

Because of Canada's rapid economic growth there has been some encroachment on farm land by industry. Naturally this is most pronounced in areas geographically suited for industrial development, and in such areas some fertile land has been lost to agriculture. However, it seems probable that for some years to come, more intensive cultivation of the present farming areas will compensate for loss of any agricultural land to industry. A possible exception may be in certain areas of southern Ontario where highly specialized crops are now grown and where climatic conditions are the essential factor in their production.

The dearth of farm labour may be a limiting factor to production in those branches of the industry, such as dairying, which cannot obtain much advantage from mechanization. However, during the latter part of 1956 and early 1957 there were indications that the shift of workers from farm to town had slowed down, apparently as the result of a more adequate supply of labour in competing industries, particularly forestry and construction. If the total available labour force tends to level out more evenly among all industries in the years ahead, farmers will find hired help less difficult to obtain.

## Section 1.—Federal Government in Relation to Agriculture\*

The British North America Act (1867) states in part that "in each province, the legislature may make laws in relation to agriculture in the province" and 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 as it is not repugnant to any Act of the Parliament of Canada". As a result of this provision there now exists a Department of Agriculture, with a Minister of Agriculture at its head, in the Federal Government and in each of the provinces except Newfoundland where agricultural affairs are dealt with by the Agricultural Division of the Department of Mines and Resources.

### Subsection 1.—General Policy, Price Stability and Farm Credit

The activities of the Department of Agriculture are directed toward the production of marketable farm products. Apart from the initial research and experimentation in connection with operations on the farm itself it is essential that processing, grading and inspection of farm products should be of a high standard if markets both at home and abroad are to be retained and new ones developed. For that reason the inspection and grading activities of the Department have become of increasing importance. By inspection and grading the buyer is able to obtain a product suited to his requirements; the producer is compensated according to the grade of his product and is thus encouraged to produce a high quality commodity.

The results of experimental and research work and the policies of the Department in general are made available to farmers and to the public through bulletins, the press, radio, television and the screen. Regular releases on market conditions and prices are a feature of this publicity.

**Price Stability.**—The Federal Government has passed a number of Acts designed to give price stability in marketing agricultural products. The most important of these is the Agricultural Prices Support Act, 1944, which permits the Federal Government to stabilize the price of any agricultural product except wheat and coarse grains (which are marketed under other legislation) by outright purchase or by underwriting the market through guarantees or deficiency payments. The following products have been supported under the Act when occasion arose: potatoes, apples, dried white beans, extracted honey, dry skimmed milk, creamery butter, shell eggs, cheese, hogs and cattle.

\* Except as otherwise indicated this material was prepared under the direction of Dr. J. G. Taggart, C.B.E., Deputy Minister of Agriculture, Ottawa.