

Canadian Wheat Board Act

An hon. Member: Wrong.

Mr. Smith (Calgary West): Someone says "wrong" who does not know anything about it. But the point I am getting at is this: Am I wrong in my statement as to the argument advanced by the Minister of Agriculture and the then minister of trade and commerce, that this was a short sale of 600 million bushels over a period of years, and at a declining price; whereas the fact was that the price did not decline, but rather advanced.

Can anyone argue that I am wrong in what I say? Supposing the minister has made a short sale of wheat at \$2 and the price advanced to \$3; he would lose a lot of money, would he not?

Mr. Howe: On the same grain exchange?

Mr. Smith (Calgary West): You would lose a dollar per bushel, on the figures I gave.

Mr. Howe: My hon. friend is talking about price in a very loose way. If I sold wheat at \$2 a bushel on the Winnipeg grain exchange, and the price on the Winnipeg grain exchange went up to \$3, I would lose a dollar per bushel, yes. But if I sold at \$2 per bushel on the Winnipeg grain exchange, and the Chicago price went up to \$3, while the Winnipeg price held steady, I would make no loss at all.

Mr. Smith (Calgary West): Now, now, now. After all, with great respect, the minister told me just a moment ago that the price of barley on the Chicago exchange was one of the factors in determining prices of barley or oats today—prices of coarse grains.

Mr. Howe: It is a factor, but not the only factor.

Mr. Smith (Calgary West): And it is perfectly true; we know it to be true, that there is this "arbitrizing", as the traders call it, between grain markets as there is between money markets.

Mr. Howe: No. They used to, but not now.

Mr. Smith (Calgary West): From the illustration the minister gave us, he could not hold wheat at \$2 in Winnipeg if it was \$3 in Chicago. Nobody in the world could hold it. There just is not any question about that.

Mr. Cardiff: What was the price of oats on the last day on which there was any sale? Perhaps that would be June 1.

Mr. Howe: I suppose the hon. member is referring to feed oats?

Mr. Cardiff: Yes, No. 3.

Mr. Howe: Cash price, Fort William, \$1.10 per bushel.

Mr. Harkness: This section provides for an increase in the number of members on the board from three to five, if required. What is the purpose of that, and is it intended to increase the number to five as soon as the bill is passed?

Mr. Howe: I explained that in detail a few moments ago. If I could have all the members in the house at the same time I would not have to go over the same item so often. I pointed out that, of the three members of the board, one has been ill for two or three months. Owing to the pressure at which members of the board have been working, illness has been frequent. Then I pointed out that one member of the board has to appear frequently in London to attend international wheat agreement meetings. I pointed out further that today one member of the board is on his way to London and the other has been summoned to Ottawa to appear before the committee on agriculture—which leaves no member of the board in Winnipeg. I offered the opinion that the work of the board might be improved if the personnel is increased to four or five.

Mr. Harkness: I am sorry I was not here when the explanation was given before. Who are the members of the board at the present time?

Mr. Howe: Mr. McIvor is chairman, Mr. McNamara is vice-chairman, and Mr. Grindley is the third member.

Mr. Harkness: Is that the Mr. MacNamara of the Department of Labour?

Mr. Howe: No.

Mr. Argue: Since we are going to be selling a large part of our wheat this fall under the international wheat agreement, I should like to know if an importing nation under that agreement has the privilege of buying more than its quota within a given price range? My reason for asking is that I have a return of May 22 which shows that very few countries—but there is the odd one—purchase more than their quota. Is it the right of a country to purchase more than its quota within the price range?

Mr. Howe: No, it is prohibited from doing so. It is allowed to purchase its quota within the price; above that it must pay the class II price for the balance. It is the privilege of any country to apply for an increase in quota, which may or may not be granted by the administration. But if it applies for an increase in quota, that increase must apply for the full four years of the agreement.

Mr. Argue: Can the minister tell us, from his own knowledge, how the international