

where else. Practices prohibited under previous legislation are evaded in some way or other. I should like to show what I mean by quoting from Hansard of last year. On March 25, 1935, the house was in committee of supply dealing with the estimates of the former minister of trade and commerce, Hon. Mr. Hanson. I should like to quote from the discussion that took place in connection with an item pertaining to the administration of the Canada Grain Act. The former member for Macleod (Mr. Coote) started the discussion, which continued for about an hour and a half, and I recommend the reading of this discussion to hon. members who are interested in this matter. I quote from page 2066 of Hansard of last year as follows:

Mr. Coote: Mr. Chairman, a few years ago the Canada Grain Act was amended so as to prohibit the mixing of wheat in grades Nos. 1, 2 and 3 northern, and before this vote is carried I hope the minister will tell us what steps are being taken by the grain commission to see that that provision of the Canada Grain Act is being carried out.

While I am on my feet there is another matter I should like to bring to the attention of the committee. Even if those provisions for the prevention of mixing may be carried out, another practice apparently has grown up which lowers the standard of No. 1 and No. 2 northern in particular so far as shipments overseas are concerned. It is quite a common practice, I am told, for cars of No. 1 and No. 2 northern wheat which are sampled at Winnipeg to be tested for protein content by the grain companies. Word is sent ahead to the terminal at Fort William, and if this wheat is of a high protein content in many cases it is binned by itself and certain bins apparently are held for what is called selected No. 1 northern, high protein. The result of this practice, it seems to me, must be to lower the grade of the bulk of the wheat that goes out to our overseas customers.

That is the complaint. While the mixing of grades was prohibited, the selecting of high class protein cars was not prohibited. We are told that there is a principle in law that you cannot do indirectly what the law prohibits your doing directly. In my estimation this is not only a wrong practice, but an illegal one. The best cars are skinned out, as it is termed, and sold on a premium basis in the United States. The depreciated balance is sent to the overseas markets where we have to meet the strongest competition in the world. That is wrong. Mr. Hanson admitted that it was being done, but he said that it was done in such small proportions that it did not materially affect the overseas shipment. He admitted however, in a statement which I will read, that if it assumed larger proportions

then of course it would be another matter. Here is his reply:

With respect to the second matter to which my hon. friend alluded, namely, the special binning of wheat at terminal elevators, I am advised that a perusal of the grain act will show that this is a perfectly legal process under the provisions of the act itself. This special binning of select wheats by terminal elevators is legal under the grain act and is controlled by the commissioners, in so far as the special bins leased for this purpose have to be authorized by them. It would not appear that this matter is of any considerable importance, because out of a total of 62,000,000 bushels which came to the head of the lakes during the past season, only 820,000 bushels have been so binned. This is only about one and one-quarter per cent of the total. This facility of special binning is open to all interests, including the Canadian mills. In order to specially bin wheat it is necessary for the purchaser to obtain the owner's consent, thereby assuring an equitable return of the premium paid in this connection. An objectionable practice which was stopped in 1930 was that of permitting the diverting of special wheat without the owner's consent and frequently without any premium compensation being paid to the owner. I am advised by the commission that the only possible objection to this practice is that it more or less reduces the average quality of the outgoing shipments, that is the shipments which go to the export trade.

Think of the guilelessness of that gentleman—no, that is not a good word. He was a new minister and we felt sympathetic towards him, and he could not properly have been expected to understand the wheat trade in the few months he had occupied that position prior to this debate. So that I will not call it guilelessness. But call it what you will when he said "the only possible objection" would be that it more or less resulted in a deterioration in the quality of shipments that went overseas. The evidence is on record and I point to it once more this afternoon in the hope that when the report of the special committee on marketing is submitted and the government refers it, as I assume it will be referred, to a royal commission—that is what is forecast—the scope of the commission's inquiry will be sufficiently wide to enable it to deal not only with marketing but with these evils that have again crept into the handling of wheat at the head of the lakes. Let me read another Hansard extract from my own remarks:

Each year that this item has been under discussion up to the present time I have inquired of the previous minister whether there was any evidence of the restored mixing of wheat grades. The practice was general years ago. The answer which that minister gave was invariably, no. Well, each year I hear further reports of it. I am not making any charge just now but I want to put the