

ducer than I indicated in this House on Mar. 20, 1946. At that time, I announced the continuation of the initial price of \$1.25 per bushel basis No. 1 Northern in store, Fort William/Port Arthur or Vancouver, for the 1946-47 crop year.

"The new policy is based upon an initial price of \$1.35 per bushel basis No. 1 Northern in store Fort William/Port Arthur or Vancouver, applicable to all the wheat delivered to the Canadian Wheat Board in the five-year period from and including Aug. 1, 1945, and July 31, 1950. The 1945-46 deliveries, based on an initial price of \$1.25 will be brought up to a \$1.35 basis by payment of a flat 10 cents per bushel on all grades.

"As the House has been informed, the payment of about 12 cents per bushel as participation on the 1943 crop is now under way. This participation payment will be followed by one on the 1944 crop the sale of which has progressed to a point where I am safe in saying that the participation payment will be upwards of 16 cents per bushel. After the 10-cent payment on the 1945 crop has been made—to bring the initial payment up to \$1.35—the plan is to place the remaining surplus from that crop in a five-year pool with the succeeding four crops of 1946, 1947, 1948 and 1949. Participation certificates will be issued in the usual way, but the payment on these certificates will not be made until after the conclusion of the five-year pool at July 31, 1950. In other words, the deliveries of all five years will be bulked in one pool, with the same initial price of \$1.35 ruling throughout the period and the surplus resulting from the marketing of these crops will constitute the participation payments.

"In connection with deliveries, there was, of course, no restriction on 1945-46 deliveries and it is the intention of the Government to instruct the Canadian Wheat Board to accept all the wheat that producers wish to deliver in 1946-47. The best information we can get indicates a continued over-all world shortage of wheat and wheat flour in the coming crop year. Deliveries in the last three years of the pool will depend upon conditions of production and of markets. It will be provided in the new orders that the deliverable quantities will be determined by the Governor in Council before each new crop year, but in any event, the deliverable quantity shall not be less than 14 bushels per authorized acre. The latter provision should safeguard wheat producers against an extreme reduction in deliverable amounts, should available markets be smaller than we expect.

"I should also mention the provisions for domestic and export prices. In the interests of general price control that benefits the wheat producers along with other Canadians, the domestic price of wheat will be continued at \$1.25, with the Government assuming carrying costs on the amounts of wheat used domestically. The Government will continue to pay a drawback to millers covering the difference between 77½ cents and \$1.25 per bushel on wheat used in Canada for human consumption. This is, of course, not a direct charge against the producer. With regard to export prices, the supplies for the United Kingdom will obviously be sold within the terms of the contract. In sales to non-contract countries, a serious effort will be made to sell at prices roughly corresponding to those of the other principal supplier—now, the United States. To this end, Order in Council P.C. 6122 of Sept. 19, 1945, has been revoked. It will be remembered that through this Order the Government directed the Canadian Wheat Board for the time being not to exceed a sales price of \$1.55 per bushel for No. 1 Northern in store Fort William/Port Arthur or Vancouver in its export sales.

"It will be apparent from what I have said and from the terms of the United Kingdom-Canada Wheat Contract that the Government considers it wise and advisable to continue the Canadian Wheat Board as the sole purchaser of western Canadian wheat from the producers. The Government believes that the great majority of western producers are satisfied, for the present at least, with this method of marketing. The present powers of the Canadian Wheat Board will be extended under the National Emergency Transitional Powers Act for the duration of this statute. When it expires, the Government will direct its attention to the form and authority under which the Board's powers may be further continued.

"Other powers of the Board, such as delivery quotas, will continue to be employed as in the past. For 1946-47, however, the quotas will not be finally restrictive but employed for the purpose of fairly dividing elevator space and railway cars among all the producers.

"The representations that have been made to the Government by spokesmen for the organized producers of western Canada stress their great desire for stability, so far as it can be attained by Government action, during the post-war years. I think it can be fairly said that the policy I have outlined helps the producers materially toward that objective. There is no question that the wheat producers have made possible the success of domestic price control by immediate sacrifices in their 1945-46 and current export prices. These sacrifices have also assisted in overseas rehabilitation. The Government is convinced that the outlined policy will give fair and comparatively stable returns to the producers, so far as it is within the power of the Government."