

acreage in 1940. Other producers had their authorized acreages lowered because of unusually high wheat acreages seeded in that year. The adjustment of these extremes modified the inequities arising from the use of a single base year.

The number of bushels per authorized acre to be marketed in 1941-42 was left open until the size and pattern of the 1941 crop were known.

In accordance with the powers granted to the Board by Sect. 7 (h) of the Canadian Wheat Board Act, as amended in 1940, farm storage payments were made to producers on the same basis as in 1940-41, namely at the rate of  $\frac{1}{45}$  of a cent per bushel per day. Farm storage commenced on Oct. 8 and was paid on all grades of wheat delivered to the Board between Nov. 1, 1941, and July 31, 1942.

By Order in Council P.C. 5844, dated July 31, 1941, the section in the Canadian Wheat Board Act providing for the collection of the Processing Levy was repealed. In accordance with this Order in Council the Board discontinued the Processing Levy at the close of business on July 31, 1941, and in the 1941-42 crop year merely completed the collection of levies due to the Board up to and including July 31, 1941.

**Special Measures.**—During the crop year 1941-42 certain special measures were taken by the Federal Government in regard to wheat and flaxseed. These were:—

*Ontario Winter Wheat.*—On June 25, 1941, by Order in Council P.C. 4535, the price of 70 cents per bushel, basis delivered in Montreal, for No. 1 grades of Canada eastern winter wheat, was continued for another year.

On July 8, 1941, by Order in Council P.C. 5040, prices of No. 2 and No. 3 grades were fixed at 68 cents and 65 cents per bushel, respectively.

Owing to the small wheat crop in Ontario in 1941, the price of Ontario wheat rose far above the Board's initial price with the result that only a very small amount was delivered to the Board. Under the circumstances, the Government, by Order in Council P.C. 7700, dated Oct. 4, 1941, announced that the Canadian Wheat Board would accept Ontario winter wheat only in the event that the market price for No. 1 grades of Ontario winter wheat at country points fell below the price of 80 cents basis, export rail freights to Montreal. Since the price remained above the figure set under P.C. 7700, no deliveries to the Board were made subsequently and there were no operations to be reported.

*Higher Price Level for Wheat Stocks.*—On Mar. 5, 1942, a resolution appeared on the order paper of the House of Commons providing for "the payment of an increased rate per bushel of wheat delivered by producers" Pending official action, the Canadian Wheat Board issued a press announcement, which was brought to the attention of those concerned prior to the opening of the market on Mar. 6, 1942. The announcement read as follows:—

"A resolution placed on the order paper for Mar. 5, 1942, indicates the Government's intention to increase the initial price of wheat. This is an official notification of our intention that all open wheat futures will be cleared on or before this date at the closing prices of Thursday, March 5th, that is May wheat futures at 79½ cents and/or July wheat futures at 80½ cents. If this action is not taken until July 31st, suitable carrying charges will be allowed to holders of cash wheat for the elapsed period during the month of July. Unhedged cash wheat will be adjusted on the same basis. In the meantime holders of cash wheat as well as futures may continue to carry on with their normal business bearing in mind the above."

The result of this action was that persons holding cash wheat or wheat futures could not sell at prices higher than those ruling at the market close of Mar. 5, after allowing for carrying charges.