

Government".

While the foregoing statement outlines the basis of current Canadian wheat policy, there have been subsequent revisions of prices in keeping with changing economic conditions. On February 17, 1947 it was announced that the Government had directed the Canadian Wheat Board to advance the domestic price of wheat to \$1.55 per bushel plus carrying charges of 3½ cents per bushel. This placed the domestic price on the same basis as that provided in the United Kingdom contract, the increase being in accordance with the Government's policy of progressively reducing price controls in Canada. Subsidies to millers were increased to take care of the price advances so that ceiling prices in force at that time might be maintained on flour, bread, millfeeds and other wheat products. Effective September 15, 1947 price ceilings on bread and flour were suspended by the Wartime Prices and Trade Board. On the same date the Canadian Wheat Board discontinued the payment of the drawback on flour and wheat products milled or processed from wheat of western Canada grain grades.

On March 25, 1948, the Rt.Hon. C.D. Howe, Minister of Trade and Commerce, announced an increase of 20 cents per bushel, effective April 1, in the initial payment made to farmers by the Canadian Wheat Board. The increase was retroactive on all wheat delivered by farmers to the Board since August 1, 1945 and brought the initial payment up to the level at which Canada was selling wheat to the United Kingdom in the second year of the four-year Anglo-Canadian Wheat Agreement. The Minister also announced the price would advance to \$2.00 per bushel in the third year of the agreement, beginning August 1, 1948. The price for the fourth year is still to be announced. Funds to cover the retroactive increase in the price to producers were obtained out of profits made by the Wheat Board on its sales during the past three crop years.

#### Acreage Expansion

It was during the first World War that acreage and production of wheat in Canada expanded most rapidly, particularly in the three prairie provinces. The wheat acreage in 1914 in Canada was just over 10,000,000 acres but in 1919 it exceeded 19,000,000 acres. The production in Canada of 393,000,000 bushels in 1915 saw the prairie provinces achieve an average yield of 26 bushels of wheat to the acre a record which still stands.

Acreage continued to expand in the period between the two World Wars and reached the highest point on record in 1940 when 28,726,000 acres were seeded to wheat in Canada and all but 1,000,000 acres of this in the three prairie provinces. The following table shows the trend of wheat acreage during the forty years from 1908 to 1947.