

co-ordination of exports, particularly on the part of Canada, the United States and Australia. The problem, one of potential hunger and starvation, was reduced to a problem of meagre rations in many countries and malnutrition on a wide scale which was partly relieved with the harvesting of improved grain crops throughout Europe in late June, July and August, 1946. It can be said that Canada, the United States and Australia over-exported wheat during the critical crop year under review. Residual problems were left in all three countries. These problems, however, must be evaluated in terms of the impression which was made upon a severe and far-reaching food crisis.

### *End of a Cycle*

The carryover of wheat having receded to less than pre-war quantities on July 31, 1946, it is useful to describe some of the major points in Canadian wheat policy and the major objectives of board administration during the eight crop years from 1938-39 to 1945-46. In many respects the report of the board for 1945-46 represents the completion of a full cycle in the marketing of Canadian wheat—a cycle which began in 1938-39. The eight crop years from 1938-39 to 1945-46 were eventful; they included the years of the war and the administration of wartime policy in respect to grains. They included years of abundant wheat supplies in Canada; and finally, years when Canadian wheat was one of the main factors in the strategy of the war and one of the most important factors which carried Europe and Asia through the critical year following the end of hostilities. Statistically, these phases are shown below:

Crop Years	Annual Supplies			Annual Disposition		
	Initial Stocks	Annual Production	Total Supplies	Domestic Requirements	Exports	Year-End Stocks
	(million bushels)					
Av. 1929-30 to 1938-39.....	135	309	444	110	199	135
(10 PRE-WAR-YEARS):						
1938-39.....	25	360	385	122	160	103
1939-40.....	103	521	624	131	193	300
1940-41.....	300	540	840	129	231	480
1941-42.....	480	315	795	145	226	424
1942-43.....	424	557	981	171	215	595
1943-44.....	595	284	879	179	344	356
1944-45.....	356	417	773	172	343	258
1945-46.....	258	306	564	154	340	70

In these eight crop years the wheat situation in Canada went through two clearly defined phases. The first phase commenced in 1938-1939 and continued to the end of 1942-1943; the second phase commenced in 1943-1944 and continued until the end of 1945-1946. While both phases included many of the same basic policies, there was a great difference in the objectives pursued by the board during these two periods of time.

### *1938-1939 to 1942-1943*

In 1938-1939 wheat production in Canada recovered after the disaster of 1937. The 1938 crop was still below average in size but more wheat was marketed by producers than could be used in Canada or sold abroad under the conditions which then existed. On July 31, 1939, the Canadian carryover of wheat again exceeded 100 million bushels. This was the position at the outbreak of war in 1939. In 1939 a very large wheat crop of 521 million bushels was harvested in Canada and with export markets restricted at that stage of the war, reserve stocks of wheat in Canada increased to 300 million bushels by July 31, 1940. Commencing in 1940-41, the main lines of wartime grain policy in Canada were being established as it became apparent that Canada