

Hon. Sir JAMES LOUGHEED: There has been a very substantial surplus; in fact, the surplus from the handling of this business is so substantial that it amazes one. The farmers and the public get the benefit of it.

Hon. Mr. BOSTOCK: Up to the present time there has been no loss?

Hon. Sir JAMES LOUGHEED: Oh, no.

Hon. Mr. SHARPE: It is claimed that the surplus in the hands of the Government at the present time is over 40 cents a bushel. They are going to issue cheques for 50 per cent of it by the 15th of this month. That goes to the farmer.

Hon. W. B. ROSS: But that is not the loss which this subsection deals with. It is quite correct, as the honourable gentleman from Manitou (Hon. Mr. Sharpe) has said, that the Wheat Board has 40 cents a bushel which it holds. Those who held on will get 40 cents; but the grain dealer who went out and bought wheat at say \$3, before the Government came in and fixed a price of \$2.75, made a loss; and there was a loss last year. There has been a partial settlement of that loss, but I think there is still a claim of some \$20,000 in that regard. I think that is what is referred to in this section. If you have an open market for a time and men buy wheat at certain prices the board is then appointed and fixes a price, it is possible that the price which they fixed may cause a loss to the men who have been buying in the open market. That is what this section provides for, and it is possible that there might be a big loss. I think, however, that that is not a thing to worry over, because at the time they constituted the board the Government naturally would know whether there had been much buying, and would take care not to fall into a hold of that kind.

Hon. Mr. SHARPE: Last year the Government were very undecided whether to go ahead and control the wheat or not, and for a time they allowed the Grain Exchange to buy and sell wheat. This year they will have their minds made up before they allow the Grain Exchange to open at all; and if they allow it to open, they will allow it to handle the whole crop.

Section 5 was agreed to.

On section 6—powers of Board:

Hon. W. B. ROSS: I think this is an opportune time to mention a certain matter which I have in mind. I take it that the

existing Wheat Board was constituted under the War Measures Act, or during war time; and, of course, I can quite well understand where the Board got its powers. But in the light of the British North America Act, I am puzzled to know where the Parliament of Canada gets power to pass this legislation now that the war is over. So far as we have gone, well and good. I quite understand that the Board should be able to make inquiries and reports in the public interest; but if you read section 6 you will find that some very drastic powers are being placed in the hands of this Board. Take, for instance, paragraph g, under which they shall have power:

To fix maximum prices or margins of profit at which flour and other products made from wheat delivered to millers may be sold, and to fix standards of quality of such flour.

Then paragraph k, which says:

For the purpose of performing its duties under this Act, to allocate Canadian lake tonnage and to distribute cars for rails shipments.

The Board will have power to take the whole of the lake shipping in hand. I understand very well that the Government claims to have got the power last year; but since then there has been a declaration of peace.

Hon. Sir JAMES LOUGHEED: No.

Hon. W. B. ROSS: No declaration of peace?

Hon. Sir JAMES LOUGHEED: There is no declaration of peace with Turkey yet.

Hon. W. B. ROSS: I have in my possession, and I could get it in a very short time, a proclamation of King George issued on the 7th day of July this year, stating that war between Great Britain and Germany and her Allies had come to a close.

Hon. Sir JAMES LOUGHEED: With Germany, yes.

Hon. W. B. ROSS: With Germany and her Allies.

Hon. Mr. BEIQUE: Are we still in a state of war?

Hon. Sir JAMES LOUGHEED: Yes.

Hon. W. B. ROSS: Under a statute passed last year, England is; but Canada, under international law, under the War Measures Act, and under the proclamation of His Majesty the King issued last July, is at peace with Germany and with all the Allies of Germany.

The Hon. the CHAIRMAN: How about Turkey?