

Mr. DOUGLAS: Mr. Chairman, I submit that we are coming to this; I do not see why we should go away back here and start going over these exhibits now.

The CHAIRMAN: That is what I had hoped to avoid.

Mr. DOUGLAS: I think we should consider this report as we go along, section by section; I do not see why we should have to go over everything again.

The CHAIRMAN: May we then proceed by turning back to page 14 which deals with the month-end liability of the board to banks and agents of the board.

Mr. DONNELLY: Oh, I see; in these statements you deal in detail with the items which appear later in your consolidated balance sheet, exhibit one, and the following exhibits?

The CHAIRMAN: Are there any further questions on the statement on page 13?

Mr. GOLDING: Let us take the next page.

*By Mr. Fair:*

Q. Does this deal with the 1939 crop entirely?—A. No, not entirely.

Q. Has the 1938 crop been cleared up?—A. The 1938 crop was definitely cleared up last year.

The CHAIRMAN: And now, page 14: this is the series of statements which have to do with the banking arrangements.

The WITNESS: This statement and the following similar statements for each of the crop years, I think might be dealt with in one explanation.

The CHAIRMAN: Yes, if you would.

*By Mr. Perley:*

Q. What interest are you paying to the banks now?—A. 3 per cent.

Q. Since when?—A. That has been in effect since 1938; before that is was 3½ per cent.

Q. What interest do you allow the elevator companies for expenses they make?—A. You mean with respect to carrying charges?

Q. Yes.—A. 4½ per cent.

Q. What do they pay the bank, do you know that?—A. That is a question I would rather answer off the record, and I will be glad to do it that way. We arranged with the banks on behalf of the elevator companies to reduce the current interest which I think ranged from 5 per cent to 5½ per cent, and perhaps even higher, and we got it cut down to 4½ per cent, and we tried to get it cut down to 3½ per cent, but we have not been able to obtain the money. The risk that the bank takes is naturally greater on wheat carried in the country. You can all realize that with the experience of the last few years with mites and that kind of thing.

*By Mr. Donnelly:*

Q. Are you having as much trouble with mites and things of that kind?—A. No. Some of the companies are having quite a bit of trouble.

The CHAIRMAN: Could we have Mr. Findlay give an explanation with respect to this statement?

*By Mr. Perley:*

Q. You would advise anyone who has participation certificates for the 1941 crop to hang on to them?—A. Yes, quite.

*By Mr. Evans:*

Q. Did you pay the same rate of interest on the wheat in country elevator storage as you did on terminal storage?—A. The same rate of interest?