

Hon. Mr. DANDURAND: The drying refers to the damp wheat.

Hon. Mr. HORNER: Certainly. It would take the British Army to staff all the elevators. The grain is run out of one bin into another, and this helps to dry it if it is a little tough. But the proposed section would extend the privilege to the terminal elevators, and that I am opposed to. I would not give them this loophole.

Right Hon. Mr. MEIGHEN: There is only one thing I should like to have cleared up. I want to know whether No. 1 Northern wheat with 14.4 per cent moisture content will sell for as much money as No. 1 Northern with 10 per cent moisture content. This memorandum does not help me in the least. To tell us that Australian wheat with less moisture than Canadian wheat sells for less money does not get us anywhere. The quality of our wheat is wholly different from Australian. I was assured by Mr. Ross, and I think by another gentleman, that wheat with 14.4 per cent moisture is just as valuable as that with 10 per cent, and that the moisture content only affected the keeping quality of wheat while in transit, especially through the Panama Canal. If, that is so, I do not see anything wrong in the Bill; but I must say it does not seem quite natural that that should be the case. As the honourable senator from South Bruce (Hon. Mr. Donnelly) has said, you cannot make flour out of moisture, and one would think that a car of No. 1 Northern wheat with 10 per cent moisture would sell for more than a car with 14.4 per cent moisture. I have to be convinced to the contrary before I can support the Bill as it stands.

Hon. Mr. MARCOTTE: Another reason why farmers are opposed to mixing is that the terminal elevator companies would make the profit. When a farmer brings a load of wheat to the local elevator, if it is graded tough he loses right there 8 or 10 cents a bushel on its sale to that local elevator. At the terminal elevator that wheat would be mixed with dry grain, which would improve its grade, but the farmer would not get one cent extra.

Hon. Mr. ASELTINE: The elevator company would get the difference.

Hon. Mr. MARCOTTE: Certainly. If the section specified the local elevator instead of the terminal, then I should say the farmer would watch his local elevator and get the advantage.

Hon. Mr. CALDER: This is a somewhat complicated question, but I do not view the situation as my honourable friend does. My

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understanding is that at the present time, if what we call tough No. 1 reaches the market, the farmer gets the advantage.

Hon. Mr. MARCOTTE: Oh, no.

Hon. Mr. CALDER: Anything that is graded up to No. 1 can have any content of moisture up to 14.4 per cent and still be No. 1. The price for No. 1 is fixed by the market.

Right Hon. Mr. MEIGHEN: Which would the miller rather have?

Hon. Mr. CALDER: That is a question of milling.

Right Hon. Mr. MEIGHEN: It is important, but not so far as the market price is concerned.

Hon. Mr. HAIG: Yes, that is where the importance lies.

Hon. Mr. CALDER: But there are, so to speak, grades of grain No. 1 Northern that may have any moisture content up to 14.4 per cent. When that percentage is exceeded you have tough No. 1 Northern. By practice, as I understand, not by law, those engaged in the grain trade in Western Canada have been permitted by the Board of Grain Commissioners to mix No. 1 tough with a standard No. 1. Everyone in the country knows that is permitted. The practice has grown up under the permission of the Board of Grain Commissioners, with the result that when No. 1 tough reaches the market there is a spread of only 1½ to 2½ cents between it and No. 1 standard.

Hon. Mr. HORNER: That would all depend on the quantity of tough wheat in the country.

Hon. Mr. CALDER: Yes. There might be a slight difference there. The difference would not be very great. Those who are in the trade say, "We have here a quantity of wheat with a moisture content of only 12 per cent." They are permitted to have 14.4 per cent in that and still call it No. 1. So they take a quantity of No. 1 tough and mix it with No. 1 standard, and so long as the moisture content does not exceed 14.4 per cent they can sell the mixture as No. 1 standard. It seems to me the farmer gets all the benefit, because when he goes to the market with his wheat he gets the price of No. 1 standard. In the old days when this was not permitted the farmer got 8 cents a bushel less all through the country.

Hon. Mr. HORNER: He will get it again, too, if there is much tough wheat.