would, therefore, adjust his yield per acre from 8.2 bushels to 13.8 bushels.

FARMER NO. 29

This farmer advised that his proper production in 1962 should have been 2,021 bushels instead of 988 bushels as reported in his CAR. This would adjust his yield from 6.1 bushels per acre to 12.6 bushels.

FARMER NO. 30

This man was ill in 1961 and did not complete his 1961 CAR. The 1962 return checks out satisfactorily and it would appear that the information given is correct. The difficulty in this case apparently arose from the fact that the 1961 return gave only approximate figures. The information was supplied by someone other than the farmer.

FARMER NO. 31

In 1961 this farmer had a good crop and some of it was piled but not threshed. Subsequently, it was threshed and this provided the additional carry-over that was not reported on the CAR. With this explanation it would appear that the 1962 CAR submitted by this man is correct.

FARMER NO. 32

This farmer advised that his 1962 P.F.A. return was incorrect. He said that he just guessed the amount and that

the 1962 production should be 1,830 bushels rather than the 1,024 reported. This would give a yield of 11.8 bushels per acre rather than the 6.7 bushels reported.

FARMER NO. 33

This man indicated that his 1962 return was incorrect and that his proper production should be 2,032 bushels rather than the 1,511 bushels reported. This would result in a yield adjustment from 12.6 bushels per acre to 16.9 bushels. The farmer added that his bins had not been measured.

FARMER NO. 34

In this case the farmer agreed that his minimum 1962 production should be 8,500 bushels, although the figures available to the Commission would indicate that it was substantially more than this. He reported a crop return of 7,906 bushels. On the basis of his admitted error his yield per acre would be adjusted from 13.1 to 14 bushels.

FARMER NO. 35

This man freely admitted that his 1962 production should have been 12,018 bushels instead of 6,915 bushels as originally reported. This would result in a yield of 19.2 bushels per acre instead of 10.9 bushels.

FARMER NO. 36

In this case the farmer advised the Commission that he had incorrectly reported his production in 1962 as 660 bushels. In fact, it should have been 1,821 bushels, which would change his yield from 5 bushels per acre to 14 bushels.

FARMER NO. 37

This man reported that he had incorrectly shown his 1962 production as 4,099 bushels when, in fact, it should have been 4,870 bushels. This would adjust his yield from 9.8 bushels per acre to 11.5 bushels.

FARMER NO. 38

This farmer sold some of his father's grain as well as his own in 1962. Production and carry-over figures were very difficult to arrive at and it was impossible to reconcile an accurate production figure for 1962.

FARMER NO. 39

Again it was difficult to reconcile the figures given by this farmer as against those shown on official records and available to the Commission. His 1961 return indicates that there should have been a carry-over of only 64 bushels, but in 1962 he declared a carry-over of 2,070 bushels and gave a production of 904 bushels. Incorrect bin measurements appear to have resulted in part for the discrepancies.

FARMER NO. 40

With the explanation given to the Commission by this farmer his returns now appear to be correct. The additional old wheat appearing in 1962 over that reported was accounted for through the receipt of old wheat from an estate.

FARMER NO. 41

This farmer frankly declared that his 1962 production should have been 2,643 bushels and not 1,140 bushels as set out in his return. He also agreed that his yield was 17.5

bushels per acre rather than the 7.6 bushels reported.

FARMER NO. 42

This man indicated that his proper 1962 production was 4,229 bushels rather than the 3,110 bushels that he reported. He agreed that his yield should now be adjusted from 9.4 bushels per acre to 12.5 bushels.

FARMER NO. 43

Records available to the Commission show that this farmer's production should have been 1,926 bushels in 1962 against a reported production of 1,276 bushels. This would result in a yield increase from 6.7 bushels per acre to 10 bushels.

FARMER NO. 44

This farmer agreed that his correct production in 1962 should be 3,390 bushels instead of 2,905 as reported. This would give a yield of 7.7 bushels per acre instead of 6.6 bushels. He advised that his bins were never measured or checked.

FARMER NO. 45

The inaccuracy in this farmer's return resulted from incorrect figures being given for wheat carry-over in 1961. The production declared in 1962 of 1,689 bushels is approximately correct. Information available to the Commission would indicate that his correct yield was, in fact, 1,813 bushels.

FARMER NO. 46

Inaccuracies in this case resulted from incorrect figures

being given for old wheat in 1961. After questioning, the farmer advised that the figure given for old wheat in 1961 of 1,900 bushels was not correct and that, in fact, it should have been approximately 19,000 bushels. Obviously, no attempt was made to accurately determine the carry-over in 1961. His 1962 returns indicated a carry-over of 10,200 bushels with a production of only 5,748 bushels. Sales figures for 1962 were 12,622 bushels. It is impossible to accurately determine or reconcile the figures given.

FARMER NO. 47

There are obviously errors in the returns made by this farmer, both in 1961 and 1962. However, production was very low and would likely range between 2 and 4 bushels per acre.

FARMER NO. 48

This man indicated that he had a wheat carry-over in 1962 when, in fact, there was none. His total production, however, is very little more than that set forth in his return and it would appear that his figures were approximately correct except that there was no carry-over of old wheat. His correct yield would not likely be more than 5 bushels to the acre.

FARMER NO. 49

This farmer freely admitted that his 1961 and 1962 P.F.A. returns were completely inaccurate. He advised the Commission that his carry-over of wheat for 1961 should have been 40,000 bushels instead of 4,000 bushels, as indicated. He advised that he was farming some of his father's land as well as his own. He said that his reported production of

2,344 bushels in 1962 was not at all accurate and instead of a yield of 12 bushels per acre, it should have been 20 bushels. This farmer did not get a P.F.A.A. award and seemed indifferent as to the accuracy of his return. He reported that he and his father at this time still had on hand about 30,000 bushels of wheat. At the time of the P.F.A.A. inspection, he was asked how much carry-over wheat he had and he advised the Inspector that he did not know. The Inspector suggested 4,000 bushels and the farmer reported that he had at least this much on hand.

FARMER NO. 50

This man admitted that his 1962 production figure was not accurate and was just a rough estimate. Records available to the Commission show that he sold more wheat in 1961-62 than his P.F.A. returns showed he produced or carried over. The farmer's copies of the CARs were not the same as the originals filed with P.F.A.A. It is impossible to accurately determine the correct production for 1962 from the information available to the Commission.

FARMER NO. 51

In this case the farmer insisted that his 1962 production was only 378 bushels, although figures given to the Commission would indicate that his correct production should be in excess of 800 bushels. There appears to be no way of accurately determining the correct figure.

FARMER NO. 52

This man indicated that his proper production for 1962 should be 683 bushels rather than 198 bushels, as reported.

This would adjust his yield from 2.6 bushels per acre to 9 bushels.

FARMER NO. 53

This farmer gave incorrect production figures for 1961. 1961 production should have been 1,000 bushels rather than 345 bushels as reported. The farmer said that he thought the P.F.A.A. Inspector was soliciting the bonus in 1961 and put the lower figure down. The correct production for 1962 should be 1,194 bushels, which is approximately that given by the farmer, except that seed used was not included.

FARMER NO. 54

In this case there was no accurate measurement of yields or carry-over. The farmer estimated his crop to be 20 bushels per acre in 1962. He didn't receive a P.F.A.A. award and wasn't particular about production figures. He said that the information given on his P.F.A. return was calculated by estimating an average yield per acre and then multiplying this by the number of acres in crop. His bins were not measured in 1961 or in 1962. In 1961, the carry-over figure given was nil when it should have been 3,500 bushels. It is impossible to determine accurately the correct production figures for 1962 from information available to the Commission.

FARMER NO. 55

The figure given for grain carry-over from 1961 by this farmer was based only on land he is now farming, whereas his 1962 returns include all grain produced, including production from a farm that has now been sold. He has mixed his production and sales from these properties and it is not possible for the Commission to analyze the accuracy of his returns.

FARMER NO. 56

This farmer advised the Commission that in 1962, the P.F.A. Inspector told him to make his yield less than it really was so that P.F.A.A. awards could be paid. The Inspector was called to give evidence in this case and denied that he made any such statement, or any statement that could be interpreted in this way. The Inspector, however, said he never checked the carry-over of 1962 wheat. He just took the farmer's word as to the number of bushels. He looked at only the bins that were indicated as holding 1962 production, and checked no further. He advised that he did not check the correctness of the stated carry-over and depended on the farmer to allocate the total crop to the different parcels of land that he farmed. The farmer agreed that his correct yield should have been 12 bushels per acre instead of 8.2 bushels, as reported.

FARMER NO. 57

This farmer advised that the carry-over that he reported from 1961 production was incorrect and should have been 4,300 bushels, rather than 2,000 bushels. He said that he did not attempt to reach any accurate figure of old wheat at the time his P.F.A. returns were filed. Current production was estimated from acres planted and not by measurement.

FARMER NO. 58

There was no production shown for this man's farm in 1962 because of hail. The figures given in his 1962 P.F.A. report were completely inaccurate. With only 488 bushels reported produced in 1961, and with no production in 1962, his total

sales for the two years amounted to 7,797 bushels. It would appear that his carry-over returns from earlier years were not correctly reported and that this man did, in fact, suffer a complete crop failure in 1962.

FARMER NO. 59

Bins were not measured and no proper inspection of grain in storage was made at the time this farmer's CAR was filed. The carry-over figure of 5,000 bushels shown in his 1962 report does not agree with 1961 figures, which showed a total production and carry-over of 4,859 bushels and sales of 3,848 bushels. Sales in 1962 totalled 5,706 bushels, but of this, according to the farmer, only 1,024 bushels represented 1962 crop. There is no way of determining at this time the correct production figure for 1962.

FARMER NO. 60

This farmer reported that the P.F.A. Inspector never measured granaries or bins. The farmer says he calculated his production from loads placed in bins and that the production for 1962 was 612 bushels. The depth measurement of the granary used for storage of 1962 production was filled in on the CAR to make the correct figure for 612 bushels, for the size of granary. The 1961 CAR shows a total production and carry-over of 4,864 bushels, and sales in 1962 of 5,513 bushels. The 1962 CAR indicates a carry-over of 5,000 bushels. These figures do not accurately set forth the facts as they must have been, but at this time there is no way open to the Commission to determine the correct production in 1962.

TO BE NOTED - In the three preceding cases, farmers 58, 59,

and 60, were three brothers who each declared old wheat in 1961 in exactly the same amount - 4,000 bushels. In 1962 they again each declared the same amount of old wheat, this time in the amount of 5,000 bushels. This seems to be a strange coincidence.

FARMER NO. 61

This man is in business and found it difficult to visit his farm on a regular basis. He was possibly a bit careless in making out his return, but it would seem that his 1962 figure is approximately correct.

FARMER NO. 62

In this case the man harvested the grain himself and says that the bins were never measured, but that he gave accurate figures to the Inspector and that his production actually was 1,240 bushels as reported. This aspect of his return seems to be correct but there would appear to be errors in the carry-over figures of grain that he reported.

FARMER NO. 63

This farmer reports that his bins were not measured, and there was just a rough production estimate made from the number of truck loads of grain that were hauled to his granaries. From this, he arrived at the figure of 2,207 bushels for 1962 production. He gave the size and length of the granary to the Inspector and the Inspector filled in the depth of wheat to make the correct number of bushels without measuring the bin. This rough estimate of production would appear to be approximately correct, but it is impossible to determine the correct figures.

FARMER NO. 64

In this case again, bins were not measured. The wheat carry-over figures from 1961 are not correct. The Inspector just asked the farmer the number of bushels and then apportioned it among the different pieces of land farmed by the farmer. The carry-over figure on the farmer's copy of the CAR is different from that figure placed on the original copy. The original copy shows a carry-over of 1,400 bushels and the copy 800 bushels. It is impossible to determine or check the declared production for 1962. It would appear that this production would be considerably more than indicated on the P.F.A. return in view of sales shown for 1962 of 2,836 bushels.

FARMER NO. 65

This farmer said that his 1962 figure for production was more or less guesswork. He advised the Commission that although his report said that his bins were measured, they were, in fact, not. Production for 1962 would appear to be 7,478 bushels but this production must be apportioned to various parcels of land farmed by this operator and there is no way now of accurately making this allocation.

FARMER NO. 66

In this case, from information available to the Commission, it would appear that 1962 production should be in excess of 1,000 bushels rather than the 512 bushels reported. This would adjust the farmer's yield from 6 bushels per acre to 13.6 bushels.

FARMER NO. 67

The 1962 return appears to be correct. In that year there were 4,500 bushels of grain on the farm which wasn't the

farmer's wheat, and which was not sold under his permit book. This wheat should have been properly identified.

FARMER NO. 68

This report was taken early in the 1962 inspection period and indicated that the 1962 crop had been severely hailed. Subsequently, more grain was recovered from the hailed crop than was expected. The yield reported at the time of the inspection amounted to 686 bushels and was probably correct at the time it was given. However, additional grain was harvested and the total production for 1962 finally amounted to 1,715 bushels. Therefore, the yield for 1962 should have been 14.2 bushels per acre instead of the 5.7 bushels reported. The inaccuracy in this case was unintentional resulting from the unexpected recovery of additional grain from the hailed crop.

FARMER NO. 69

The farmer in this case indicated that the 1962 production figure given in his P.F.A. return was not accurate, but was purely an estimate. He said that he gave the inspector the size of his granary, his estimated yield, and then put in on the CAR the height of grain in the granary that would make it come out right. He advised that he did not think it made any difference what he put down for old grain. He reported that the proper production for 1962 should have been 3,182 bushels rather than 2,753 bushels as reported. This would, therefore, adjust his yield from 9.8 bushels per acre to 11.3 bushels.

FARMER NO. 70

This farmer stated that the yield, as set forth in his 1961-1962 P.F.A. report, was not correct and should have been 2,720 bushels instead of 1,631 bushels, while the number of acres

farmed should have been 188 rather than 205. He gave an estimate of production to the Inspector, and then gave the dimensions of the granary to the Inspector. The height of grain in the granary was filled in on the report to make it come out right for the size of the granary, and the production figure that had been given. The proper yield should have been 14.7 bushels per acre instead of 7.9 bushels.

FARMER NO. 71

This man was in the hospital at the time his 1962 P.F.A. report was secured and his brother endeavoured to give the correct information. In view of this complicating factor, it is not possible to determine the correct production figures for 1962.

FARMER NO. 72

In this case, 1962 production appears to have been 1,217 bushels rather than the 576 bushels reported, but the farmer was unable to determine where the extra grain came from. It would appear, however, that the carry-over of old wheat declared is not correct. From the information available to the Commission it was not possible to determine the 1962 production with any degree of accuracy.

FARMER NO. 73

This man does not live on his farm and he took production figures from the farmer who did his harvesting for him. The figures are obviously wrong but it is impossible at this time to determine the correct production. The declared production for 1962 was 549 bushels with no apparent carry-over from 1961.

In 1962 a carry-over of 600 bushels was reported and sales totalled 1,147 bushels.

FARMER NO. 74

A wheat carry-over of 2,500 bushels was declared on this farmer's 1962 P.F.A. return in spite of the fact that all old wheat and production for 1961 appear to have been disposed of, and that he sold or seeded 4,024 bushels in 1962 with a 1962 production given as 3,598 bushels. In response to an examination of these returns the farmer indicated that his production figure for 1962 was just a guess, and that his bins were not measured. The 1962 production figures given by this farmer on his P.F.A. return or his 1961 carry-over figures are definitely in error.

FARMER NO. 75

This farmer indicated that his production figure of 1,803 bushels for 1962 was just an estimate. From facts available to the Commission it would appear that his production was at least 2,700 bushels. There may have been a carry-over from 1961 to reduce this figure somewhat, although an examination of records or production for 1961 would indicate that this could not be. Certainly production in 1962 was more than the amount indicated, and the farmer says that his 1962 grain was stored in two granaries, while the measurement of only one granary is indicated in his 1962 return.

FARMER NO. 76

The 1961 P.F.A. return from this farmer indicated total 1961 production together with carry-over from previous years of

2,561 bushels with sales in 1961 of 3,413 bushels. The 1962 P.F.A. report filed by this farmer indicated old wheat amounting to 2,520 bushels with a production in 1962 of only 650 bushels. From information available to the Commission it would appear that a large part of the 2,520 bushels of old wheat was, in fact, 1962 wheat, but the farmer was not prepared to admit that this was so.

FARMER NO. 77

This farmer was called as an Inspector in regard to the statements attributed to him by farmer no. 56. His evidence was summarized under the report given for farmer no. 56.

FARMER NO. 78

The 1962 production figure reported in P.F.A. returns was only an estimate, this farmer advised. He stated that the amount of 800 bushels declared as old wheat carried over from previous years might have been a mistake, but that he could not remember. It would appear that there is no way of determining accurately at this time what the proper 1962 production figure should be.

FARMER NO. 79

This witness freely declared that the figures given in the 1962 P.F.A. report were absolutely wrong, and that correct production figures should have been 2,457 bushels as there was no carry-over of old wheat to 1962. A production figure of 500 bushels was originally indicated on the return. The yield for this farmer should be adjusted from 4 bushels per acre to 15.3 bushels.

FARMER NO. 80

Some of the wheat sold in 1962 by this farmer was wheat that he received for custom farm work. Bins were measured in 1962 and the declared production appears to be correct. Differences in production and carry-over figures can be explained by wheat received for doing work for others.

FARMER NO. 81

This farmer's return in 1962 was not accurate but he was not able to help the Commission to secure correct production and carry-over figures. Information available to the Commission was not sufficient to allow an accurate analysis of the 1962 program of this farmer.

FARMER NO. 82

This farmer gave incorrect information for grain carry-over in 1961. He advised that he did this because he thought if he gave correct information it would affect his P.F.A. award. His bins were not measured. Production and carry-over figures were rough estimates and the Commission has no way of determining the correct situation.

FARMER NO. 83

This man said that the production figure given in his 1962 P.F.A. return was a rough estimate and he does not know if it is even approximately right or not. For one thing, he did not include his landlord's share of crop and this would adjust his production figures from 2,008 to 2,808 bushels. There are possibly other inaccuracies as well that the Commission did not explore.

FARMER NO. 84

In this case it was necessary to measure piles of grain on the ground to estimate 1962 production for P.F.A. purposes. The Inspector tried to measure and estimate the yield accurately, but there appeared to be more wheat than he, in fact, estimated. This error did not appear to have been intentional. The actual production of 1962 wheat totalled 1,695 bushels, while the estimate amounted to 1,436 bushels.

FARMER NO. 85

This man is an implement dealer and takes grain in on implement sales. This added wheat confuses the records kept for production on his own land. The Inspector appeared to make an effort to get the correct production figure in 1962, and it is possible that the estimate of 2,981 bushels is approximately correct.

FARMER NO. 86

In this case, the bins were not measured in 1962 and the allocation of grain production to various parcels of land, and in fact, the total production of grain appears to have been a guess. The farmer accounts for obvious errors from his estimate by stating that his father gave him 1,200 bushels of wheat. This was not reported. In any case, his yield exceeded 12 bushels per acre.

FARMER NO. 87

This man said that the figure given by him for 1961 wheat carry-over in his P.F.A. report was not correct. He also said that the carry-over indicated for his 1962 operations was not

correct. He reported that his declared production in 1962 was arrived at by simply counting the loads of grain placed in his bins and that no measurements of any kind were taken. It is not possible at this time for the Commission to determine the correct figure for production in 1962.

FARMER NO. 88

In this case, the farmer reported that the figure given in his 1962 P.F.A. report indicating carry-over was not correct, and that it included his brother's wheat which should not have been set forth in his return. He further advised that his brother gave him this wheat on deals and transactions that they had had. He did not know whether his bins were measured by the Inspector, but the Inspector said that he would do this, although the P.F.A. report was completed before any bin inspection was made. Production was declared at 5,925 bushels for 1962, which would result in a yield of 18.1 bushels per acre. It would appear, however, that sales were incorrectly set out as 1,550 bushels and that actual sales should, in fact, have been 2,030 bushels, which would result in a yield in excess of 20 bushels per acre.

FARMER NO. 89

This man says that his bins were not measured. If his P.F.A. return is accurate, he could not have had a carry-over of 1,000 bushels as indicated. He reported to the Commission that he could not remember anything about calculating his 1962 return, but he said that the Inspector took his word for production without measuring or checking his bins. It would be very difficult to determine the correct 1962 production figures for this farmer.

FARMER NO. 90

In this case, the farmer said that the Inspector appeared to do his job very well in completing his 1962 return. He reported that his bins were measured and that his production was carefully checked. However, on comparing his 1961 and 1962 returns, the carry-over of 1,600 bushels shown for 1962 could not be correct, but no explanation was given by the farmer regarding this. He stated that the production figure shown for 1962 was accurate.

FARMER NO. 91

The farmer agreed in this case that the figure given in his 1962 returns for production was not correct. He reported that his bins were measured by him and that he gave the figures to the Inspector. He said that the Inspector did not check these figures but took his word for them. The farmer agreed that his proper production in 1962 should have been 2,270 bushels rather than 1,373 bushels as reported, which would adjust his yield from 5.7 bushels per acre to 9.9 bushels.

FARMER NO. 92

Grain production, as stated in the 1962 P.F.A. return, was not correct, the farmer reported. 1962 grain was incorrectly reported as old wheat. His production should have been 2,924 bushels rather than 1,724 bushels as reported, which would adjust his yield from 5.2 bushels per acre to 8.8 bushels.

FARMER NO. 93

The Inspector did not measure or check the farmer's bins in this case. He just rade out the form for the farmer with information supplied by the farmer. The farmer agreed that

the correct production should have been 2,315 bushels rather than 1,521 bushels as reported, which would change his yield from 10 bushels per acre to 15.4 bushels.

FARMER NO. 94

Here again, wheat production in 1962 was identified in part as old wheat on the P.F.A. return. 1962 production was actually 3,470 bushels rather than 1,555 bushels and the farmer agreed that his yield was, in fact, 17.8 bushels per acre rather than 7.9 bushels, as reported.

FARMER NO. 95

This man says that his 1962 production should have been 5,435 bushels instead of the 4,477 bushels reported, and that his carry-over to 1962 was, in fact, 400 bushels rather than 800 bushels as reported to P.F.A.A. His correct yield would be adjusted from 7.2 bushels per acre to 9.2 bushels.

FARMER NO. 96

This man had in 1962 only a small production on 40 acres. He agreed that his proper yield should have been 8.8 bushels per acre rather than 6.2 bushels, as reported.

FARMER NO. 97

This man feeds a large number of cattle and has extensive holdings. He does not make a practice of selling wheat, but rather feeds it to his livestock. It is impossible to estimate what his production for 1962 would be.

FARMER NO. 98

The figures given in this man's P.F.A. returns for both 1961 and 1962 were 1,500 bushels and 1,500 bushels respectively. He agreed that the correct production for 1961 was 2,000 bushels and for 1962 was 2,000 bushels.

1961 and 1962 are obviously incorrect. Figures given for production, wheat sales and carry-over for 1961 and 1962 do not agree. In 1961 he sold in excess of 11,000 bushels of grain and in 1962 declared a carry-over of 11,000 bushels with a production that year of 3,025 bushels. He says that he still has about 9,000 bushels of grain on his farm and that he thought he had 4,000 or 5,000 bushels on hand in July, 1963. He further advised that he did not figure out any of his returns at all, but that the Inspector did this for him. The figures given in his P.F.A. 1961 and 1962 returns are certainly inaccurate, but it is impossible for the Commission at this time to determine what the actual situation was in 1962.

FARMER NO. 99

This man said that the carry-over declared in his 1961 P.F.A. return is not correct. He advised that he sold everything he owned before the 1962 crop and that there was no carry-over of consequence to 1963. He thought that the Inspector had measured his bins but he was not sure of this. In any event, he reported that his correct production for 1962 should have been 4,755 bushels rather than 3,014 bushels which he reported. This would adjust his yield from 12 bushels per acre to 19 bushels. He reported that he did not obtain a P.F.A. award in 1962.

FARMER NO. 100

This farmer said that he had no carry-over from 1961 and that his production for 1962 should have been 3,717 bushels rather than 1,724 bushels that he reported. He agreed that

this would result in a yield of 12.3 bushels per acre rather than 6.9 bushels, as reported.

FARMER NO. 101

In this case the farmer advised that he had a carry-over of only 200 bushels from 1961, and that his proper production for 1962 should have been 2,503 bushels rather than 1,934 bushels as reported in his P.F.A. return. This would adjust his yield from 9.6 bushels per acre to 12 bushels.

FARMER NO. 102

This man reported that his declared production of 7,325 bushels in 1962 was only an estimate. He said that the Inspector did not measure his bins nor make any further check on production. The farmer's copy of the 1962 CAR was not the same as the original copy. The farmer's copy indicated carry-over for 1962 as nil, while the original copy of the form showed 2,000 bushels. This figure was improperly recorded and it would appear that the farmer's production for 1962, as reported in his P.F.A. return, is reasonably accurate.

FARMER NO. 103

This farmer said that the carry-over figure shown in his 1961 P.F.A. return was not correct. He said that he thought he should keep this down because it might affect his right to an award. In 1961 he declared a production of 640 bushels. In 1961 he sold 2,603 bushels, and in 1962 showed a carry-over of 5,000 bushels. He said, however, that his 1962 production figure of 3,133 is correct and that his sales for 1962 of

9,654 bushels is accounted for by reason of the fact that the carry-over declared in 1961 and in 1962 was not accurate. He advised that he adjusted his carry-over figure in order to obtain the P.F.A. award, and then found that in view of his large sales in 1962, it was necessary for him to pay income tax on his award. Obviously, there are some mistakes in the figures given by this man in his P.F.A. return and it is not possible for the Commission at this time to accurately establish what his true situation was in 1962 with respect to the P.F.A. program.