

authenticated information of the position of their many customers, the records of which are not kept in Winnipeg. A few days ago I was handed a copy of their finding. It consisted of a few figures showing totals but the detail and information so necessary to appraise its value were not there.

So far as investigations are concerned I would say that our own records of the futures' situation are quite sufficient evidence of what has occurred.

My attitude is fully explained in my public statement of October 29 and remains unchanged. What I want to bring about is such control and restrictions as will protect the "futures system" of the Grain Exchange from influences destructive to the public good of this country.

By Hon. Mr. Ralston:

Q. Just one moment; is this statement of October 29 here?—A. I am sorry I haven't got it, Mr. Ralston.

Mr. Milner states further:—

But it was not until June, 1932 that Mr. McFarland began, under guarantee of the Dominion Government, to support prices in the Winnipeg market. From the time that wheat prices in Winnipeg began to be sustained above the natural level of the markets of the world, the ability of the futures market to absorb hedging transactions began to decline.

In June, 1932 the average price of the July future quoted on the Winnipeg Grain Exchange was $55\frac{1}{4}$ cents. During that period the average price of Two Northern wheat from the Atlantic, c.i.f. Liverpool in Canadian funds, was $65\frac{1}{8}$ cents, and the average price of Argentine Rosa Fe wheat was $63\frac{1}{2}$ cents.

In July, 1932 the average price of Winnipeg July wheat was $54\frac{5}{8}$ cents. The average price of Two Northern wheat from the Atlantic $63\frac{7}{8}$ cents c.i.f. Liverpool, and Argentine Rosa Fe wheat $62\frac{3}{4}$ cents.

In August, 1932 the average price of Winnipeg October wheat future was $57\frac{7}{8}$ cents. The average price of Two Northern Atlantic wheat $67\frac{1}{8}$ cents and Rosa Fe $66\frac{1}{4}$ cents.

In September, 1932 the average price of October wheat was $52\frac{3}{8}$ cents, the average price of Two Northern wheat at the Atlantic was $64\frac{1}{2}$ cents and Rosa Fe was 65 cents.

In October, 1932 the average price of October future was $48\frac{1}{4}$ cents, the average price of Two Northern wheat from the Atlantic 61 cents and Rosa Fe 61 cents.

In November, 1932 the average price of November wheat was $46\frac{3}{4}$ cents, the average price of Two Northern Atlantic $59\frac{7}{8}$ cents and Rosa Fe 56 cents.

In December, 1932 the average price of December wheat future was $42\frac{3}{8}$ cents, the average price of Two Northern from the Atlantic $57\frac{1}{2}$ cents and Rosa Fe $53\frac{3}{8}$ cents.

It is recognized by all importers that Two Northern wheat has an intrinsic value for milling purposes of at least 7 cents to 8 cents over Argentine Rosa Fe. During all this period our organization was required to make heavy purchases of futures in order to sustain the market even at the low prices quoted. In view of these facts, is there any justification for Mr. Milner's statement that wheat prices began to be sustained above the natural level of prices in the markets of the world?

Mr. Milner further states, "In the face of the uncertainty as to the course which might from time to time be pursued by the Government Wheat Agency and the artificial level of prices on the Winnipeg Grain Exchange established by its operations, the futures market has been increasingly less able to cope with