

unwise to hamper or embarrass the Board in carrying out this primary purpose. The distribution of brokerage fees is a matter that in the opinion of the committee can safely be left to the Wheat Board.

5. *That the Board had purchased wheat illegally:*

The evidence taken by the Committee shows that the Board has not purchased wheat from other than producers except under the authority of P.C. 1803 dated March 9th, 1942.

This Order in Council specifically empowered the Board to purchase wheat from other than producers. It also gave the Board wide powers to take whatever action was deemed necessary to prevent anyone making unearned profits because of change of initial payment from 70 to 90 cents per bushel.

The committee is of the opinion that when the Wheat Board Act was amended in 1942 increasing the initial payment from 70 to 90 cents per bushel the Government, in order to protect the public interest, had to immediately give the Wheat Board power to prevent speculators and others from making unearned profit as a result of this statutory change.

6. *As to the allegations respecting Orders in Council numbered 1800 to 1802 inclusive:*

*Order in Council No. 1800*—provided for the taking over by the Wheat Board of all flax seed and flax contracts in Western Canada, and to prohibit future trading in flax. The Order in Council also authorized the Wheat Board to purchase all flax marketed in Western Canada during the crop year 1942-43, at a price of \$2.25 per bushel, basis No. 1 C.W. flax at Fort William.

*Order in Council No. 1801*—empowers the Wheat Board to buy barley whenever the spot price for first-grade barley is 60 cents per bushel, basis in store Fort William or Port Arthur, and to buy oats when the spot price of first-grade oats is 45 cents per bushel. Authority is also given to arrange the spreads between the different grades of both these grains.

*Order in Council No. 1802*—provides authority for the regulation and restriction of deliveries of wheat, oats, barley, rye and flax seed. It requires producers to secure a permit from the Wheat Board before delivering any of these grains to either elevators or mills. This Order in Council provides for what is generally known as the "quota" system of delivery, and was necessary because of the limitation of wheat deliveries in Western Canada for the crop year 1942-43 to 280,000,000 bushels.

The committee is of the opinion that all of the above Orders in Council were necessary in order to protect the public interest and to enable the Wheat Board to carry out the new duties assigned to it of controlling the marketing of flax and coarse grains in the crop year of 1942-43.

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The question of keeping open the Winnipeg Grain and Produce Exchange was also raised during the committee's inquiry. The Minister of Trade and Commerce read to the committee the material portion of a cabled message from the Import Cereals Division of the Ministry of Food of the United Kingdom. The Honourable J. G. Gardiner and the Honourable T. A. Crerar were each questioned as to their personal experience in discussing this matter during their visits to the United Kingdom. Mr. J. H. Wesson, President of the Saskatchewan Pool Elevators Association, advised the committee that his organization was in favour of closing the Winnipeg Grain Exchange but having been appraised of the contents of the cablegram referred to had not pressed the matter further.