

The CHAIRMAN: Would that be all right?

Mr. FAIR: Yes, Mr. Chairman, I could take it up then.

*By Mr. Perley:*

Q. Mr. Findlay, the footnote here says that there are sales of 120,000,000 bushels of futures, but I notice that you only take 99,000,000 bushels of cash wheat, the actual wheat; would you just tell the committee how that deal was completed and what operation there was there?—A. I think I just pretty well dealt with that in the section on sales; and if the board sell 120,000,000 bushels of wheat during any one crop year that does not necessarily mean that that is a complete sale out of the current crop year; it has to be made from and delivered from all of the stocks of all the years open.

Q. You sold futures here; now, how are you going to allocate futures to the cash wheat—delivery I suppose is at Fort William on United Kingdom account?—A. I do not understand your question, Mr. Perley.

Q. Delivery—when you sell futures you have to fulfil that contract and deliver the wheat to Fort William, do you not; where else would you receive that wheat and take delivery of it?—A. Delivery might not necessarily be made at Fort William, it might be made anywhere—it might be made at the west coast.

Q. But the futures contract has to be Fort William?—A. Yes, if you actually deliver your wheat through the clearing house.

Q. So that any of these deliveries through the clearing house must have been made under that contract; where is the authority for holding?—A. The authority is in buying wheat from the exporters.

Q. And you deal with exports under contract with the British government. It is expected when you sell the United Kingdom board wheat.—A. Not all of the board wheat is sold on futures; and I did not say deliveries—these two items—

Q. Does the United Kingdom have a representative in the pit buying futures?—A. No, they bought the futures from the board.

Q. They bought the futures from the board?—A. Yes.

Q. Where did the board get the wheat to deliver on the futures?—A. If you wait until we get through the statements you will find that we have listed the stocks on wheat.

Mr. PERLEY: I can wait.

The CHAIRMAN: Any further questions on that statement?

Mr. PERLEY: That is not cleared up.

The CHAIRMAN: We will proceed to the next one.

Mr. DIEFENBAKER: There is just one question there—

The CHAIRMAN: Would you speak a little louder please, Mr. Diefenbaker?

Mr. DIEFENBAKER: Yes, I will try to. There is just one question there which is a matter of interest to all participants, and it is this: Last year I asked a question in regard to the possibility of payments being made on participation certificates on the 1939-1940 crop, and the answer then given by Mr. McIvor was that at the present time, at the then present market prices, that there was no such possibility; now, having regard to the prices that have been received under the sales during the year, what are the prospects of holders of participation certificates of the 1940-1941 crop receiving any extra amount?—A. Mr. Diefenbaker, that is a question naturally that as an accountant I would rather not answer; but I think that is a fair question.

Q. Yes.—A. I think there is a prospect of the 1940-1941 crop showing a surplus. And now, that is subject to conditions, and to the crop as a whole being finally disposed of.