

ments and their charts disprove the other. Does it necessarily do so?—A. I think the argument advanced in connection with that, as I understand it, would be not strictly sound. I think it must be admitted that if you put a large volume of any commodity on the market all at once, it will affect the price. I think that probably is all that it is necessary to say in connection with that. Let us just admit for the moment—I am not admitting this except for the moment—that the argument is correct and that the only question in price is the carrying charges; what evidence is there that the fall price would not have been larger if the larger volume had not been there? What evidence is there that the discrepancy would not have been greater? We can only guess at these things; we may guess right, or we may guess wrong. However, there is another point that occurs to me. In dealing with the figures in the fall and the figures four, five or six months afterwards, certain adjustments have been made covering the question of carrying charges, I think at the rate of a cent a bushel a month, and by that process it is shown—

Mr. McMASTER: A cent and a half, I think.

The WITNESS: Yes, pardon me. I should have said carrying charges including interest and storage, made up of a half cent of interest and a cent of storage. That is included there. By that process it has been demonstrated that there is no advantage in hauling. The whole argument is based on the assumption that the farmer pays out these carrying charges to somebody else. Insofar as the interest calculation is concerned, I will admit that he is out his interest if he waits a longer period, but I do not necessarily admit that he pays storage on his grain, because he can keep it on his farm and earn the storage himself.

Q. We had a long talk about this yesterday, Mr. Riddell?—A. Yes, sir.

Q. And I could not get it through my head that you should not charge something against the grain representing the interest on the capital cost of the bins on the farm in which the wheat is stored.—A. Yes, sir. I am perfectly familiar with your point, Mr. McMaster.

Q. Then will you answer that?—A. Yes sir. My reply to that is this, that the question of capital invested, the cost of the farmers' own bins, is involved in both of them, consequently it is not a question of difference at all. If he uses them himself he is under the cost; if he does not use them himself, and uses the elevator for the storage, he is still under the cost. I submit that if that is in both of them it does not influence the question at all.

Q. But let us suppose that one year a farmer has no bin on his farm, and he goes and stores his wheat in the elevator; he will have to pay a cent and a half per bushel per month, won't he?—A. Yes sir.

Q. Now, the next year he spends let us say one or two thousand dollars for bins?—A. Yes sir.

Q. And he stores his wheat in his own bin; should he not charge against the wheat so stored to offset the charges in the elevator, at least interest on a thousand dollars plus a sinking fund to take care of the depreciation of the bin? It seems to me he should.—A. Yes, but, Mr. McMaster, will you permit me to go one year further? Having done that, you come along to the third year, and he has the choice of using his own bins or using the elevator bins. My contention is that it costs him just as much insofar as that capital investment is concerned whether he uses the elevator bins or whether he uses his own bins; he must pay for his own bins. There is the point.

The Hon. Mr. MOTHERWELL: Mr. Chairman, I might say that the average farmer has to have bins anyway, unless he lives quite close to the elevator. Might I ask another question which I have in mind, which is suggested by Mr. Stevens' question?

*By the Hon. Mr. Motherwell:*

Q. Mr. Stevens asked you if there would be any considerable advantage in the operation of a voluntary Wheat Board, and your answer, I understood, was to the

[Mr. F. W. Riddell.]