The Grain Research Laboratory, located at Winnipeg, is the main centre of research on the chemistry of Canadian grains. It is well staffed and equipped to provide the service required to help maintain and expand domestic and foreign markets for all types of grain. The Laboratory collects and tests samples of various crops to obtain information on the current quality of all grains shipped during the crop year. Fundamental research is also undertaken; the program is directed toward better understanding of what constitutes quality in cereal grains and toward improvement in the methods of assessing quality.

In addition to its duties under the Canada Grain Act, certain other duties are performed by the Board. Under the provisions of the Inland Water Freight Rates Act (RSC 1952, c. 153), the Board maintains records of rates for the carriage of grain from Fort William or Port Arthur, Ont., by lake or river navigation and is empowered to prescribe maximum rates for such carriage. Under the provisions of the Prairie Farm Assistance Act (RSC 1952, c. 213 as amended), the Board collects from licensees under the Canada Grain Act 1 p.c. of the purchase price of wheat, oats, barley, rye, flax and rapeseed purchased by such licensees.

The Canadian Wheat Board.\*—The Canadian Wheat Board was established under the Canadian Wheat Board Act of 1935 for the purpose of "the marketing in an orderly manner, in interprovincial and export trade, of grain grown in Canada" and now operates under RSC 1952, c. 44 as amended. The Board accomplishes its objective through regulation and agreement. It owns no grain handling facilities but, by entering into agreements with the owners of these facilities, it attempts to bring about an orderly flow of grain through each of the steps involved in merchandising the grain from the producer to the domestic or overseas buyer.

In the selling of wheat, the Board utilizes the services of shippers and exporters. In its sales operations, the Board endeavours to meet the wishes of overseas buyers and, on occasion, enters into direct contracts. When an exporter completes an export sale, in his capacity as an agent of the Board, he is responsible for the transaction; he completes the transaction with the buyer and settles with the Board for the purchase of the wheat from the Board.

When the commercial storage facilities are inadequate to handle all the grain produced, it is necessary for the Board to regulate the flow of grain from the producer to these forward positions. The first step is accomplished by the use of producer's delivery permits issued annually by The Canadian Wheat Board. Every delivery of grain made to country elevators by a producer is entered in his permit book. By regulation, the amount of grain delivered by the producer to the country elevator by the use of a quota system and, by apportioning shipping orders to country elevators according to the needs created by sales commitments, the Wheat Board regulates the amount of grain coming into the marketing channel.

The next step is the handling of the grain by the country elevator. The maximum charges for the handling and storing of the grain are set by the Board of Grain Commissioners, but the actual charges are subject to negotiation between the elevator companies and the Wheat Board.

The third step in the marketing process—transporting the grain from the country elevators to large terminal elevators in Eastern Canada, Churchill or on the West Coast—is carried out by the railways. The Wheat Board determines the kinds and grades of grain that are required at the different terminal destinations to meet its sales commitments and informs the elevator companies and the railways of these needs. The maximum tariffs are set by an agreement between the railways and the Government of Canada.

The fourth major step—storing and handling of the grain at terminal elevators—is done in privately or co-operatively owned elevators. Maximum charges are established for this service by the Board of Grain Commissioners.

<sup>\*</sup> Revised by R. L. Kristjanson, Executive Assistant, The Canadian Wheat Board, Winnipeg, Man.