

The Commission's Grain Research Laboratory conducts surveys of the quality of each year's grain crops and of grain moving through the Canadian elevator system. It provides information on the quality of varieties and grades of grain to the Inspection Division, collaborates with plant breeders in studies on new grain varieties and undertakes basic research in relation to quality characteristics of cereal grains and oilseeds. With the introduction of the protein factor in segregating wheat grades, the Commission has extended and decentralized its protein-testing facilities and is now able to test samples drawn from carlots of wheat and make the results known to terminal elevator operators prior to unloading cars at the terminals. The Laboratory monitors this protein testing to ensure uniformity among testing units, and also assists in testing the quality of cereals developed by plant breeders to determine the licensing potential of the variety.

The Commission has four Assistant Commissioners — one in Alberta, two in Saskatchewan and one in Manitoba — who investigate complaints of producers and inspect primary (country) elevators in their respective provinces. All grain elevators with their equipment and stocks of grain may be inspected at any time by officials of the Commission.

The Commission sets up western and eastern grain standards committees which participate in establishing grain grades and grade specifications and recommend standard and export standard samples for various grades of grain. It also appoints grain appeal tribunals to hear appeals against the grading of grain by the Commission's inspectors; decisions of these tribunals are final.

11.8.1.3 The Canadian Wheat Board

The Canadian Wheat Board was established under the Canadian Wheat Board Act of 1935 for the purpose of "marketing in an orderly manner, in interprovincial and export trade, grain grown in Canada". The legislation established the Wheat Board as the sole marketing agency for Prairie wheat, oats and barley sold interprovincially or internationally. Other crops, such as rye, rapeseed, flaxseed, buckwheat and mustard are marketed by the private grain trade.

The sale of Prairie-grown wheat, oats and barley is carried out in one of two ways: sales negotiated directly by the Wheat Board, and those negotiated through grain exporting companies acting as its agents.

Delivery of the kinds, grades and quantities of grain needed by customers is essential to the Wheat Board's marketing program. This is accomplished in two stages: the first involves the delivery of grain by the producer from his farm to the local country elevator; the flow of grain from farms to country elevators is regulated under a delivery quota system which enables the Wheat Board to call for the delivery of the kind and grade of grain required to meet market commitments, and, at the same time, to allocate delivery opportunities equitably among all grain producers; the second stage involves the movement of grain from country elevators to large terminal positions in eastern Canada, at Thunder Bay, at Churchill, and on the west coast. The transportation of grain to terminals on the west coast, at Thunder Bay and at Churchill is carried out by the railways under maximum tariffs established under the terms of the National Transportation Act. The forwarding of grain from Thunder Bay to eastern positions is done largely by lake vessels under freight rates negotiated by the Wheat Board and by private shippers with lake vessel operators. Extensive planning and a high degree of co-ordination within the grain handling and transportation industry are required to carry out the complex task of moving grain from country elevators to forward positions. The Wheat Board, which co-ordinates the entire movement, programs rail shipments from country elevators to terminals on a weekly basis in accordance with sales requirements.

The producer receives payment for his wheat, oats and barley in two stages: an initial payment price is established by Order in Council before the start of a crop year; this price, less handling costs at the local elevator and transportation costs to Thunder Bay or Vancouver, is the initial price received by the producer and is, in effect, a guaranteed floor price. If the Wheat Board, in selling the grain, does not realize this price and the necessary marketing costs, the deficit is borne by the federal treasury; after the end of the crop year when the Board has sold all the grain or otherwise disposed of it in accordance with the Canadian Wheat Board Act, the Board, if authorized by Order in Council, makes a final payment to producers.

Under the Prairie Grain Advance Payments Act, administered by the Board, producers may receive, through their elevator agents, interest-free cash advances on farm-stored grain in