

Under the Agricultural Products Co-operative Marketing Act, 1939, price support may be extended by the Government to assist in financing initial payments made by co-operatives to primary producers on delivery of the products for sale. Initial payments are subject to negotiation between co-operative and government but may not exceed 80 p.c. of the average returns for like grades and qualities during the previous three years and the Government guarantees banks against loss in advancing funds to co-operative organizations with whom agreements have been signed. The legislation has been used extensively by co-operatives, and agreements through the years have covered onions, potatoes, corn, many seed crops and ranch bred fox and mink pelts.

A number of provincial governments have legislation providing for the establishment of a Board to regulate or control the marketing of agricultural products sold within the province concerned. Under the British North America Act a provincial government cannot legislate with regard to products marketed outside the province or in export trade, but under the Agricultural Products Marketing Act, 1949, the Federal Government may at discretion permit provincial marketing legislation to be applied in whole or in part to the marketing of agricultural products outside the province concerned and in export trade.

The Agricultural Products Board Act, 1951, states that the Board may buy, sell, export and import agricultural products when directed by the Governor in Council.

**Farm Credit and Assistance.**—The Federal Government has made provision for the extension of credit to farmers under the Canadian Farm Loan Act and under the Farm Improvement Loans Act. In addition to these two Acts, dealt with in detail below, The Prairie Grain Producers Interim Financing Act, 1956, provides short-term financing necessary by reason of difficulty in the prompt marketing of threshed grain. Certain financial assistance in event of crop failure is provided by the Prairie Farm Assistance Act.

*The Canadian Farm Loan Act.*—Under this Act, long-term farm mortgage credit is available to Canadian farmers through the agency of the Canadian Farm Loan Board established in 1929. Loans are made to buy farm land, livestock and farm equipment, to make farm improvements and to pay debts and operating expenses.

Prior to June 26, 1956, the Board supplied intermediate-term second mortgage credit to its first mortgage borrowers but on that date the Act was amended and this type of credit was discontinued and the Board's first mortgage lending powers were broadened. First mortgage loans repayable on an amortization plan with equal annual payments are now made for periods not exceeding 30 years and in amounts up to \$15,000 and up to 65 p.c. of the appraised value of the farm offered as security. Funds for lending are borrowed by the Board from the Minister of Finance at current interest rates and are re-lent to farmers at a slightly higher interest rate sufficient to pay the cost of funds and administration expenses. The Board's authorized capital, fixed at \$3,000,000 by the amendment of June 26, 1956, was increased to \$4,000,000 by a further amendment passed on Mar. 28, 1957. The Board's borrowing power is limited to twenty times the amount of its outstanding capital subscribed by the Government of Canada.

In the year ended Mar. 31, 1957, loans were approved for a total of \$13,978,700, an increase of 68 p.c. over the previous year and the largest amount approved in any year since the Board's establishment. Of this total 58.5 p.c. was approved to buy land and pay land-secured debt, 21.6 p.c. to pay debts, 14.3 p.c. to buy livestock and farm machinery and to make improvements and 5.6 p.c. for sundry purposes. At Mar. 31, 1957, 20,372 first mortgage loans and 1,841 second mortgage loans were outstanding for a total of \$53,748,364.

*The Farm Improvement Loans Act.*—The Farm Improvement Loans Act, administered by the Department of Finance, is designed to provide intermediate-term credit and a type of short-term credit to enable farmers to equip, improve and develop their farms. There is scarcely anything a farmer needs in the way of mechanical aids for his farm operation or his home for which a loan may not be made. Assistance may also be obtained