

tion of the condition resulting from thirty-five-cent or twenty-five-cent wheat for one, two or three years is staggering to the mind.

What has happened, after all, whether there should have been more sales or not, is this. A surplus, for which Mr. McFarland was not accountable, and for which this Government certainly was not accountable, had been carried forward from a time of great over-production and unprecedentedly low prices, from a time when its sale would have meant virtual desolation in the West, into a time when, though from the world standpoint there is still over-production, it is in a less aggravated form, and, because of better prices prevailing, it involves less hardship. There may be loss because of prior purchases at higher figures, but that loss will be vastly less than it would have been had the grain been precipitated on the market three or four years ago. That is all I wish to say on the general issue.

We are establishing a board for two purposes. The first is to take over the surplus still on hand—and, in a sense, owned by the country, inasmuch as our guarantee is behind it at a certain figure—to take it over and dispose of it to the best possible advantage, regard being had to all economic conditions. The second purpose is to handle the wheat being produced while this process is under way, and to pay the farmer what we actually get for it. The farmer is asking for nothing. He is to be paid only what the board receives for the grain, less expenses.

There is point to what my honourable friend says in relation to the policy which the new board should pursue in dealing not only with the grain on hand, but also the grain which comes to hand from the farmer. His comment contains much wisdom, and I commend it to the new board.

One does not like to repeat the words "I told you so," but I think I have a right to say that I am not, in even the remotest sense, the parent of any of the wheat boards in the Western Provinces which collected this surplus, nor of the united board which ultimately came to the verge of collapse. The board which functioned under the Government in 1919 and 1920 did its work magnificently. I admit that certain times were marked by excellent prices for grain; but there was a sound principle behind the scheme of operation, and it was successful. It was bitterly criticized at the time, and I suggest to my honourable friend that he look up the files of that day of the newspaper to which he pays such reverence now, to see what those criticisms were. I then offered Western Canada a board along

Right Hon. Mr. MEIGHEN.

the lines of the one proposed in this very Bill. My proposals were rejected by Western Canada, as they were by the rest of the Dominion, and the plan of provincial boards was adopted and given legislative sanction. Honourable senators whose memories are good may recall the debates which took place in another Chamber in 1922, 1923 and 1924. I would suggest that when time hangs heavy on their hands they might read what I said in those days. I give the invitation cheerfully, feeling that it will not be accepted. If it is, however, honourable gentlemen will not hold me responsible for the policy adopted, or the very dire and, I am afraid, disastrous consequences which followed.

The motion was agreed to, and the Bill was read the second time.

CANADA-POLAND CONVENTION OF COMMERCE BILL

FIRST READING

A message was received from the House of Commons with Bill 121, an Act respecting the Convention of Commerce between Canada and Poland, signed at Ottawa, July 3, 1935.

The Bill was read the first time.

SECOND READING

Hon. C. P. BEAUBIEN moved the second reading of the Bill.

He said: Honourable members, the right honourable the leader of the Senate has been called away; hence I am sponsoring this Bill. I think I can say that the general lines of the treaty now submitted to the House are the same as have been followed time and again in the past. It proposes the exchange of commodities between Canada and Poland under the most-favoured-nation clause.

Hon. Mr. DANDURAND: I do not know whether my honourable friend has read the Bill and the convention.

Hon. Mr. BEAUBIEN: No, I have not.

Hon. Mr. DANDURAND: If he had I was going to put a few questions. As he has not, I would suggest that we suspend the sitting of the Senate and proceed to the Banking and Commerce Committee to deal with the Grain Bill. When we report, perhaps in half an hour, we can take up this convention.

Right Hon. Mr. GRAHAM: Half an hour? The honourable gentleman is an optimist.

Hon. Mr. DANDURAND: I shall put a few questions to my honourable friend (Hon. Mr. Beaubien). He may be able to answer. The convention is to be found in the schedule