

was to be a voluntary or compulsory board, and finally your committee agreed that a voluntary board was to be preferred and it has been a voluntary board ever since.

Mr. PERLEY: They did not agree to that with my consent, but they did agree.

The WITNESS: Of course, I do not know anything about what went on in the committee when they were considering their recommendations.

Mr. PERLEY: I think Mr. Douglas has got a point there, that when they saw the board price was better than the market they delivered to the board and the board carried the load. And now, the nearer you get to the crop year—they sold wheat last year and took it off the market when they sold it for future delivery—when you sell it you later transfer the option and naturally the board is just carrying the load.

The CHAIRMAN: Of course, if the open market price had been higher last fall, deliveries would have been substantial to the open market as compared with deliveries to the board. I do not see that the time of the year makes any difference, I think it is a question of the actual conditions existing at the time; and that does not detract at all from the question that you asked Mr. Douglas; it is just a matter of government policy with respect for the operation of the board.

Mr. DOUGLAS (*Weyburn*): The table is put in here by the board, it is in their report on page 4, and it shows conclusively my contention that the board had been following a policy of taking wheat off the speculative market when it is falling—

Mr. McNEVIN: I think when the wheat board was set up its main function was that of protecting the farmer at a time of abnormally bad markets; to protect the interests of the farmer when the price of wheat falls below a certain point. When the market is buoyant and prices are higher, the farmer has the privilege then, that he should have, of selling his wheat where, when and how he likes.

Mr. FAIR: I think this whole system is rotten to the core. I am not saying that the wheat board is rotten to the core; but the company system in Winnipeg, and to my mind that destroys the effectiveness of the board.

Mr. HENDERSON: I would like to say just a word there: had it not been for the grain exchange at Winnipeg the farmers would not have known when there was any increase in price and they would not have known when to deliver in the open market and when to deliver to the board . . .

Mr. DOUGLAS (*Weyburn*): Mr. Chairman, to mention the point raised by my friend, Mr. Henderson, I want to say that I am afraid of that sort of thing—our argument is that the Winnipeg Grain Exchange should be closed and this wheat all sold to the wheat board.

Mr. HENDERSON: Just the minute you did that you would not know anything about these changes in price.

Mr. DOUGLAS (*Weyburn*): Oh yes, we would. Wheat sold to the board would be sold in the world market.

Mr. HENDERSON: Then what would happen if you sold it to markets such as Chicago and Minneapolis?

Mr. DOUGLAS (*Weyburn*): Of course, we could not go to Chicago and Minneapolis—but whatever the world price is, whatever they get for their wheat would be reflected in the returns to the participants—

Mr. McNEVIN: We had very considerable discussion on that matter in this committee last year, and also in other years and as I recall the disposition of the matter, the large purchasers of Canadian wheat which are the British buyers