

because they had a famine of stock feed, and they wanted the wheat in order that they might mill it at home and have the stock feed for their cattle—just as we wanted it here. That was what the Wheat Board was up against when it undertook to market flour as well as wheat, and it was only by very tactful and very persistent effort in making conditions such that these countries should take a certain amount of flour, if they got their demands for wheat at the prices that were going. In that way—and I know whereof I speak—the Wheat Board has been instrumental in selling flour on the foreign market which the mills could never have got rid of but for those efforts of the board and what I consider their tactful management in the treatment of foreign markets. I just draw those items to the minds of hon. members so that when they are thinking about this or that, they may modify undue criticism by taking into account the conditions. I know that the Greek Government, Venezelos and his officers, came to me and we talked the matter over. I suggested that we wanted to get rid of flour as well as wheat, and they said that the circumstances were such that they had the money and would pay for wheat, but they wanted wheat and not flour. Yet in spite of all that the Wheat Board has been able, and Canada has been able, to sell a certain proportion of flour even to Greece.

Mr. LALOR: Has the minister any idea of the quantity of western wheat milled by Ontario millers?

Sir GEORGE FOSTER: I have not those figures before me. I will say this—maybe it might be said now: of the total crop of wheat last season, about 60,000,000 bushels of wheat have been sold, as well as a little over 20,000,000 bushels of wheat equivalent in flour, making about 80,000,000 bushels in all that have been sold. What remains is not a very large quantity, and it is daily going out.

Mr. CRERAR: Was that 20,000,000 bushels of wheat that was sold in the form of flour, sold abroad or at home?

Sir GEORGE FOSTER: The figures I gave were export figures.

Mr. WILSON (Saskatoon): I am very pleased that the minister has introduced this amendment, for I thought of suggesting one to that effect myself. The milling industry of Canada is a very important one. Success in farming and the welfare of our people depend upon milling as well as on the production of wheat. During the past

[Sir George Foster.]

year the millers have been in an awkward position owing to the great difference in transportation charges on flour as compared with wheat. The cost of transporting flour across the ocean at the present time is about 25 cents a hundred higher than the rate on wheat. That makes a difference of about 15 cents a bushel. This is a serious handicap which the millers are labouring under. While I have had about 16 years' experience in the milling business, I do not think that in my whole experience there has been a time when the business was so crippled as it was during February, March and April of the past year. A great many plants throughout the country were closed down. We have in Canada a milling capacity of about two-thirds in excess of the consuming capacity of the Canadian people. The hon. member for South Oxford (Mr. Sutherland) was complaining that, in his opinion, the Wheat Board was unduly favouring the millers. Now the millers have been of the opinion that they have not been getting altogether a square deal from the Wheat Board. I think, however, it has been mainly through the difference in the cost of transportation of flour over wheat that the Wheat Board have been unable to export for the millers the quantities of flour which the millers think should have been exported. The member for South Oxford has based his complaint on the prices of bran and shorts. He complains that the prices are excessive and he also finds fault with the spread of \$10 between bran and shorts, which he says is too great. As to the first complaint regarding the high cost, I may point out that the miller must buy the wheat from the farmer. When millers purchased wheat at a dollar a bushel and calculated on the basis of 100 pounds it would mean about a \$1.66 per 100 pounds. At that time, to my knowledge, we were selling bran in the West at from \$20 to \$25 a ton, and for a great portion of the past season the millers have been paying \$2.88 per bushel for wheat. Convert that into hundredweight value and it is \$4.66 per hundred, which is pretty nearly three times greater than a dollar a bushel. If you add the same ratio of advance in your feed compared with the increased price of wheat between \$1 and \$2.80, we would have to have about \$75 a ton for bran. So that you can see that the wheat board in setting the price have loaded on to the flour an extra amount of the cost, far greater than when wheat was about a \$1 a bushel, in order to sell bran and shorts at the