

Day after day last year in this house the wheat board was denounced for its stabilization operations in connection with wheat, but to-day October wheat is being quoted on the blackboard at Winnipeg, a price is being marked up for wheat which has not yet been sown. Is that gambling or speculation? What effect is that going to have upon the crop, upon the future, upon the prospects of this country? The answer to all this, made by some hon. gentlemen, is, "Well this is what has existed all these years; this is what worked so satisfactorily in days long since past." That might well be, but we are not dealing to-day with conditions that existed in those years. To-day there is no such thing as a world wheat market, and almost everyone except those who desire to obscure the issue knows that fact. England, producing only sixty million bushels of wheat, has paid to date \$100,000,000 or thereabouts as a bonus to her farmers, in addition to what has been done in connection with the processing taxes. In the United States stabilization operations have resulted in the expenditure of a couple of hundred millions, in addition to the processing taxes. In Germany, in France, in Italy, in all these countries, three of which used to buy 200 million bushels per annum, we find duties ranging from 85 cents to \$1.35 per bushel. Therefore there is no longer a world market in wheat; there is no longer a free play of supply and demand, no longer the operation of that rule to which reference has so often been made; but we have on the one hand, on the part of people who are prepared to grow their own requirements, and on the other, on the part of those who have to do with the sale of wheat, the endeavour to sell against the bonused product of other countries.

Mr. DUNNING: That is right.

Mr. BENNETT: The Minister of Finance says that is right.

Mr. DUNNING: That is one statement that is absolutely correct.

Mr. BENNETT: Well, if they were statements made on the other side I would say that is a high average. Be that as it may, however, I desire to point out that in Australia, with a depreciated currency of 25 per cent, there has been a bonus that has cost them altogether about \$60,000,000. I have pointed out the situation that exists in the United States; I have shown the state of affairs in other countries, and I will not do more than make this observation, that so far as the world is concerned, so far as dealing with wheat is concerned, there is no such thing as a world price and there never can be so long as the

[Mr. Bennett.]

price is controlled, as it now is, and regulated by subsidies. About that there can be no doubt.

Under these circumstances the government came into office and desired to get rid of the wheat board. There would have been no difficulty if they had said to Mr. McFarland and those associated with him, "For political reasons we desire you to get out." They could have been frank, open and aboveboard about it. Mr. McFarland wrote a letter to that effect: "Say that you want to get rid of us for political reasons and we will go." But what happened? In the first place, having indicated their desire to get rid of these gentlemen, they gave reasons; and the chief reason they gave was that sales resistance had developed against the sale of Canadian wheat, attributable, according to the view held by the minister, to one thing, and that one thing was the personnel of the board.

I submit that that is not borne out by the facts, and I have already indicated the reasons why. They are contained at greater length in a communication which was sent to the minister by Mr. McFarland and his associates, and they indicated the figures as I have already given them. I brought them down to a little later date. The total sale of wheat in North America, excluding the quantity of 19,500,000 bushels bought by the United States, nearby neighbours who, knowing these gentlemen, bought that wheat from them, was 62,647,000 bushels, or something more than the ten-year average. Yet, notwithstanding that explanation and the objection made to the terms in which their end was sought, an order in council was passed on the third day of December, 1935, reading:

The committee of the privy council have had before them a report, dated 3rd December, 1935, from the Minister of Trade and Commerce, stating that the problem of the marketing of the Canadian wheat surplus has been engaging the earnest consideration of the sub-committee of the privy council, consisting of the Honourable the Minister of Agriculture, the Honourable the Minister of the Interior, and the Honourable the Minister of Finance, together with the Minister of Trade and Commerce, which sub-committee was authorized to review and advise upon the operations of the Canadian Wheat Board.

The minister further states that his opinion, concurred in by the other members of the aforesaid sub-committee, is that a definite and persistent resistance against the sale of Canadian wheat has existed and now exists in the world markets, which resistance is based on antagonism to the members of the present Canadian Wheat Board.

If they had stopped at sales resistance and said, "We desire your heads on a charger