

The high proportions are partly due to the fact that Alberta farmers have carried over a larger proportion of their wheat in the past few years. The other provinces have been more affected by the prevailing drought and have necessarily delivered and realized on their crops before the 31st of July.

Since farmers tend to feed the lower grades and deliver the better grades, it is a fair inference that the proportions of No. 2 Northern in the farm carry-overs would be somewhat lower than the percentages given above.

The CHAIRMAN: Do you wish to interrogate Dr. Grindley in regard to this phase of the matter before he goes on to question 4?

*By Hon. Mr. Motherwell:*

Q. What we were trying to get at in this schedule was to see if there was any backing up in the volume of 2 Northern Pacific because of alleged non-demand for it. Has there been a larger carry-over of number 2 Northern at the Pacific than of other grades, or at the Atlantic?—A. If you look at the year 1933, the percentage of 2 Northern in the elevators at Fort William, Port Arthur, and in the eastern elevators was much lower than it usually is, and, again, much lower than it was at the Pacific coast terminals.

Q. Yes, it is 5·7?—A. That is right.

Q. And at the Pacific coast terminals it was 30·5 and at Churchill it was 40 per cent, and so on. Are there any other determining factors in connection with this? Was there a special demand for number 1? There is a relatively small amount of number 1 Northern on the Pacific, is there not?—A. Yes, that is right.

Q. Therefore, there will be a big demand, and it will be at a premium, and it would take us all our time to meet the demand.

The CHAIRMAN: We will ask Dr. Grindley to proceed with his statement on question number 4.

WITNESS: Question number 4: "The Canadian price for number 2 Northern compared with the Argentine and Australian price for similar grade for each of the past four years."

*Question No. 4.*—The Canadian price for No. 2 Northern compared with the Argentine and Australian price for similar grade for each of the past four years.

As you are probably aware, it is practically impossible to secure comparative wheat prices in continuous sequence which are not open to some criticism. Neither Argentina nor Australia has established grades such as exist for Canadian wheat. Argentine wheat is sold mostly by district of origin and weight per bushel, with samples the main guide as to price. Rosafe, with a weight of 63 to 64 pounds, is their best wheat, but only in exceptional seasons could it be called "similar" to our No. 2 Northern. Australian wheat is not graded and is sold on a fair average quality basis by sample. Australian wheats are often listed according to the states in which they are grown. Wheats from the dry lands of West Australia have recently become more prominent and are perhaps among their best milling wheats. No Australian wheat, however, could be said to compare favourably with No. 2 Northern in quality. In fact, the highest quality wheats from Argentina and Australia are usually compared with Canadian grades below No. 2 Northern.

You have a chart showing the c.i.f. prices on three grades of wheat at Liverpool, four grades from January, 1932, on c.i.f. prices were considered of more value than quotations in the different countries. A sequence of spot prices for a definite grade throughout the year cannot be secured for Argentine and Australia.