

only if total production provides a marketable surplus of wheat in excess of 230 million bushels. In the event of the crop being smaller than this the system of quotas will require to be varied to meet this condition.

(4) The dominion government through the Canadian wheat board will continue to guarantee an initial payment of 70 cents a bushel basis on No. 1 Northern wheat delivered during the crop year 1941-42.

(5) The Canadian wheat board will continue to pay storage to the producers on the same basis as in 1940-41, but only on the undelivered portion of the 230 million bushels.

(6) No change will be made in the amount or incidence of the processing levy as at present established.

My jurisdiction as Minister of Trade and Commerce covers the marketing of wheat. With this I have dealt. Agricultural production lies within the jurisdiction of my colleague the Minister of Agriculture. The restrictive measures I have outlined are deemed necessary. There must be compensations in view of these restrictions and the Minister of Agriculture will now deal with these compensatory measures.

The Minister of Agriculture, the Hon. J. G. Gardiner then made the following statement:

As has been stated by the Minister of Trade and Commerce the minister of that department has, ever since there was a Canada Grain Act, been responsible for its administration, and on each occasion when we have had a wheat board act the minister has also been responsible for its administration. I think I can say without fear of contradiction that no minister of trade and commerce and no wheat board has ever had a more difficult year to deal with up to the present than the year 1940. I think I can say at the same time that the minister, his department, and the wheat board in particular, should be complimented upon the efficient manner in which they have handled that difficult situation.

We have just been given an outline of the activities of the year and of the difficulties facing us this year. As my colleague has already intimated, I desire to deal with that section of wheat policy which has to do with production and its relation to the statements that have been made.

The Minister of Trade and Commerce has stated to the house what will be available to provide handling facilities and advance upon the wheat which can be taken by the government this year.

It is considered by the government that only 230 million bushels of wheat can be delivered to the board on the open market or otherwise. In view of all the uncertain circumstances, the government is of the