

products. The Canada Grains Council provides a forum for co-ordination, consultation and consensus on industry recommendations to government. Organized in 1970 the Grains Group represents the departments of Agriculture, External Affairs and Transport. The group examines problems in production, transportation and handling, and marketing. It co-ordinates, reviews and recommends federal policies for the grains industry.

Production. Agriculture Canada conducts research in plant breeding and production methods to improve varieties, yields and quality of marketable grains. The Minister responsible for the Wheat Board provides grain and oilseed producers with information on world market conditions, on an annual basis, in March, in advance of spring seeding. Studies on production and market potential are conducted or funded by the agriculture development branch.

Marketing. The grain marketing bureau of the Department of External Affairs provides policy advice to the government, and information and trade promotion assistance for grains and oilseeds and their products through contact with the Canadian Wheat Board, other agencies concerned with grain marketing, trade commissioners abroad, and the private trade sector. Trade promotion includes organization of missions and trade fairs in Canada and abroad. The department also provides cost or risk sharing to exporters for projects designed to increase sales of grains and oilseeds, which would not be realized without incentives.

Credit. Canada has been selling grain on credit since 1952. In the 1985-86 crop year, credit sales, which are on terms of three years or less, accounted for 9% of Canadian grains and oilseeds exports. The bulk of these sales were of western wheat and barley marketed by the Canadian Wheat Board and financed under the Canadian Wheat Board Act with a government guarantee of repayment. Sales of other grains on credit are insured under the Export Development Act.

Food aid. The Canadian food aid program has expanded from \$2 million in 1962-63 to more than \$350 million. Most of the food aid sent to about 85 countries consists of wheat and wheat products; corn, canola oil, skim milk powder, pulses and fish are also included. The Canadian International Development Agency administers 44% of Canada's food aid to foreign governments under multilateral programs, mainly the World Food Program, 50% through bilateral channels and 6% through non-government organizations. Canada's minimum annual grain and grain products aid commitment under the Food Aid Convention of the International Wheat Agreement is 600 000 tonnes.

9.5.3 Canadian Grain Commission

Established in 1912 as the Board of Grain Commissioners, the Canadian Grain Commission is responsible to the Minister of Agriculture, who reports to Parliament on its activities. The Commission administers the Canada Grain Act, which establishes standards of quality for Canadian grains and regulates grain handling in Canada.

Reporting to the Commission, the supervisor of the commodity exchange supervises grain futures trading in Canada under the terms of the Grain Futures Act. The Grain Appeal Tribunal also reports to the Commission and is responsible for examining appeals on grain grading.

Headquartered in Winnipeg, the Commission has offices in 16 centres across Canada and employs about 800 people.

There are four operating divisions. Quality control of Canadian grains as they move through the handling system is maintained by the inspection division. Grain is officially inspected at licensed terminal and transfer elevators and the treatment of grain is supervised and controlled. Weighing of grain at licensed terminal and transfer elevators is supervised by the weighing division. It audits their physical stocks at regular intervals and investigates excessive overages and shortages in grain receipts or shipments. The grain research laboratory assesses the quality of new crops, conducts basic and applied research on Canadian grains and oilseeds and supplies technical assistance to marketers of Canadian grains and oilseeds. The economics and statistics division provides documentation to terminal and transfer elevators, conducts economic studies for the Commission and publishes statistics. It issues grain dealer and elevator licences, monitors security provisions related to licensees, and administers the allocation of rail cars to producers who apply for this service.

9.5.4 Canadian Wheat Board

Export sales of Prairie-grown wheat, oats and barley are negotiated by the Canadian Wheat Board, or through grain-exporting companies acting as its agents.

This Board was set up in 1935 as the sole marketing agency for Prairie wheat, and subsequently for oats and barley, sold interprovincially or internationally. Feed grains for domestic use were removed from exclusive Wheat Board marketing in 1974 and have since been 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.