

portant matter in the estimation of the hon. gentleman. I took the trouble to look up the facts, and I find a very interesting record in this regard. I say to the hon. member, and in his absence I say it to his leader who was then leader of the government, why when they were in office and when this matter came before them did they not give the relief which they now very seriously tell the Minister of Finance ought to be given the shore fishermen? What are the facts? "Save the shore fishermen," says the hon. member for Shelburne-Yarmouth, "by refusing licences to the trawlers." In 1927, at his instigation, a royal commission was appointed headed by Hon. A. K. Maclean, now of the exchequer court. In 1928 that commission reported; four of the members were against issuing licences to trawlers, with the chairman dissenting. No action was taken. Where was the hon. member for Shelburne-Yarmouth and where was the government of the day at that time? They appointed a royal commission which presented a majority report, but they took no action whatever. Now they come forward and say this government is derelict in its duty in not refusing to grant those licences.

Furthermore the hon. gentleman, who is an able lawyer, drafted order in council P.C. 2196, dated November 2, 1929, which provided for the collection of one cent per pound for fish caught by trawlers in the maritimes. They were allowed to go on and no attempt was made to collect this fee until this government came into office in September, 1930, when the case was taken to the exchequer court. In that court the validity of the order in council was called into question and was thrown out as far as that tax was concerned. It was found to be ultra vires of this parliament. The hon. member who was chiefly responsible for drawing it up claims to be an able constitutional lawyer and when he drew it up he must have known that the order in council was not valid. My hon. friend, his leader and his colleagues in the previous government simply kidded the shore fishermen of the maritimes. There is an old saying in the law fraternity that when a man comes into court he must come with clean hands, and it ill behoves the hon. member for Shelburne-Yarmouth to twit the Minister of Finance upon the question of trawlers. The record is there to be seen by anyone who wishes to read.

I come now to a very important question to which I intend to give the closest attention. The hon. member criticized the government very bitterly for the assistance given in the stabilizing of the wheat market. When he referred to this matter the hon. member

for Quebec East (Mr. Lapointe) turned around and said that it was not hedging, it was gambling which the government had indulged in. This is too serious a matter to pass over lightly and I think the house ought to give it very careful consideration as it affects the life and welfare of the three western provinces.

This government has been faced with very serious problems in western Canada, one of them being that in connection with a drought which affected seventy municipalities and which lasted for three years. Large sections of the western provinces were affected. Another serious question which the government had to face was the collapse in wheat prices. Had it not been for the action taken by the government, of which I shall give a full explanation in a moment, the wheat market would have collapsed much more and prices would, I believe, have fallen to around the thirty cent level on the Winnipeg market. When we consider the problem of wheat prices we must remember that Winnipeg has become the most important price fixing centre in the world for wheat. The great Liverpool market is a buyers' market, but Winnipeg is the great world market for wheat. Chicago is no longer a world market; it is a great market as it handles the wheat for 120,000,000 people, but it is not a world market in the same sense as Winnipeg. The Winnipeg market is open and free for trading throughout the whole world.

When the hon. member declared that the action of the government was gambling and not hedging obviously he did not understand the action taken or the practice followed in connection with hedging on a market. The daily practice is that a purchaser, say the pools, a milling company, an exporting house or others, purchases a quantity of wheat, for instance, 1,000,000 bushels at the prevailing market price. The grain thus purchased goes forward to a central elevator at the head of the lakes or at Vancouver or to one of the storage elevators in the interior. If the transaction ended at that point the purchaser of the grain would be carrying all the risks of a possible fall in the market and to obviate or minimize that risk, the purchaser sells grain for future delivery. That is, he will contract to deliver wheat at some future time, usually three, six or nine months hence. Such sale is usually made at a price slightly in advance of the purchase price, plus storage charges, insurance, handling charges, et cetera. This is called hedging, or, in other words, insuring one's self against undue risk. It is not gambling but is the most conservative form of doing business. If such a practice is to be carried