

Prairie Farm Assistance

local organizations all through the three provinces, and they hold annual meetings which are attended by representatives from these locals and discuss generally the problems of the farmer in relation to the grain trade. The line elevator companies operate their own elevators as a straight business proposition, not necessarily associated with the producer.

The Saskatchewan Cooperative Elevator Company's elevators became a part of the Saskatchewan pool system, and operate to-day under the pool, which does business very much as line elevators do it, but it has what it calls a democratic organization set up over it. That organization is composed of a board of directors and a meeting of delegates. The province is divided into sixteen districts. There are ten delegates elected from each of those districts, making a total of 160 delegates who meet in annual convention and also meet from time to time during the year to discuss the marketing problems of the farmer; and each one of those districts selects a member for the board. The president of the board must be chosen as a member of the board by the ten men in one of these districts before he is eligible for the office. That, roughly, is the form of organization which exists in connection with the pool set-up of Saskatchewan.

These pools were formed in 1923 and 1924—the Alberta pool in 1923 and the Saskatchewan and Manitoba pools in 1924. They handled approximately 50 per cent of the western crop. The Saskatchewan pool handled a little more than 50 per cent, and the others a little under 50 per cent during the years between 1924 and 1930. Since 1930 they have not operated as contract pools in the sense that they did prior to that time.

In 1930, under the previous government, there was a set-up of the stabilization activities under the direction of Mr. McFarland. At the time he took control of the central selling agencies of the pool there was a surplus of 36,935,000 bushels. At the end of that crop year there was a surplus of 75,164,000 bushels, and in 1935, when the Bennett government set up the wheat board under Mr. McFarland, there was a surplus or carry-over of 205,187,000 bushels. During 1935 about 90,000,000 bushels were taken over from the farmers or purchased by Mr. McFarland prior to the time the McFarland board was replaced by the Murray board in December, 1935. In the period during which the stabilization activities were carried on, there had been for part of one season a pegged price of 80 cents a bushel, and after the setting up of the McFarland board in 1935, the price

[Mr. Gardiner.]

was set at 87½ cents a bushel for the crop of 1935. In 1936 the pegged price was still 87½ cents, but the present government established by order in council a regulation to the effect that unless wheat dropped below 90 cents on the market, the board would not take delivery of wheat directly from the farmer. The same condition prevailed in 1937. Then in 1938, the year with which we are now dealing, the price was dropped to 80 cents a bushel and the board carried on in exactly the same way as in 1935-36. That, in a few words as I can state it, is the history of the development down to the present time.

There has been a continuous discussion of the necessity—or otherwise—for a wheat board to handle the crop of western Canada, ever since the experiences of the war years; and those experiences are associated with very high prices. The first organization that might be considered to have taken the form of a wheat board was the board of grain supervisors set up during the war in June, 1917. That board was set up for the purpose of taking delivery of wheat and carrying on transactions between Canada and the boards that were controlling supplies of food for the allied countries overseas. During 1916 the price paid was \$2.40 a bushel; during 1917, \$2.21; during 1918, \$2.24½; and this wheat was sold to the United Kingdom government and to those of the allies.

In 1919, when the allied governments ceased to purchase, the government of the day restored for a short time the open market system under the grain exchange, and then, before any crop was marketed in 1919, on July 29, they set up the Canadian wheat board of 1919-20. That board paid an advance of \$2.15 a bushel for No. 1 northern, Fort William, and gave at the same time participation certificates. An interim payment of 30 cents was made on those certificates and a final payment of 18 cents, making a total, for that year of \$2.63 a bushel. At the end of that season the trade was again thrown back to the open market system, and from 1919 down to 1923 there was a constant agitation for a return to something in the form of a wheat board.

In 1923, the wheat pools were set up as a result of that agitation. In trying to relate that discussion to the present bill I think there are some things that should be kept in mind—things that we must not overlook when we seek to relate those activities and what has taken place since, to what we propose to do to-day. As I said yesterday, I do not think anyone would contradict the statement that