

against loss on the Pools' share of the 1929 crop and the balance of the 1928 crop. The total deficit of the Pools on account of all grains was \$24,300,000 and their annual repayment obligations to the Provincial Governments with respect to both principal and interest have been met as they fell due.

It should be mentioned here that difficulties with wheat about this time were by no means confined to Canada. The year 1929-30 saw the real beginning of government participation in the wheat business on a world-wide scale. Exporting countries were trying to assist their producers to dispose of surpluses at reasonable prices while importing countries endeavoured to insulate their producers against the full effects of low international price levels. In both cases, the measures adopted had to be made more drastic as prices fell.

Stabilization.—When the Pools ran into further troubles with falling prices and limited demand in 1930-31, the Dominion Government was again brought into the wheat-marketing picture. Its advent was marked by the appointment of Mr. John I. McFarland as Manager of the Pools' Central Selling Agency and by the giving of Dominion Government guarantees to the banks. The second step was the initiation of market stabilization measures which in essence amounted to holding of cash grain and purchasing of futures at times when such seemed necessary to 'stabilize' the market. These were carried on by the Central Selling Agency, financed by the lending banks and guaranteed by the Dominion Government. These operations were, of course, unusual and patterned to meet emergency conditions. They were quite different to the previous duties of the Central Selling Agency and so in July, 1931, the Provincial Pools were divorced from Central and each operated a small separate voluntary pool for the next four years. Direct interest in the Pools, therefore, ends with their separation from Central, but the reader must be concerned with the transition of the government stabilization proceedings into the Canadian Wheat Board of 1935. These proceedings were carried on, as has been seen, under the name of the Canadian Co-operative Wheat Producers, Ltd., and using the accumulated wheat stocks of that organization as a base.

The following statement summarizes the holdings (cash wheat and futures) of the Canadian Co-operative Wheat Producers, Ltd., at selected and significant dates:—

HOLDINGS OF THE CANADIAN CO-OPERATIVE WHEAT PRODUCERS, LTD., AT STATED DATES.

Date.	Bushels.	Date.	Bushels.
November, 1930.....	36,935,000	July 31, 1934.....	176,237,000
July 31, 1931.....	75,164,000	July 31, 1935.....	213,688,000
July 31, 1932.....	99,978,000	Dec. 2, 1935.....	205,187,000
July 31, 1933.....	149,672,000		

Without entering into any discussion of the merits or demerits of these stabilization measures, it may be seen that a considerable volume of wheat was acquired in the process. Large sums of money were naturally involved and in the 1935 session of Parliament attention was directed to legislation which would serve the double purpose of disposing of the holdings acquired under stabilization and at the same time handling the new crops.