

There is, I believe, no doubt that the quota system as it was applied this year by the Canadian Wheat Board has given general satisfaction, and in no small degree the successful working out of a quota system has been due to the splendid co-operation which the wheat board has received from wheat producers throughout Canada, from elevator companies and their country agents and from all those who have business interests generally in the prairie provinces.

When I say that, I am not in any degree minimizing the excellent work which has been done by the wheat board. I have received dozens of letters, entirely unsolicited, from individuals, farmers' organizations, business men, municipal organizations, and others, giving the highest possible praise to the wheat board for the way in which they tackled and overcame the many difficult problems which they had to face. In the west there is a general realization that the wheat board throughout their activities acted in a completely fair, equitable and impartial manner in all their dealings with the 1940 wheat crop.

As to the expected position July 31, 1941, there are certain important factors, Mr. Speaker, which have had and are having a distinct bearing on our present wheat situation and although I do not intend to deal with them in detail, I am of the opinion that they should be brought to the attention of the members.

May I say first of all that in the last war the Canadian farmer was faced with a position which is definitely reversed in this war. Our wheat acreage then was little more than half the present level and the whole difficulty was shortage, not surplus. In this war the government had to intervene to prevent prices being radically reduced. Then the government intervened to put an upper limit on wheat. For part of the 1916 crop \$2.40 per bushel was paid by the board of grain supervisors; for the 1917 crop \$2.21 was paid and for the 1918 crop \$2.24½. Finally in 1919-20 the then wheat board paid \$2.63 per bushel. All these prices were on the basis of No. 1 Northern Fort William and Port Arthur.

Since the over-running of Norway, Holland, Belgium and France, the United Kingdom has provided the only volume market for Canadian wheat in Europe and only very small shipments have gone to Eire, Portugal and Spain. At least as long as the war remains in its present phase, Canada cannot look forward to large exports of wheat. We expect exports during the present crop year will amount to about 150 million bushels, most of which will be taken by the United Kingdom. This, of course, will have a very definite effect on our wheat position at the end of the present crop year.

There are only two ways at the moment of disposing of Canadian wheat. We can either use it in Canada or we can sell it abroad. As far as using wheat in Canada is concerned we need about 50 million bushels for human