

co-operation in the sale of grain. The federal government's role is currently focused in the Department of Agriculture, the Department of Industry, Trade and Commerce, and in the semi-autonomous bodies reporting to Parliament through Ministers of the Crown – the Canadian Grain Commission and the Canadian Wheat Board, as well as the Canadian International Grains Institute. To provide a forum for co-ordination, consultation and consensus on industry recommendations to government, the Canada Grains Council has been established. To co-ordinate, review and recommend federal policies, having due regard to all organizations concerned, a Special Advisory Group on Grains has been formed. The Minister responsible for the Canadian Wheat Board is designated as primarily responsible for federal government grains policy.

#### **11.8.1.1 Grains Group**

In 1970, the Minister responsible for the Canadian Wheat Board organized the Special Advisory Group on Grains (known as the Grains Group) made up of policy advisers drawn from the Canada Department of Agriculture, the Department of Industry, Trade and Commerce, the Canadian Transport Commission and the railways. Under the Minister's direction the Grains Group examines the problems of the grains industry in the areas of production, transportation and handling, and marketing, proposes measures to adjust grains production to known and projected markets, identifies and develops market opportunities, and stimulates more efficient handling and transportation of grain of the types and quantities required to meet domestic and export market demands. It also co-ordinates, reviews and recommends federal policies for grains and grain production. Implementation of recommended policies subsequently adopted by the government is through government departments or other agencies concerned with the grains industry.

**Production.** The Canada Department of Agriculture conducts a wide-ranging research program in plant breeding and production methods to improve varieties, yields and quality of grains for which there is a domestic and export demand. A recent innovation has been the provision, well in advance of spring planting, of information on initial prices to be guaranteed to farmers for the new crop of wheat, oats and barley, and on minimum deliveries to be accepted by the Canadian Wheat Board during the crop year.

Other programs are the Grassland Incentive Program, which encourages producers to increase their forage acreage, maintain their grain acreage and production in relation to market demands for grain and, at the same time, provide increased forage for an expanding livestock industry; and the Two-Price Wheat Program, which provides some stability to the domestic wheat market by ensuring that producers receive \$3.00 per bu for that portion of wheat used for domestic human consumption, while maintaining the price of wheat to domestic millers at \$1.95½ for the top grade of milling wheat regardless of variations in export prices.

**Transportation and handling.** The Grains Group studies of the grain handling and transportation system, undertaken to identify the constraints and alternatives to the system and to provide a base for discussion and subsequent action, were released in August 1972, and are available from the Canada Grains Council, Winnipeg, which is judged to be the forum most representative of the parties concerned. Through the Grain Handling and Transportation Committee formed under the Grains Council, producers and other organizations have direct participation in deciding on future transportation and handling developments in the industry.

The government has purchased 2,000 specially designed hopper cars to maintain the movement of grain to export positions, and the Canadian Wheat Board has been assigned the responsibility of ensuring their most effective use. Record shipments amounting to 817 million bu were handled in the 1971-72 crop year, and with the new equipment it is expected that in the 1972-73 crop year a new record will be achieved.

**Marketing.** In order to broaden the assistance provided for sales and market development of grains, oilseeds and products, the services and programs of the Department of Industry, Trade and Commerce are consolidated in a new Grain Marketing Office, which maintains regular contact with the Canadian Wheat Board, other agencies and organizations concerned with grain marketing, trade commissioners abroad and the private trade with the objective of maximizing exports from the grains sector. The Rapeseed Utilization Assistance Program provides for an increased level of product development grants through the Rapeseed Association of Canada. A broad program of trade promotion is maintained, including participation in Canadian trade fairs.