

dian federation of agriculture; and after consultations between the United States and Canadian agricultural authorities.

The 1943-44 programme involved some important adjustments as compared with the 1942-43 programme, but retains the same general objectives. The marketing policy is definitely related to the general farm production programme announced by the Department of Agriculture.

1. The fixed initial price of wheat under the Canadian Wheat Board Act will remain at 90 cents a bushel for No. 1 northern wheat basis in store Fort William-Port Arthur or Vancouver.

2. Marketings of wheat in western Canada in 1943-44 will be restricted to 14 bushels per authorized acre. The limitation of marketings to 14 bushels per authorized acre, instead of using a total marketable quantity, will greatly simplify administration and each producer will know exactly how much wheat he can market.

3. The most important change in policy is in connection with wheat deliverable in 1943-44. Under the present regulations only wheat grown in 1942 may be delivered against the 1942-43 quota of 280 million bushels. Under the new programme any wheat which the farmer has on hand produced in 1943 or in any previous year will be deliverable within the quotas fixed for the crop year 1943-44. The government feels that this feature of its 1943-44 policy will result in a further reduction in wheat acreage and will enable producers to devote more of their land to the production of other crops which are required. Most producers in the west will have wheat on their farms at the end of the crop year, and consequently will be able to further reduce their wheat acreage in 1943 and still fill their 1943-44 delivery quotas. The general farm production programme contemplates a reduction of at least three million acres in the area sown to wheat in 1943 as compared with 1942.

4. Minimum prices for oats and barley in 1943-44 will be continued at 45 cents a bushel for No. 2 C.W. oats, basis in store Fort William-Port Arthur, and 60 cents a bushel for Nos. 1 and 2 C.W. barley, basis in store Fort William-Port Arthur, with lower grades in their proper relationship. Old crop as well as 1943 production of oats and barley may be delivered during the coming crop year.

5. The fixed price for flaxseed in 1943-44 will be continued at \$2.25 a bushel basis in store Fort William-Port Arthur.

6. In connection with its policies in respect to delivery quotas, the use of available storage

space and shipping facilities, the Canadian wheat board will give first consideration to the movement of those grains or grades of grain which are most in demand in 1943-44.

May I now turn to those aspects of the grain policy for 1943-44, which relate primarily to production and in regard to which, on behalf of my colleague the Minister of Agriculture, I wish to state the main decisions that have been reached.

The agricultural programme for 1943 announced following the conference held in Ottawa on December 8 and 9, 1942, required that there be an increased production of hog, cattle and poultry products in 1943 which should be continued into 1944.

The considered opinion of those best informed in the United States and Canada is that if we are to reach our objectives in live stock production in 1943 and 1944 there must be an increased acreage of coarse grains in Canada in 1943.

We are asking a 12 per cent increase in oat acreage and an 11 per cent increase in barley acreage. This is being encouraged by guaranteed minimum prices on barley and oats as last year.

In order to make provision for the required acreage we are asking farmers to reduce their wheat acreage by not less than 3,000,000 acres. To encourage this, the Minister of Agriculture will submit amendments to the Wheat Acreage Reduction Act, 1942, to provide payment of \$2 an acre on each acre by which land seeded to wheat in 1943 is less than land seeded to wheat in 1940 based on the same acreage. If there is new breaking involved, 80 per cent of it will be counted as wheat and 20 per cent as coarse grains. No payment will be made in respect of abandoned land.

There is no assurance that flaxseed from an additional acreage can be disposed of in 1943. We are, therefore, not asking farmers to increase flax acreage over 1942. If there is any change in the requirements of flaxseed, farmers will be notified later.

Some difficulty is experienced in disposing of rye. We are, therefore, suggesting that rye acreage be reduced by 31 per cent.

Finally I wish to make a statement on the question of wheat farm storage payments, from this crop year of 1942-43. Due to altered circumstances affecting the marketing of this year's crops, it has been decided on the strong advice of the Canadian wheat board not to make payments for the farm storage of wheat.

In the past two crop seasons, farm storage payments were made because of congestion of country elevator space early in the crop year. At the beginning of this crop year, there were about 170 million bushels of empty storage