

Section 1.—Federal Government in Relation to Agriculture*

The federal Department of Agriculture dates from Confederation. It was established in 1867 as an outgrowth of a Bureau of Agriculture set up in 1852 by an Act of the Legislature of the Province of Canada. The Department derives its authority from the British North America Act, 1867, which 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".

A Department of Agriculture with a Minister of Agriculture at its head was accordingly established as part of the Government of Canada. Departments of Agriculture headed by provincial Ministers of Agriculture were also set up by the provincial governments, except in the Province of Newfoundland where agricultural affairs are dealt with by the Agricultural Division of the Department of Mines and Resources. The agricultural affairs of the Yukon and Northwest Territories are administered for the Federal Government by the Territorial Division, Northern Administration Branch, Department of Northern Affairs and National Resources.

THE NATIONAL AGRICULTURAL PROGRAM

Government agricultural policy in Canada divides itself naturally into two parts. On the national scale it is aimed at the solution of broad problems that affect the country as a whole. Regional policies, applicable to regional problems, are developed in consonance with, and form an integral part of, the national policy. Basic to the concept of national policy is the premise that a stable agriculture is in the interests of the national economy and that farmers as a group are entitled to a fair share of the national income.

In pursuit of these objectives, the Department of Agriculture has carried on, over a long period, a program designed to aid agriculture through the application of scientific research and the encouragement of improved methods of production and marketing. Over the years as conditions have warranted, new programs have been initiated to deal with special situations such as the Prairie Farm Rehabilitation Act to deal with the results of the drought in the 1930's; Prairie Farm Assistance to mitigate the effects of crop failure; and Maritime Marshland Rehabilitation to save valuable soil in the Maritime Provinces. Some of these measures have been adopted into the permanent program of the Department.

While much has been accomplished under this program, changing conditions have dictated the need for a new approach. In the past two decades agriculture has undergone revolutionary changes. Large-scale mechanization, increasing farm size coupled with declining farm numbers, and shrinking world markets have called for a reappraisal of policy, resulting in a number of recent legislative enactments in the agricultural field. These have covered such matters as price stability, credit provision, crop insurance and resource development and are designed to meet the challenge of changing conditions.

The Agricultural Stabilization Act, passed in 1958, established the Agricultural Stabilization Board and provided mandatory price support for a number of farm products, the support level being related to a price formula based on the most recent ten-year average market price for the product concerned. The minimum support level on mandatory commodities is set at 80 p.c. of the average price for the preceding ten years. The Board may support the price of a product in one or more of three ways: by an offer to purchase; by the use of deficiency payments; or by making such payment for the benefit of producers as may be authorized for the purpose of stabilizing the price of an agricultural product.

*Prepared under the direction of S. C. Barry, Deputy Minister of Agriculture, Ottawa.