

Mr. GARDINER: There were only between 6,000,000 and 7,000,000 bushels on hand at the end of July, 1937.

Mr. PERLEY: I think we are entitled to have the reports from August 1 last when the board started to handle wheat. The 1935 bill provided for weekly reports being made.

Mr. EULER: Not to the house.

Mr. PERLEY: At the present time I do not think anyone can make an estimate as to how the loss occurred. As I have stated before, I think there was a mistake in the selling policy adopted last fall which has resulted in a loss up to date. I have in my hand a number of reports by the grain statistician Sanford Evans, and in several places he makes the statement that the selling policy was absolutely wrong. He reports as to how the world markets considered the policy that was announced last fall, and states further that there could not be anything but a price decline and that there was not a single instance where there was any evidence of resisting such a price decline. The policy pursued certainly was not one of resisting a decline in price in any shape or form.

Mr. EULER: What particular part of the policy does my hon. friend criticize?

Mr. PERLEY: I criticize the statement that the board is going to sell wheat at any time as fast as they receive it, that there are going to be no holdings.

Mr. EULER: That was never said. The act says that the board shall offer wheat continuously for sale, and that is what they are doing.

Mr. PERLEY: I should like to quote what one report states.

Mr. CRERAR: What report is that?

Mr. PERLEY: By Sanford Evans. Reference is made here to the statement by the Prime Minister (Mr. Mackenzie King) that the wheat board's policy would not be to withhold supplies from the international markets, but rather to offer competition at all times. Reference is made in another report to an extract from the New York Journal of Commerce as follows:

Interpreting the minimum wheat price announcement by the Canadian government late yesterday as extremely bearish, longs on leading North American wheat pits unloaded their holdings. Prices broke to the lowest levels in five years—

Then here is another one which states that along with other sellers of wheat throughout the world the policy of the government should be to attempt to strengthen prices.

There are several of these. Here is one that states:

... if the board is disposed to force sales, on the one hand, or try to raise prices on the other. It is the way the plan is administered in practice and not the terms of the act that must establish its real character in any season. In announcing the plan this season the government went to questionable extremes in disavowing market-price motives.

Mr. EULER: I do not like to interrupt my hon. friend, but is he in sympathy with the express injunction in the act that the board is to offer wheat continuously for sale in the markets of the world?

Mr. PERLEY: I will say that under conditions such as we had last fall the government should have gone to the extent of issuing an order, an order in council if it was desired, empowering the board at least to take some stand, to proceed in some way to resist any price decline and to try to keep up prices rather than follow the policy pursued.

Mr. EULER: In other words, not offer wheat for sale?

Mr. PERLEY: I would buy wheat if necessary. I would do what Mr. McFarland had to do under similar circumstances when he had to buy 15,000,000 bushels in one day in order to keep up the price.

Mr. GARDINER: How could the board in Canada accomplish that when the United States government was offering a hundred million bushels of the same type of wheat for sale?

Mr. PERLEY: If you had not taken off the 6-cent preference they might not have been offering that. If the board displayed a little more courage, if it was not afraid of a little carry-over, I think we would have the results we should have.

Mr. ROSS (Moose Jaw): Throwing off the 6-cent preference would not help much.

Mr. PERLEY: We were accused of gambling and many other things from 1930 to 1935. Our operations resulted in a vast accumulation of wheat, but the result was that there was a profit from the operations from 1930 to 1935. As I said before, the operations from 1932 to 1935 did not cost this country any money.

Mr. ROSS (Moose Jaw): My hon. friend does not mean that the operations in 1932 were any good to anybody?

Mr. PERLEY: There were no particular operations undertaken in 1932.

Mr. ROSS (Moose Jaw): In 1933 then.