

- (4) Provision was made for storage payments on farm-stored wheat at a rate not greater than the established country elevator tariff rate.
- (5) The Board was given power to regulate deliveries by producers at country mill and terminal elevators and loading platforms.
- (6) The provision that the Board sell "continuously" was deleted. (Obviously, continuous sales are not possible under war conditions.)
- (7) The penalty clauses were made more severe.
- (8) The Board was made responsible for the collection of a processing levy not to exceed 15 cents per bushel on wheat utilized for human consumption. The levy also applies to imported wheat and wheat products, which may only be imported by permission of the Board. The proceeds of the levy go into the ordinary revenues of the Board. (Subsequently, the levy was fixed at 15 cents per bushel by Order in Council and Regulations framed for its collection.)

Acreage and Production

A further substantial increase in wheat acreage took place in 1940 when 28,726,200 acres were seeded in Canada. Total production was estimated at 540,190,000 bushels—a near record crop for the second year in succession.

Operations of the Board

Wheat.—Western Division.—The balance of the 1939 crop remaining for sale on July 31, 1940, amounted to approximately 182,000,000 bushels and during the crop year 1940-41, this amount was reduced by sales to approximately 115,000,000 bushels. As at July 31, 1940, with valuations as of that date, the 1939 crop account showed a deficit on the books of over \$14,000,000.

Deliveries by producers to the Board on 1940 Crop Account amounted to approximately 395,357,000 bushels of which about 141,644,000 bushels were sold during 1940-41, leaving 253,713,000 bushels unsold at July 31, 1941. At that time, the 1940 Crop Account also showed an operating deficit, approaching \$4,500,000.

Eastern Division.—With the initial price again fixed at 70 cents per bushel for No. 1 grades, basis delivered Montreal, the deliveries to the Board were much lower at about 1,333,000 bushels. This wheat was all sold within the crop year at a profit of nearly \$100,000 that was distributed to the producers on their participation certificates.

Processing Levy.—A gross revenue of \$5,966,792 resulted from the application of the processing levy (see Item 8, above) and, after deducting expenses of administration, a net revenue of \$5,867,129 was credited to the 1940 Crop Account—Western and Eastern Divisions.

Delivery Quotas.—In order to divide the available elevator space as fairly as possible among the producers, delivery permits were made necessary for each farm. Quotas were established for the deliveries from each farm and as more space became available due to the shipping and disposal of grain, the quotas were gradually increased. Finally, with the co-operation of the producers and the elevator companies, it was possible to take delivery of all the marketable grain. Extensive building of temporary annexes to country elevators helped materially in expediting the deliveries. Farm storage payments, amounting to \$6,147,524.03 were made to producers on all wheat delivered between Oct. 31, 1940 and July 31, 1941.