Your Committee further recommends that the evidence taken, together with an index be printed as an appendix to the Journals of the House. A copy of the minutes of proceedings and evidence taken by the Committee is attached hereto.

(For Minutes of Proceedings and Evidence see Appendix to the Journals No. 5.)

Mr. Euler, from the Special Committee on the Marketing of Wheat and other Grains, presented the unanimous Second and Final Report of the said Committee, which is as follows:—

Pursuant to the Resolution of the House of Commons of March 18, 1936, your Committee held ten sessions and heard and examined under oath three witnesses, namely,—

Mr. A. E. Darby, Secretary, Winnipeg Grain Exchange.

Mr. F. O. Fowler, Manager, Winnipeg Grain and Produce Exchange Clearing Association.

Mr. J. R. Murray, Chief Commissioner, The Canadian Wheat Board, Winnipeg, Man.

Mr. Darby described the constitution and membership of the Winnipeg Grain Exchange and the handling of grain from the producer to the exporter.

Mr. Fowler stated the functions, rules and regulations of the Winnipeg Grain and Produce Exchange Clearing Association.

Mr. Murray, Chief Commissioner of the Canadian Wheat Board, explained fully the operations of the Board since its appointment on December 3, 1935. He was examined closely and at length on the operations of the Wheat Board since the latter took office in December until the end of January, 1936, with particular reference to the following,—

(*a*) To what extent, if any, the Board had favoured exporters of grain and Canadian millers in the sales policy it had adopted.

(*b*) To what extent, if any, speculative interests alleged to be short in the Winnipeg market had been permitted to cover their transactions in the large sales made in the month of December, 1935, immediately following the higher price fixed by the Argentine government for Argentine wheat.

After a full examination of Mr. Murray and the records placed by him at the disposal of the Committee, we are of the opinion that the course taken by the Board in the marketing of wheat was consistent with the intenion of Parliament in enacting the Wheat Board Act of 1935, and with the policy of the Government to reduce the wheat surplus to reasonable proportions.

While there was a short interest in the Winnipeg wheat market in December of 1935, no evidence was produced that would warrant the conclusion that speculative short interests were protected by the Board in that month. As the Committee finds it impracticable to obtain conclusive evidence on this point, we recommend that this matter be referred for further investigation to the Royal Commission, the appointment of which is recommended in this report.

The Committee further gave general consideration to the whole problem of the production and marketing of Canadian wheat and other facts pertaining to the wheat problem. Because of the gravity of this problem, and because your Committee has neither the time nor the facilities to make a comprehensive survey of the situation, we recommend the appointment by the Government of a Royal Commission to make a complete survey of the production, grading and distribution of Canadian grain, including the methods of marketing by,—