

"The contract is based upon commercial considerations of mutual interest. It ensures to the United Kingdom substantial quantities of wheat during the expected period of shortage at prices below those which would be payable were there to be a free market at the present time. This is the commercial advantage which the United Kingdom secures. In the later period of the contract Canada receives the advantages of a guaranteed market, though for a diminished quantity, and of the assurance of at least the stated minimum prices. In determining the actual price in the last two years regard will be had to the extent to which the agreed price for the first two years falls below the world price for that period. Our farmers are therefore protected from crippling losses should there be a world slump in wheat prices. This is the commercial advantage which Canada secures."

Acreage and Production

Wheat acreage in 1945 showed only a slight increase over the area sown in 1944. Wheat acreage in Canada amounted to 23,414,100 acres as compared with 23,284,200 acres in 1944. Small decreases were shown in the area sown to rye and flaxseed.

Total grain and flaxseed production in Canada decreased by about 300,000,000 bushels as compared with 1944. Prairie production of all grains and flaxseed declined by 253,000,000 bushels as compared with 1944.

Grain production in Canada and the Prairie Provinces is given in a table at p. 810, for the years 1940-46.

Total supplies of each of the major grain and oilseed crops showed substantial decreases as compared with 1944-45 due, in part, to smaller inward carryovers and, in part, to smaller production in 1945 as compared with 1944. Total supplies of wheat were 197,000,000 bushels lower than in 1944-45. A statement at p. 812 shows total supplies of grain in Canada for the years 1940-47

Price Ceilings.—The Board continued to act as administrator of ceiling prices on whole grains on behalf of the Wartime Prices and Trade Board.

Delivery Quotas.—As a result of country elevator space available at the start of 1945-46 and the rapid movement of wheat to seaboard, it was possible to increase delivery quotas quickly. The initial wheat quota was established at 5 bushels per authorized acre. On Sept. 6, 1945, a general wheat delivery quota of 14 bushels per authorized acre was established throughout Western Canada. On Oct. 4, 1945, the Minister of Trade and Commerce announced in the House of Commons that the 14-bushel limitation on marketings was being removed for the crop year 1945-46; on the following day the Board announced an open delivery quota on wheat at all delivery points in the Western Division, effective until July 31, 1946.

In order to assist in meeting the demand for feed grains, the Board extended the open delivery quota on oats and barley in effect on July 31, 1945, to Aug. 31, 1945. On Aug. 30 the Board announced an open delivery quota on barley for the balance of 1945-46. At the same time the open delivery quota on oats was extended to Sept. 14, 1945. On Sept. 13 the Board announced that the initial 1945-46 delivery quota on oats would become effective on Sept. 17 and would be established at 5 bushels per seeded acre. At the same time it was pointed out that some restriction had to be maintained on oats in order to facilitate the rapid movement of wheat to the Lakehead and to the West Coast during the early part of the marketing year. On Dec. 27, 1945, a 10-bushel quota became effective in respect to oats and this was followed on Dec. 31 by the declaration of an open delivery quota at all but a few delivery points. Delivery quotas in respect to oats were completely open on Feb. 11, 1946. At the commencement of the crop year the Board announced that delivery quotas would not be established for 1945-46 in respect to flax and rye.