

Section 8, paragraph (c), states that it shall be the duty of the Board "to sell and dispose of stocks of wheat and contracts for the delivery of wheat acquired from Canadian Co-operative Wheat Producers, Limited, and the wheat represented by such contracts as may be reasonably possible, having regard to economic and other conditions"

Section 8, paragraph (j), states that it shall be the duty of the Board "to offer continuously wheat for sale in the markets of the world through the established channels: Provided that the Board may, if in its opinion any existing agencies are not operating satisfactorily, take such steps as it deems expedient to establish, utilize and employ its own or other marketing agencies or channels"

Relation to Established Trade.—Under Section 8, paragraph (i) of the Canadian Wheat Board Act, it is the duty of the Board "in selling and disposing of wheat as by this Act provided, to utilize and employ without discrimination such marketing agencies, including commission merchants, brokers, elevator men, exporters and other persons engaged in or operating facilities for the selling and handling of wheat, as the Board in its discretion may determine".

It is interesting to note that the Board must utilize existing marketing agencies, but if any such agencies are not operating satisfactorily the Board may use its own or other agencies to carry on its marketing activities. In general, the Board has used all the facilities of the organized trade in its operations. The Board has signed agreements with country and terminal elevators, mills, and other grain-handling organizations.

Relation to Government.—The Canadian Wheat Board is required to report to the Minister of Trade and Commerce for Canada on a weekly basis, showing its purchases and sales, wheat and contracts on hand, cost of same to the Board, and the general financial position of the Board. Under this clause the Government is assured of continuous information on the activities of the Board.

Relation to Futures Market.—It is also of interest to note Section 8, paragraph (k), which reads as follows:—

It shall be the duty of the Board, with the approval of the Governor-in-Council, to make such investigations as from time to time it may deem necessary of the operations of the Winnipeg Grain and Produce Clearing Association and the Winnipeg and Vancouver Grain Exchanges in their dealings in wheat and other grains where such wheat and other grains are the subject of transactions affecting interprovincial or international trade, and for the purpose aforesaid the Board shall have, without the issue of any commission, all the power and authority conferred upon a commissioner appointed under the Inquiries Act, being chapter ninety-nine of the Revised Statutes of Canada, 1927, and shall from time to time report to the Minister the result of such investigations.

This section would enable the Board to conduct investigations into the matter of futures trading. In practice, the Board makes full use of the facilities of the Winnipeg Grain Exchange for the disposal of its holdings. It is convenient and necessary for the Board to do so because the Exchange is almost invariably used by the trade in initiating and hedging sales or purchases of the actual cash wheat.

The Handling of Other Grains.—The Board may, with the approval of Governor in Council, apply the terms of the Canadian Wheat Board Act, 1935, to oats, barley, flax, and rye. So far the Board has not taken the initiative in applying the terms of the Act to the secondary crops in Canada.