

products board, and it was not the farmer. On the evidence presented one cannot help deducing that there was an agreement between a private buyer and the government buyers for carrying on this racket, which resulted in the farmer receiving less than half of what this horse was worth.

One or all of the buyers I have mentioned made some easy money on this shady transaction. Surely the government buyers were instructed to buy horses only from farmer owners. If so, why did they not conform to their instructions? If they were not instructed to buy only from farmer owners, then the special products board was at fault and, in turn, the Department of Agriculture. Even if that policy was not followed; if the horse during the sale, when presented by the farmer, was not up to specification, then I am sure that when that horse in turn was bought from the private buyer it still could not have been up to specification. The feeling left among the farmers in the Lafleche area, in the words of one of its residents, was: "The sale was a farce as far as we farmers were concerned, and all our government men were doing all day was shooing us home with our horses, so that they were able to finish up their own particular racket."

I would ask the minister to have a full investigation of the whole of the dealings of the special products board; in particular, to have all the evidence surrounding the Lafleche sale gone over carefully, and that there be a complete statement, first, as to why the specifications as advertised prior to the sale were not adhered to, and secondly, as to why at least eighteen of the thirty-six horses purchased at the Lafleche sale were purchased from Mr. Walter Stern, a Montreal buyer, while at the same time farmers were turned home with over 270 head; why Mr. Fred J. Hickerty of Melaval had his horse turned down by government buyers and why that animal was subsequently purchased by government buyers from Mr. Walter Stern. To say the least, the sale at Lafleche caused a real stink among the farmers there, and not until they are given an adequate explanation will that stink be cleared away.

Mr. GARDINER: I did not expect to find it necessary to deal with this particular matter at this time, but I have no hesitation in doing so. The story with regard to the purchase of horses for the Netherlands and French governments is one which has been under consideration since early last winter. The French government approached the govern-

ment of Canada in the early part of last winter and asked us to assist them in securing horses in Canada. When the officials of the department approached me with regard to the matter I suggested that we place the officials of the Department of Agriculture at the disposal of the French government and that they should place their own buyers in Canada to purchase these horses. The French government did not desire to have them purchased in that way; they said they preferred that we should purchase the horses. At that time I indicated to them that in all probability a difficulty would arise through the fact that they would probably want to inspect the horses at Montreal or somewhere else, and we made the condition that the horses were to be inspected by our inspectors after they were purchased by government buyers. We undertook, of course, to see that the horses delivered at Montreal were horses that met the specifications which were set down by the governments of the Netherlands and France.

In order to shorten up the story, I should like to say that in spite of the fact the negotiations started last winter, and because of changes in government, I presume, and the difficulties connected with setting up government in a country which has been overrun by armies, the French have not found it possible, even down to the present time, to sign the contract. We have not yet the contracts signed with France for the purchase of 35,000 horses which they desire to have from Canada eventually. However, the government of the Netherlands did sign their contracts for 5,000 horses some time ago. The total number of these horses was not to be delivered this year; they are to be delivered by October 1, 1946, not October 1945. When completed, the contracts call for delivery of these horses by October 1, 1946, so that a very short time has expired even in so far as the contract which has been signed is concerned. There have been purchased for the Netherlands about 1,800 of the 5,000 horses. There have been purchased for the French government somewhere between 600 and 700 horses, or at least that number has been shipped. Eighteen hundred horses have been shipped to the Netherlands and 600 and some odd to France. The reason for the small number in the French contract up to the moment is that the contract has not been signed, and the further fact that the Netherlands and French governments undertook to find the ships. All the ships which have been found up to date have been loaded. The 1,800 horses were loaded for the Netherlands and the 600 and some odd for the French government. The position at present is that we are negotiating with some others