

the sale of the old crop. The sale of the new crop has not begun. The world's supply under the new crop is not yet available. No estimate of the new crop is available. Of course, it would be a very easy matter to fix a safe, logical initial payment in connection with the crop that is just being wound up, because you practically know what would be safe; but how are you going to judge what the initial payment should be in the case of a new crop that is not yet produced? In other words, conditions may arise between now and the beginning of the sale of the new crop that will make the world's supply 25 per cent less than you think it is going to be at the present time. Or, other conditions may develop between this time and that time which will make the world's supply 25 per cent greater. You would have to take these things into consideration at the beginning of the sale of the new crop in order to have any intelligent idea of what a safe price would be. It might be apparent that 75 cents would be as high as you should fix it; on the other hand, conditions may develop between now and then that would justify fixing the price at \$1.00 or \$1.50. You cannot intelligently estimate a safe price before next July or August. All you can estimate at the present time is what would have been a reasonable price at the beginning of the sale of the 1921 crop. You cannot yet estimate the 1922 crop. Canada may next year produce 100,000,000, 300,000,000 or 350,000,000 bushels of wheat. I do not think it is possible to make an intelligent estimate of next year's crop at the present time. I have forgotten your question, Mr. McMurray?

Mr. McMURRAY: I said I felt sure that many members of the committee do not understand how the old Wheat Board operated. I think it would help us if you could briefly indicate how the Wheat Board was created, its personnel, its relationship to the Dominion Government and its relationship to the farmers selling the grain. Then if you could make a comparison between the former and the present systems, I think many members would be better able to consider the question before us.

Mr. Woods: In order to answer your question fully it would be necessary to have before us the Act creating the old board and the powers given to it, and the regulations governing its operations. I doubt, however, whether any member of the committee desires to occupy our time in that way. Briefly, the board was created and given power to sell the entire Canadian crop of wheat, and to control the sale and handling of that wheat from the time it got into the channels of commerce until it was finally disposed of.

Hon. Mr. ROBB: Did they also control the purchase of the wheat?

Mr. Woods: In what way?

Hon. Mr. ROBB: Was the producer compelled to sell all his wheat, if he sold any at all?

Mr. Woods: If he sold any at all, except to his neighbours. As soon as the wheat reached an elevator the Wheat Board controlled it and everything pertaining to it.

Hon. Mr. MOTHERWELL: Except the wheat that went to the United States? There was a certain amount of wheat that went across the border?

Mr. Woods: That was controlled. The Wheat Board obtained permission from the United States authorities to permit wheat which was located near the border and where it was impracticable for the producer to get it to a Canadian elevator to go across the border. We regulated that wheat, but did not, of course, control its sale. The farmer got all he could for it from the United States buyer.

I do not know the exact figures in regard to the price of flour. If you investigate them I think you will find that while so much fuss was being made about the price of flour, the Canadian consumer purchased his flour during the year at considerably less than the United States consumer purchased it. And that is notwithstanding the fact that they had a very small per cent of high grade wheat, especially the northern grade, and we had a very large per cent.

[Mr. H. W. Woods.]