

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 division 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 Prairie feed grains for export. Other crops, such as rye, rapeseed, flaxseed, buckwheat and mustard are marketed by the private grain trade.

The Board's marketing program is accomplished in two stages. First, grain is delivered by the producer to the local elevator under a quota system to meet market commitments. The quota system allocates delivery opportunities among all grain producers. Second, the grain is moved by rail to large terminals in Eastern Canada, Thunder Bay, Churchill, and the West Coast. Grain is also trans-shipped from Thunder Bay to eastern positions largely by lake vessels. The Wheat Board and the Grain Transportation Agency, another federal agency, jointly co-ordinate the movement

of grain from country elevators to terminals on a weekly basis.

The producer receives payment in two stages. An initial 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 in effect a government-guaranteed floor price. If the Wheat Board, in selling the grain, does not realize this price plus necessary marketing costs, the deficit is borne by the federal treasury; after the end of the crop year when the Board has disposed of all the grain, it distributes any surplus in a final payment to producers.

Under the domestic feed grains policy, a producer delivering feed grains to a country elevator has the option of selling the grain to the Wheat Board or on the open market. In the latter case, the producer will, on delivery, receive the full price in contrast to the Wheat Board system of initial and final payments.

9.5.5 Farm assistance

Federal farm assistance programs help ensure stability of the agriculture industry and the supply of food for Canadians. Price-support programs help producers to secure a fair return for their labour and management, provide stability of income, and help producers to remain in business during times of depressed prices. Crop insurance, through programs operated provincially, with the federal government contributing financially, provides farmers protection against crop losses caused by natural forces such as hail, drought and insects. Availability of credit is important for farmers to improve or expand their operations. Among other assistance programs are those for marketing and feed grain. The assistance programs are administered by Agriculture Canada or by the agencies responsible to the Minister of Agriculture.

The Farm Improvement and Marketing Co-operatives Loans Act (FIMCLA) came into effect February 1, 1988 and replaced the Farm Improvement Loans Act (FILA) which expired in January 1988. FIMCLA is an expanded version of the former FILA.

A key provision of the new program is that it allows guarantees on loans made to co-operatives set up by farmers to process, market and distribute their commodities. These co-operatives may receive a guaranteed loan of up to \$3 million. Under the new Act, the maximum which a borrower may have outstanding is \$250,000. Loans may be repayable over a period up to 10 years for all purposes, except for additional land purchase for which a 15-year term is permitted.