

held ten sessions and heard and examined under oath three witnesses, namely,—

Mr. A. E. Darby, secretary, Winnipeg Grain Exchange.

Mr. F. O. Fowler, manager, Winnipeg Grain and Produce Exchange Clearing Association.

Mr. J. R. Murray, chief commissioner, The Canadian Wheat Board, Winnipeg, Man.

Mr. Darby described the constitution and membership of the Winnipeg Grain Exchange and the handling of grain from the producer to the exporter.

Mr. Fowler stated the functions, rules and regulations of the Winnipeg Grain and Produce Exchange Clearing Association.

Mr. Murray, chief commissioner of the Canadian Wheat Board, explained fully the operations of the board since its appointment on December 3, 1935.

The committee says that the board was appointed on December 3, 1935.

The report continues:

He was examined closely and at length on the operations of the wheat board since the latter took office in December until the end of January, 1936, with particular reference to the following,—

(a) To what extent, if any, the board had favoured exporters of grain and Canadian millers in the sales policy it had adopted.

(b) To what extent, if any, speculative interests alleged to be short in the Winnipeg market had been permitted to cover their transactions in the large sales made in the month of December, 1935, immediately following the higher price fixed by the Argentine government for Argentine wheat.

After a full examination of Mr. Murray and the records placed by him at the disposal of the committee, we are of the opinion that the course taken by the board in the marketing of wheat was consistent with the intention of parliament in enacting the Wheat Board Act of 1935, and with the policy of the government to reduce the wheat surplus to reasonable proportions.

What I should like to recall to this committee is that Mr. Murray was before the committee during the greater part of the time it was considering these matters and arriving at that unanimous decision. The leader of the opposition was a member of the committee. I think anyone who reads the evidence given by the chairman of the wheat board before that committee, in answer to questions put to him by the leader of the opposition, will agree that there is no reason whatsoever for the inferences that have been drawn by the leader of the opposition this afternoon from the investigations of the committee. To say the least, the chairman of the wheat board demonstrated to the committee and to everyone who has read his evidence, that he was quite capable of taking care of himself while in the hands of the leader of the opposition, and also quite capable of handling the wheat of the people of western Canada. I think

he is capable of handling himself while in the hands of the leader of the opposition because of the fact that the latter took occasion, when the chairman of the wheat board had no opportunity of replying to his questions or of appearing on the floor of this house to defend himself, of making upon the chairman of the wheat board attacks which the right hon. gentleman did not make when he was face to face with him in the committee.

My right hon. friend refers to what has happened in connection with wheat and states that back in 1933, in the midst of the month of July, his government could have sold wheat through the then wheat stabilizer, Mr. McFarland, at a profit of \$38,000,000 to the farmers of western Canada. I should like to ask him why he did not sell the wheat.

Mr. BENNETT: I did not say that it could have been sold. I stated that on that basis, it represented that profit, just as on the basis of the market price on December 2, it represented the loss which the minister now has.

Mr. GARDINER: We started in at the beginning of July with 69,000,000 bushels of wheat. During the first half of the month, to July 17, that was reduced to 42,000,000 bushels. Wheat was then selling at 95 cents per bushel, whereas it had previously been selling at the beginning of July at 72 cents. In the intervening period the amount of wheat had been reduced from about 69,000,000 bushels down to 42,000,000 bushels. Immediately following that wheat started to go down, but the gentleman who was then in charge of the handling of wheat bought back until by July 22, he had some 66,000,000 bushels again in his possession. In other words, he did what the leader of the opposition says the present chairman of the wheat board should have done during the two weeks in December last after he was first in charge of the wheat. After having sold wheat at a good price to someone else, as when wheat started to go down on the July market two weeks before the new crop was coming in, he went back into the market in 1933 and bought wheat at a price higher than that at which his other wheat had been previously sold.

Anyone who is going to do business like that in connection with the wheat of Canada is not wanted by the present government of this country. At present we are following the policy of trying to get rid of the wheat with which this country was loaded during the time the present leader of the opposition was in