

of the country in this way and take advantage of a temptation which is only going to carry its own sting with it, any attempt to solve the difficulty will be hopeless.

There is a prevailing heresy amongst some members of this House that if you sell goods in a given market you can always buy other goods from that market; that people must have goods bought from them if they expect to buy goods from you, or you hope to sell to them. That takes no account whatever of the element of profit, all of which is comprised in the single phrase "rate of exchange." Everybody knows that when the rate of exchange is against a country, as it is against Canada and in favour of the United States at the present time, this country pays from \$13,000,000, to \$15,000,000 in hard cash for the privilege of having the balance of trade against it—and that is the very thing that has come up in this argument now. To my mind, it shows a complete absence of a grasp of the difficulties of the situation.

Salaries, rents, wages, and contingencies under the Canada Grain Act, \$1,150,000.

Mr. A. K. MACLEAN: The increase is due to that which we have just been discussing, namely, the increase in the cost of living. The Government have to pay higher salaries to all those who are engaged in administering the Canada Grain Act. But there is this comfort: the revenue derived from the operations of the Grain Act is more than enough to pay for its operation. Up to February 28 of this year, during a period of eleven months, the fees collected amounted to \$998,000, while the expenditure was \$906,000, so that we have a surplus of some \$92,000.

Mr. J. H. SINCLAIR: Upon what basis are these fees collected?

Mr. A. K. MACLEAN: They are elevator charges, fees for the inspection, weighing, and storage of wheat, and so on.

Mr. J. H. SINCLAIR: I saw some time ago a criticism by the Auditor General that these receipts had been placed to the credit of the Grain Commission and had not come into the Consolidated Revenue Fund. Has that been adjusted?

Mr. A. K. MACLEAN: That was in connection with the work of the Board of Grain Supervisors which was created to handle the wheat purchased in Canada last year and the year before by the Allied Governments. They controlled the wheat movement, designated what amount should go to the British and Allied Governments.

and what amount should be kept in the country for domestic purposes, and what amount should go to the mills. The operations of this commission cease on the 31st of July, when all the wheat crop of last year will be out of the country. Unless fresh arrangements are made for financing the marketing of the Canadian crop, the Board of Grain Supervisors will not continue to exist.

Mr. J. H. SINCLAIR: Will the large balance that they have on hand be paid into the Consolidated Revenue Fund?

The CHAIRMAN (Mr. Steele): The item under discussion has to do with the Canada Grain Act.

Mr. J. H. SINCLAIR: How many persons are employed in connection with the administration of the Canada Grain Act?

Mr. A. K. MACLEAN: There are four members of the Grain Commission. On the inspection and weighing staff there are 140; Port Arthur elevator, 33; Moosejaw elevator, 17; Saskatoon elevator, 10; Calgary, 12; Vancouver, 3; total number of permanent employees, 224. Last year there were 254 temporary employees. This makes a grand total of 478. The total disbursement last year for salaries of permanent employees was \$395,815; and wages to temporary employees amounted to \$277,000; total, \$673,000.

Mr. CAHILL: Who is the superintendent at Saskatoon, and what is his salary?

Mr. A. K. MACLEAN: There is no permanent superintendent at that point. The acting superintendent is Mr. Seddon, whose salary is \$2,500.

Mr. CAHILL: Why has the appointment not been made, Mr. Chairman? The vacancy has existed for a couple of years, I think.

Mr. A. K. MACLEAN: The Board of Grain Commissioners are of the view that the amount of work done there does not necessitate the appointment of a permanent superintendent, and they think the present arrangements are quite sufficient.

Mr. MCKENZIE: I read in the newspapers, or was told, that the grain elevators in the Northwest and at Port Arthur and Fort William were practically commandeered by Americans last year, that they filled those elevators with their grain to the exclusion of Canadian grain, and that that is causing stagnation of trade among our own wheat producers. I submit to the minister that whatever facilities for