

Jaw, Saskatoon, Calgary, Edmonton, Lethbridge and Prince Rupert. All elevator operators in Western Canada and in Eastern Canada handling western-grown grain for export, as well as grain dealers in Western Canada, must be licensed by the commission and must file security by bond or otherwise as a guarantee for performance of all obligations imposed upon them by the Canada Grain Act or its regulations. On a fee basis, the commission provides official inspection, grading and weighing of grain, as well as registration of terminal elevator and eastern elevator receipts. The economics and statistics division of the commission is the basic source of information on grain handled through the Canadian licensed elevator system. The commission is also responsible for administering the Grain Futures Act which provides for the supervision of grain futures trading.

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 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.

The commission's assistant commissioners — one in Alberta, two in Saskatchewan, one in Manitoba and one in Ontario — investigate complaints of producers and inspect licensed elevators. All grain elevators, equipment and stocks of grain may be inspected at any time.

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. It also appoints grain appeal tribunals to hear appeals against grading of grain by the commission's inspectors; decisions of these tribunals are final.

11.2.4 The Canadian Wheat Board

The Canadian Wheat Board was set up under the Canadian Wheat Board Act of 1935 to market in an orderly manner, in interprovincial and export trade, grain grown in Canada. The wheat board became the sole marketing agency for Prairie wheat, oats and barley sold interprovincially or internationally. With the introduction of a new domestic feed grains policy in August 1974, marketing of feed grains for domestic use was removed from exclusive wheat board jurisdiction and these grains are now traded on the open market. The wheat board remains the sole purchaser and seller of feed grains for export. Other crops, such as rye, rapeseed, flaxseed, buckwheat and mustard are marketed by the private grain trade.

Sale of Prairie-grown wheat, oats and barley is carried out through sales negotiated directly by the wheat board, or through grain exporting companies acting as its agents.

Delivery of the kinds, grades and quantities of grain needed by customers is essential to the board's marketing program. This is accomplished in two stages. The first involves delivery of grain by the producer from his farm to the local country elevator under a quota system for the kind and grade of grain required to meet market commitments, and to allocate delivery opportunities equitably among all grain producers. The second stage involves movement of grain from country elevators to large terminals in Eastern Canada, at Thunder Bay, Churchill, and the West Coast by the railways. Shipping of grain from Thunder Bay to eastern positions is done largely by lake vessels. Extensive planning and a high degree of co-ordination within the grain handling and transportation industry are required. 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 selling to the wheat board receives payment 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