

Section 1.—Government in Relation to Agriculture

It is provided in Sect. 95 of the British North America Act that "in each province the legislature may make laws in relation to agriculture in the province"; it is also declared "that the Parliament of Canada may from time to time make laws in relation to agriculture in all or any of the provinces; and any law of the legislature of a province relative to agriculture . . . shall have effect in and for the province as long and as far only as it is not repugnant to any Act of the Parliament of Canada".

As a result of this provision, there exist at the present time Departments of Agriculture, with Ministers of Agriculture at their heads, in the Dominion and in each of the nine provinces.

Subsection 1.—The Dominion Government

Subjects dealt with under this heading in previous editions of the Year Book are: the Functions of the Dominion Department of Agriculture; Agricultural Progress in Canada and the Dominion Experimental Farms System; the Prairie Farm Rehabilitation Program; the Historical Background of Canadian Agriculture; and Agricultural Marketing Legislation, 1939. See list of special articles at the front of this edition.

THE CANADIAN FARM LOAN BOARD*

This Board was appointed by the Governor in Council under the provisions of the Canadian Farm Loan Act (c. 66, R.S.C. 1927, as amended by c. 46, Statutes of 1934 and c. 16, Statutes of 1935) and, as an agency of the Crown in the right of the Dominion, administers a system of long-term mortgage credit for farmers throughout Canada.

The Board is empowered to loan money to farmers for the payment of debts, for the purchase of farm equipment and live stock, to assist in the purchase of farm lands, for farm improvements or for any other purpose considered as improving the value of the land for agricultural purposes.

Loans may be granted on the security of first mortgages on farm lands actually operated by the borrower up to an amount not exceeding 50 p.c. of the appraised value of such farm lands, but, in any event, not in excess of \$5,000 and such loans are repayable on an amortized plan of repayment over a period not exceeding 25 years.

In virtue of amendments to the Act enacted in 1935, the Board is also empowered to make additional advances to farmers, who, having obtained a first-mortgage loan from the Board, require additional funds. The amount of such additional advance is not to exceed 50 p.c. of the amount of the first-mortgage loan, nor the aggregate of first- and second-mortgage loans to exceed two-thirds of the appraised value of the farm lands mortgaged as security for the loan, nor in any event an aggregate amount of \$6,000. The current rate of interest on loans made by the Board is 5 p.c. on first-mortgage loans and 6 p.c. on second-mortgage loans. Operations are now carried on in all provinces of Canada.

Particulars regarding the capital requirements of the Board, rates of interest charged and other details appear at p. 185 of the 1940 Year Book.

* Revised by W. A. Reeve, Acting Secretary, Canadian Farm Loan Board, Ottawa.