The various factors with respect to initial payment, allowance for costs of processing and selling, and differentials in price for the various grades for the particular agricultural product, are set out in the agreements with the various organizations that operate under the Act.

Agreements under this Act have been concluded with co-operative associations and processors marketing honey, alfalfa seed, onions, timothy seed, silver fox and mink pelts, and registered seed.

The Wheat Co-operative Marketing Act, 1939

The Wheat Co-operative Marketing Act, which is applicable only to spring wheat grown in the Prairie Provinces and British Columbia, is similar in principle to the Agricultural Products Marketing Act. A co-operative association that wishes to avail itself of the provisions of the Act must enter into an agreement with the Dominion Government to make an initial payment to primary producers of an amount to be fixed by agreement for each grade of wheat but not exceeding 60 cents per bushel for No. 1 Northern, basis Fort William. If the price received for such wheat falls below the initial payment, the Government will pay the selling agency of the co-operative association or the elevator company the difference between the average selling price and the initial payment plus transport, operating, and carrying costs. A number of agreements have been made under the Wheat Co-operative Act, 1939.

Associated with the Wheat Co-operative Marketing Act is the Canadian Wheat Board Act, 1935, and Amendment Act, 1939, which are under the jurisdiction of the Minister of Trade and Commerce. Under these Acts the producer of wheat is guaranteed an advance of a fixed price per bushel, according to grade or place of delivery—70 cents per bushel in the case of No. 1 Northern, basis in store Fort William. This guarantee is applicable to 5,000 bushels only from any one producer in any one year. Quantities over 5,000 bushels must be marketed either through the open market or through a co-operative.

The wheat farmer, therefore, has three methods at his disposal to market his crop, viz., the Wheat Board, the open market, or co-operatively through pooling organizations.

The Prairie Farm Assistance Act, 1939

The Prairie Farm Assistance Act is intended to aid farmers in years of distress by providing a measure of insurance to those who suffer low yields. There are two provisions in the Act, one dealing with a crop failure and one dealing with "emergency conditions" An emergency year is any crop year in which low prices (less than 80 cents per bushel for No. 1 Northern), low yields, and general conditions over which the individual has no control combine to make the position of the prairie farmer difficult beyond the financial care of the individual municipality or province. The Act declares the crop year 1939-40 an emergency year.

A crop failure may be declared in any one of the Prairie Provinces in any year when the Minister of Agriculture is assured that the average yield of wheat, from any cause other than hail damage, is 5 bushels or less per acre in each of 135 townships or more in Saskatchewan and in each of 100 townships or more in either Alberta or Manitoba.

Awards paid to farmers under this Act will be exempt from the operation of any law relating to bankruptcy or insolvency, or to garnishment or attachment, and