

and I would like to take this opportunity to impress upon hon. members present the unwisdom of competition between those farmers engaged in growing wheat and those in the dairy business. Those farmers who are located in good wheat-growing districts should raise wheat and leave the raising of dairy products to those who are situated in suitable territory for that industry. At the present time dairy products are a drug upon the market in Alberta.

Mr. SUTHERLAND: Mr. Chairman, I rise to a question of order. Mr. Maharg is very familiar with the matter we are assembled here to discuss. We shall have ample opportunity to lecture each other later on. I think we can use our time to much better advantage by putting questions to Mr. Maharg.

Mr. McMURRAY: I would like to say that I am taking no particular side one way or the other. I do not think any of us are. We are all anxious to obtain the facts. I understood Mr. Maharg to say that under the Wheat Board the elevator people—I presume he referred to the independent elevator men—the brokers and the commission men were practically as well off and carried on just the same under the Wheat Board as they did outside, and there would therefore be no opposition from them.

Mr. MAHARG: No; I did not say there would not be opposition.

Mr. McMURRAY: If they would be practically as well off, what reason could there be for opposition from them? Could you just advise us along those lines?

Mr. MAHARG: I am not in a position to say there is going to be opposition. I did say that it might possibly reduce their profits to some extent. You are, however, just a little mistaken with regard to the brokers. The brokers were doing the business referred to here yesterday, putting through deals in connection with options for individuals who wished to do a little speculating, and also doing business for other companies.

Mr. McMURRAY: I do not think there is a single broker in the city of Winnipeg whose operations are confined to the option trade. I know a good many of the independent brokers on the Exchange in Winnipeg. I know they go all through the Province of Manitoba buying grain from the farmers, and they also telephone to the farmers on long-distance for the same purpose, and I would gather that the largest portion of their business was in the nature of legitimate dealing in grain. Am I right in that conclusion?

Mr. MAHARG: I cannot say. It is absolutely impossible for an ordinary layman to say whether a deal on the option market is a legitimate sale. We do know, however, that millions of bushels of grain are sold on the Exchange when there is not a bushel of grain to sell. I have heard it stated that the sales on the Exchanges exceeded ten times the actual amount of wheat that passed through them.

Mr. McMURRAY: You do not know?

Mr. MAHARG: No.

Mr. McMURRAY: Do you know what amount of capital is invested in these elevator companies in the West apart from the Government-owned elevators or elevator companies controlled by the farmers?

Mr. MAHARG: No; I could not state the exact amount of capital.

Mr. McMURRAY: It would amount to many millions of dollars?

Mr. MAHARG: Yes; our own investment amounts to many millions of dollars; but our investment was not interfered with in any way during the operations of the Wheat Board.

Mr. McMURRAY: They are not controlled by the Wheat Board?

[Mr. J. A. Maharg.]