

the quality and dockage of your grain because there is only one elevator company that might at certain times have room to take it. So I would question whether competition today takes an active form but rather I would suspect in the form you suggest of good will and past experience.

You also mention, Mr. Lamont, that the dissatisfaction in connection with box car distribution was largely synthetic and has been stirred up. Would you care to elaborate on that as to what factions it is that have been synthesizing this dissatisfaction and stirring it up?—A. The Farmers' Union and the Saskatchewan Wheat Pool.

The CHAIRMAN: Any more questions?

*By Mr. Johnson (Kindersley):*

Q. Yes, I have more. You mentioned further that the proposed changes were to the advantage of Saskatchewan pools rather than the farmers. I believe you were referring to a cyclical method of box car distribution.—A. That reference was without naming it there. I was dealing there with another section. I discussed the car cycle after that. Prior to that I was discussing the other phase which was discussed in the House of Commons which I think was referred to as the Argue bill.

Q. Hearing you mention this so-called Argue bill which outlines a principle of allowing the farmer to deliver to the elevator of his choice, would that system be more preferable in your opinion than the system of cyclical distribution?—A. We would suggest that the best system is the car order book.

Q. Mr. Wesson said that in periods of congestion the car order book is ineffective. I think Mr. Wesson's word is generally accepted, in view of his long experience in the grain business. Would you care to comment on the system proposed of allowing the farmer to sell at the elevator to which he wishes to deliver his grain?—A. Well, I think the House of Commons acted very wisely in the action they took.

Q. Further, Mr. Lamont, you remarked that any system of box car allocation would remove incentives to build additional storage space. Further on in your remarks you pointed out that the net loss on a temporary annex would be \$1,058.10 over a five-year period. It would certainly look to me at any rate to be to the advantage of your company to have a system that would prevent you from making this tremendous loss annually over this period.—A. Perhaps we have been foolish, but we have built many annexes.

Q. The two statements certainly do not seem compatible.—A. Annexes are not needed at all for the handling of grain. You could get along very well in handling even this crop without annexes, but we provide a service to our customers and we are facing a loss in providing that service.

Q. Tying in with that, the amount of storage space you have to construct depends on the amount of box cars that are spotted at your elevators, is that not correct?—A. There would be various reasons that would bring about a decision to build an annex.

Q. Would that not be a primary consideration?—A. I do not know. We have 20 different managers, and they would arrive at their decisions in 20 different ways.

Q. It appears to me, as was pointed out by, I think, Mr. Parker or Mr. Plumer, that the elevator could handle up to 10,000 bushels of grain in a day if the box cars were available.—A. I do not think that the agent would last very long. He would have a breakdown or something.

Q. I agree that he was using a maximum figure, but at the same time it points up the fact that if the box cars were allocated according to the delivery preference of the farmer he would not need the same amount of storage