

this side. My residence is Saltcoats. My honourable friend to the right here (Hon. Mr. Willoughby) is being credited with all my statements.

Hon. Mr. DANDURAND: The honourable gentleman from Saltcoats has repeated the statement of some of the pool representatives, that in a very few years they would not need this legislation because they would dominate the situation. Now, to me that is fatal, for if the pool has the success which it seems to have, and if it grows normally, as it seems to be growing, they will draw into their ranks a very large part of the farmers that are not members to-day. Under those circumstances it seems to me that it is a very short-sighted policy on the part of the grain trade to refuse this legislation to the pool farmers, because if they succeed in baulking it, in having it rejected, they will simply force those pools to exert themselves to meet that situation, and the pools will find a way of equipping themselves, and will do so to the loss of the grain trade, to their own loss, and to the loss of the country, because I believe, from what we have been told, that there are enough country elevators throughout the West, and enough terminal elevators at the head of the Lakes, to meet the requirements of the West for some years to come.

If we do not grant this legislation we simply accentuate the activities of the pools, and their determination to cope with the difficulty which is presented to them; while if we grant this legislation, and restore to the farmers what they claim to have been their rights—and I believe to have been their rights under the law of 1912—we satisfy the pool organizations, who feel that they have no grievance, that they have been dealt with equitably by this Parliament, and we put them in a mood to enter into an agreement with the elevator companies for carrying on their business jointly, and to their mutual satisfaction.

Honourable members of the Committee remember that Mr. Pitblado said: "We are ready, and we have been ready, to make contracts with the pool people to carry their grain; we did so last year under an agreement." That agreement was read to us, and he added: "We are ready again to enter into an arrangement with them." I said to him: "But you would like to have the whip-hand?" He stopped for a moment, and then said: "Yes, so would the pool people like to have the whip hand in entering the conference, and discussing with us." Now we are just at the crux of the difficulty. Who will have the whip-hand? The grain trade think they have it now, through the legislation passed in 1925.

There is something very extraordinary, honourable gentlemen, as to what happened last year. We have the western farmer; we know his difficulties, how he is handicapped by the fact that he is a thousand miles and more away from the Lakes. He is a formidable distance from his market. He has to move his grain to the seaboard, and to send it across the ocean and land it at Liverpool. When his grain leaves his farm he knows the quotation of grain at Winnipeg or at Chicago, and he sees it leaving his farm and moving towards the market. As it moves he has a little margin of profit, sometimes small, and it goes on diminishing, being gradually eaten up, and sometimes his returns leave behind two-thirds of his profits, and all members who come from the West know that in some years his lean profits were turned into deficits. He has the goods, he produces the crop, but when it comes to his returns he sees them vanish because of the formidable cost of transportation and the charges of the middlemen. He has had suspicions that he has never had a fair deal; that the middlemen were watching for his grain and sometimes making a large profit, while he has hardly enough to pay his hands. That sentiment has grown through the West, and, joined with the difficulty of spreading returns from his sales throughout the year, he has readily come to the conclusion that the co-operative system offered him was his salvation in the handling and marketing of his grain, and in the selection of the day when it should be sold.

This is why 125,000 farmers have flocked to the pools. They have feared that they had not a fair return for their grain when they supplied it to the strange hands that manipulated it as far as the boats.

Hon. Mr. LAIRD: Pardon me. Surely the honourable gentleman must know that for a number of years, in every one of the three Western Provinces, there have been farmers' co-operative companies operating in the grain business and handling a very large volume of the farmers' grain. So to say that this pool is a new movement on the part of the farmers cannot be correct.

Hon. Mr. DANDURAND: I do not say it is something new, but the vastness of the movement is something new. There have been co-operative societies, I know, and grain organization in the three Provinces, but we have never before seen them co-operating for the single purpose of retaining possession of their grain, transporting it to the market, selling it, and getting from it all the returns they can after paying what they believe to be legitimate costs.