

Mr. BENNETT: All right; I say it is not so.

Mr. CRERAR: The right hon. gentleman gave us a survey of prices in 1933, 1934 and 1935, and he reeled off month after month profits and losses on this transaction on which his government had guaranteed the banks. At one time, July, 1933, he had a profit on his own statement of over \$30,000,000.

Mr. ROSS (Moose Jaw): It was \$38,000,000.

Mr. CRERAR: May I ask my right hon. friend why, when Mr. McFarland had that profit on these transactions, he was buying wheat instead of selling it?

Mr. BENNETT: To save the market, as the minister knows. Because there was no other buyer.

Mr. CRERAR: How in the world can my right hon. friend say it was necessary to save the market when the market was going up every day?

Mr. BENNETT: But he sold when the market went up. Here is the evidence.

Mr. CRERAR: Excuse me; I did not interrupt my right hon. friend when he was making his speech.

Mr. BENNETT: Pardon me.

Mr. CRERAR: That happened in July, 1933. In May, 1934, Mr. McFarland could have sold his wheat and got out without a loss, on the statement given by my right hon. friend.

Mr. BENNETT: But he could not sell it. That is just the point.

Mr. CRERAR: Why did he not sell it?

Mr. BENNETT: For the same reason that Mr. Murray has not been able to sell it yet.

Mr. CRERAR: I shall come to that. I will tell you, Mr. Chairman, why it was. It was because Mr. McFarland had, if my right hon. friend had not, an ambition to make a big showing and make a lot of money on a wheat speculation in which the credit of this country was pledged. That was the fundamental difficulty with my right hon. friend and Mr. McFarland from the beginning.

Now we come to these more immediate transactions. I am not going to say anything as to why the government changed the wheat board, but I am satisfied that time will justify that action, and indeed has already justified it. What position were we in when the new wheat board took charge on December 3? The Canadian Cooperative Wheat Producers Limited, which had been managed by Mr. McFarland from 1930 until

[Mr. Crerar.]

1935, had over 200,000,000 bushels, actual wheat and contracts for delivery of wheat. They owed the bank not millions of dollars but tens of millions, backed by the guarantee of the government of which my right hon. friend was the head. Does my right hon. friend for a moment contend that when the new wheat board was formed that immense amount of wheat should have been left in the hands of the cooperative wheat producers, free from any control by the government, when the guarantee of the government was outstanding against it?

Mr. BENNETT: He provided by statute that it should be taken over.

Mr. CRERAR: All right; that is precisely what we did on December 2 when the arrangement was made with the wheat board. Now my right hon. friend says: "You took it over when the price was 84½ cents on December 2," and he quotes from Mr. Murray's evidence to show that the wheat was not all delivered to the wheat board until some days after that date.

Mr. BENNETT: Oh, no.

Mr. CRERAR: That is true. In the very nature of things it could not all be delivered on December 2, but the arrangement with the cooperative wheat producers was consummated on December 2 and the price fixed as of that date.

It was necessary for another reason for the wheat board to have control of that wheat. It was making sales of wheat, and when my right hon. friend criticizes the government for taking action and criticizes the wheat board for taking delivery of wheat on that day he is leaving himself in the position of saying that that wheat should have been left in the hands of the cooperative wheat producers, where the government had not a single string on what they would do with it.

Mr. BENNETT: He provided quite the opposite.

Mr. CRERAR: That is why we insisted that the cooperative wheat producers should agree to deliver the wheat in question to the wheat board as contemplated by the legislation, and the date of delivery was fixed as of December 2. My right hon. friend makes a great play of the fact that the market advanced for a little time after this date, and he speaks about a loss, and shakes his fist in the face of the finance minister—

Mr. BENNETT: Oh, no; he is too far away.

Mr. CRERAR: Well, metaphorically he shakes his fist in the face of the finance