

and administrative costs totalled \$14,996,755.65. The deficit in the Barley Equalization Fund, namely, \$1,013,020.28 was due to the action taken by the Dominion Government under Order in Council P.C. 6238, September 25, 1945, which provided for an increase in the Advance Equalization Payment on barley to 20 cents per bushel, and prohibition of exports of barley during the crop year 1945-46. This action was taken owing to the urgent need for barley for feeding purposes in Canada. A small amount of barley went for export early in the crop year under export permits outstanding as at July 31, 1945. Equalization Fees were collected on exports of barley malt and other products of barley. The Equalization Fund also benefited from the collection of a 5 cent premium on barley used for malting purposes in Canada, in accordance with Order in Council P.C. 6238.

Ontario Wheat Equalization Fund

Pursuant to Order in Council P.C. 4646, July 5, 1945, the Board levied Equalization Fees on exports of Ontario wheat flour and products of Ontario wheat.

During the crop year 1945-46 Equalization Fees were levied against 157,462 barrels of Ontario wheat flour and a small amount of Ontario wheat which went for export during the crop year. As at July 31, 1946, the Ontario Equalization Fund amounted to \$270,417.67 which amount, less payment costs and plus accumulated interest, will be available for distribution among producers marketing winter wheat in Ontario in 1945-46.

I may say that distribution has been made.

SALES AND PRICE POLICY

During the first half of the crop year the Board moved export wheat into seaboard positions in large volume, and in the latter half of the crop year to the extent that remaining supplies of wheat in Canada would permit. This policy the Board considered sound from a merchandising standpoint in addition to offering the best means by which this country could contribute to the desperate food situation which prevailed in overseas countries throughout the crop year. The extent to which the Board pressed for a prompt movement of export wheat may be illustrated by the fact that exports of wheat (including wheat in the form of flour) amounted to 206.6 million bushels during the first half of the crop year and 133.5 million bushels during the last half. Under the circumstances which prevailed at the time, it was the desire of most importing countries in Europe to secure as much wheat as possible prior to the winter months of 1945-46. During the final quarter of the crop year, exports of Canadian wheat were relatively small and conformed to the supply position which prevailed in this country. Every available bushel was exported and only minimum stocks remained in Canada on July 31, 1946. As in previous years, exports of Canadian wheat were co-ordinated with exports from other countries through the Cereals Committee of the International Emergency Food Council, and/or the Combined Food Board.

By authority of the order in council P.C. 1116, February 20, 1945 and order in council P.C. 4647, July 5, 1945, the Board was required to make wheat available for consumption in Canada at the domestic price of \$1.25 per bushel basis No. 1 Northern in store Fort William/Port Arthur or Vancouver.

For the greater part of the crop year 1945-46 the board's export price policy was in terms of order in council P.C. 6122, September 19, 1945, which required that for the time being, Canadian wheat be offered for export at a price not exceeding \$1.55 per bushel for No. 1 Northern basis in store Fort William/Port Arthur or Vancouver.