

Agricultural Food Board.—Canadian farmers have, during war years, met in large part the increased demand for food, although faced with a shortage of labour and higher costs of production. To ensure that production would meet the requirements of the Armed Forces and domestic requirements, and in order to maintain ceiling prices in Canada, subsidies have been paid to producers of essential foodstuffs. Originally these were paid by the Wartime Prices and Trade Board but, by an arrangement between the Ministers of Agriculture and Finance, the Agricultural Food Board was established on Mar. 1, 1943, and assumed the payment of producer subsidies two months later. Subsidies are paid by the manufacturer or distributor who purchases the raw product from the producer. The manufacturer or distributor is in turn reimbursed by the Government. The subsidy which is paid must be indicated on the statement of settlement furnished to the producer. In addition to paying subsidies, the Agricultural Food Board has wide powers and responsibilities in connection with the wartime production of food in Canada and its diversion to priority uses.

Under the wartime price and subsidy program, total milk production increased from 15,800,000,000 lb. in 1939 to 17,600,000,000 lb. in 1944. Subsidies at varying rates are used in combination with control of diversion to direct supplies into desired outlets. Production of milk for sale in fluid form has been subsidized in order to meet increased demand from army camps, from cities and towns where there has been an increase in population owing to the establishment of war industries, and in areas where greater purchasing power of the public generally has increased consumption. Subsidies have been paid on a selective basis in those market areas where it was evident that a shortage would otherwise occur. The Canadian people are consuming about 19 p.c. more milk than before the War.

Subsidies are also paid on butterfat used in the manufacture of creamery butter and on milk used in the manufacture of cheddar cheese and concentrated milk products. While it has been necessary to ration butter, more has been consumed in Canada than before the War, and large quantities of cheese and concentrated milk products have been exported to meet overseas requirements of the United Nations. Subsidy payments on milk and milk products in 1944 amounted to about \$45,000,000.

Producers of tomatoes, corn, peas, green and waxed beans who deliver these products for canning are entitled to subsidies in addition to a price equivalent to that paid for the crop in 1941, or any higher amount agreed upon. Producers of strawberries, raspberries, loganberries, gooseberries, and currants are entitled to subsidy on that part of their crop that is canned or manufactured into jam. By this means it has been possible to maintain and even increase production of these desirable food products for sale under domestic ceiling prices. Subsidy payments on these crops amounted to about \$2,500,000 in 1944.

Commodity Boards.—Working in close collaboration with the Agricultural Supplies Board and the Agricultural Food Board are three commodity boards which procure and forward Canadian farm products contracted for under agreements with other governments. The Meat Board (previously the Bacon Board) acts as the agency which implements the agreements with the British Ministry of Food for bacon and other meat products. The Dairy Products Board acts in a similar capacity with respect to Canadian cheddar cheese needed by the United Kingdom and takes such measures as will ensure needed supplies of other dairy products for