

cultural prices during the transition from war to peace. However, the inability of the United Kingdom to purchase any fresh apples from Canada in 1947, presented marketing difficulties to Nova Scotia apple growers whose traditional export market is in the United Kingdom. In order to promote orderly marketing and to provide a stable price for the growers, the Agricultural Prices Support Board guaranteed a return per barrel of \$2.00 to \$2.25 according to the percentage of culls. The Nova Scotia Apple Marketing Board as agents for the growers, will market the apples to best advantage, and if returns from all sales yield an average price per barrel less than the guaranteed minimum the Board will make up the difference.

United Kingdom Contracts.—The food contracts with the United Kingdom, which developed out of the necessity of war, are at present an important part of the Government's program to maintain price stability of agricultural products. While providing a fixed price for the exportable surplus of the principal farm products, these contracts also act as a floor above which domestic prices find their level.

The new contracts, negotiated early in 1948, are for Canada's surplus of beef, bacon, eggs and cheese for the years 1948 and 1949 to an actual quantity previously estimated each year and written into the contracts. While the prices for 1948 have been agreed to, the prices for 1949 will be negotiated before the end of 1948 and will maintain a proper relationship with grain prices at that time. The contracts for 1948 are as follows:—

Bacon.—The contract for the calendar year 1948 is for 195,000,000 lb. of bacon and ham at \$36 per 100 lb. Grade A No. I sizeable Wiltshire sides, at seaboard. The comparable price for the 1947 contract was \$29.

Beef.—The contract for the calendar year 1948 is for an estimated 45,000,000 lb. Prices are: Red Brand \$27.50 per 100 lb., Blue Brand \$26.50 per 100 lb., Commercial \$23.10 per 100 lb. at seaboard. The price increase over the 1947 contract varies from \$3.25 per 100 lb. to \$1.50 per 100 lb. according to quality.

Cheese.—The contract for the 12 month period beginning Apr. 1, 1948, is for 50,000,000 lb. at 30 cents per lb. first grade f.o.b. factory shipping point. This represents an increase of 5 cents per lb. over the preceding contract price.

Eggs.—The contract for eggs is for the year ending Jan. 31, 1949, for 80,000,000 dozen. The price is based on Grade A Large, delivered seaboard; spring price 47.5 cents per dozen, autumn 54.25 cents per dozen, storage 52.75 cents per dozen. The spring price (late January to Aug. 31) represents an increase of 5 cents per dozen, and the autumn price (Sept. 1 to late January) an increase of 3.5 cents per dozen over 1947 contract prices.

Wheat.—Canada has entered into a contract with the United Kingdom covering a period of four years, commencing Aug. 1, 1946, for the delivery of specific quantities of wheat. Quantities covered by the contract are 160,000,000 bu. for each of the first two years, 1946-47 and 1947-48, and 140,000,000 bu. for each of the last two years of the agreement. Within the total quantities, provision is made for minimum amounts of flour to be included. The price, basis No. 1 Northern in store at Fort William, Port Arthur, Vancouver and Churchill, is \$1.55 per bu. during each of the first two years; prices for each of the third and fourth years are to be negotiated, but, in any event, will not be less than \$1.25 per bu. for the 1948-49 crop year, and \$1 per bu. for the crop year 1949-50. The contract is subject to modification to conform with any international agreement entered into subsequently and to which both Governments are party.