

commodities at 75 per cent of their market value on bank loans at any time that we think we have to do so. We are not going to quit just because we happen to run a little short of money. We have not done that.

Mr. BUCHANAN. I am glad to hear you say that. And I am for giving this experiment, if you want to call it that, a thorough test, even if it takes \$500,000 more, and either make it succeed or make it a failure, if it is going to be a failure, and have the matter settled. I am for testing it out thoroughly. I want to have it succeed even beyond our hopes, of course, but I do not want it to have half a trial. I want it to have a thorough trial so that we can be sure there is no way for it to succeed, if you do not make it succeed.

Mr. AYRES. I wanted to follow up the wheat matter a little further, but I did not want to interrupt Mr. Buchanan.

You said a few minutes ago that in the last six weeks the price of wheat was much higher here than in Canada. Prior to that time it was not, was it?

Mr. LEGGE. Yes; but not to the same extent.

Going back to the Canadian picture, a year ago now, in the fall of 1929, the Canadian price ranged substantially above the price in the States. Wheat was hauled across the Canadian border. They paid the 12 cents duty, but they still hauled it across at a profit.

People in Congress, especially the Senate Committee, grilled me for hours as to why that was true. I could not answer it except by saying that the Winnipeg price they were paying for wheat was way above the world price at the time. The price being paid in Winnipeg was above the Liverpool price on grain.

The CHAIRMAN. What was the reason for that?

Mr. LEGGE. They were dissatisfied as to conditions, and not without a good deal of reason. The 1929 crop did drop below the 1928 crop of wheat by 500,000,000 bushels, around the world. It would seem that should have been enough to adjust things. But then this awful depression came over Europe and restrictions were put on as to the use of wheat. Instead of getting a reduction of 500,000,000 bushels, the reduction proved to be less than 100,000,000 bushels.

Mr. AYRES. Is it not a fact that a short time ago, last month, I think it was, there was considerable publicity given to the fact that the Farm Board was intending to export, or was exporting millions of bushels of wheat to foreign countries and that they were going on the market to purchase wheat to make up this deficiency, or, rather, the lack of wheat which they had for export purposes, and that this caused the Canadian wheat pool to sell their wheat much cheaper than otherwise because they felt they had to get rid of it in order to get rid of the competition? That is to say, publicity was given to that statement; I am not saying that the Farm Board authorized that publicity, or anything of that kind.

Mr. LEGGE. There was no foundation in fact for that publicity.

Mr. AYRES. It was given out.

Mr. LEGGE. Yes; such stories were circulated, but it was pure propaganda on the part of short-selling traders on the market. We were not responsible for it, nor was any such action taken.

Mr. AYRES. There is one proposition I want to develop to some extent. Along early last spring, I think it was along about the