

Administration Branch.—Besides its general responsibility for the business management of the Department, the Administration Branch embraces the division concerned with Information and Economics. For the present, rehabilitation and assistance programs are also associated with this Branch.

The Economics Division collects, analyses and interprets economic information required to form and administer departmental policies and programs. It conducts economic surveys and research designed to improve agricultural production, marketing, and farm living conditions. The Division acts as an economic and statistical research agency for the Agricultural Stabilization Board, the Prairie Farm Rehabilitation Administration and other bodies, assisting in any economic undertaking with which the Department is concerned.

The Information Division gathers and publishes information arising from research work and the development and regulatory programs of the Department. It employs all the recognized media—printed publications, press and radio releases, motion pictures and television. In addition, the Division operates the central library of the Department and a system of field libraries located at major research centres of the Department across Canada.

Subsection 2.—Farm Credit and Assistance

The Federal Government has made provision for the extension of credit to farmers under the Farm Credit Act (replacing the Canadian Farm Loan Act) and under the Farm Improvement Loans Act. Cash advances are made to grain producers under the terms of the Prairie Grain Advance Payments Act. Certain financial assistance in event of crop failure is provided by the Prairie Farm Assistance Act. Also, following the drought in Western Canada in 1957, which resulted in a reduced crop, arrangements were made under the Western Grain Producers Acreage Payment Regulations (Order in Council PC 1958/1442) for paying to each grain producer a sum of \$1 for each acre seeded in 1958, up to the amount of \$200. Total payments under these regulations amounted to approximately \$40,000,000. These measures, with the exception of the one-time acreage payment regulations, are discussed in detail in the following paragraphs.

The Canadian Farm Loan Act and the Farm Credit Act.—Long-term farm mortgage credit is available to Canadian farmers for the purchase of land, livestock and farm equipment, to make farm improvements and to pay debts, under the provisions of the Farm Credit Act enacted by Parliament on July 18, 1959 and proclaimed in force on Oct. 5, 1959. This Act repealed the Canadian Farm Loan Act and established the Farm Credit Corporation as an agent of the Crown in right of Canada to administer a system of long-term mortgage credit as the successor to the Canadian Farm Loan Board established in 1929 under the Canadian Farm Loan Act.

At the time of repeal of the Canadian Farm Loan Act, the maximum loan for all legitimate farm purposes was limited to 65 p.c. of the appraised value of the farm taken as security, not exceeding \$15,000, repayable within 30 years. The new Act gives the Farm Credit Corporation substantially broader lending powers. Under Part II of the new Act, the Farm Credit Corporation may lend up to 75 p.c. of the appraised value of the farm taken as security, not exceeding \$20,000, repayable within 30 years. In addition to loans under Part II, the Corporation is empowered to make loans to young farmers, aged 21 to 44 inclusive, having five years experience in farming, to enable them to become established on economic farm units. These loans are based on first mortgage security of farm land and additionally, where required, on the security of livestock and farm equipment. The maximum Part III loan may not exceed 75 p.c. of the value of the land and chattels, nor \$27,500. That portion of the loan based on chattel security is repayable within 10 years and the remainder of the loan within 30 years. A loan under Part III is additionally secured by insurance on the life of the borrower and his farming operations are subject to supervision by the Corporation until the loan is reduced to 65 p.c. of the value of the farm land. The interest rate on all loans is fixed at 5 p.c. by the Act.