

ship between supply and demand. Examples of this are hogs and eggs. The institution of limited deficiency payments by the Board assisted in a necessary adjustment of production in a relatively short time. During the period of adjustment the Board guaranteed a minimum average return to producers for a limited quantity of product.

The Agricultural Stabilization Board has available a revolving fund of \$250,000,000. Any losses incurred through the Board's operations are made up by Parliamentary appropriations and any surplus is paid back to the Consolidated Revenue Fund. Assisting the Board in its operations is an Advisory Committee named by the Minister of Agriculture and composed of farmers or representatives of farm organizations.

The Agricultural Rehabilitation and Development Act.—This Act, introduced in 1961, will become an important element in national agricultural policy and national resources management policy. It is designed to increase income in the rural areas of Canada and promote better land use and soil and water conservation. The Act authorizes the Federal Government to enter into agreements with provincial governments for the joint undertaking of: (1) projects for the alternative use of lands classified as marginal or of low productivity; (2) projects for the development of income and employment opportunities for rural agricultural areas; and (3) projects for the development and conservation of the soil and water resources of Canada.

The alternative uses of land contemplated for lands unsuitable for profitable cultivation include programs for tree planting and farm woodlot management, grassing and pasturage, and recreational uses of various types, including public shooting areas and wildlife management areas. The program envisages the creation of new income opportunities for people in rural areas through the use of the rural development concept. It is proposed that studies will be conducted of the economic development factors in local areas, and committees of local people will be involved in proposed development plans for their areas. Through the development plan, government assistance will be focused on helping local people to develop new and expanded income opportunities.

The conservation of soil and water resources for agricultural purposes, the third major objective of the legislation, is not new. For years, activities under the Prairie Farm Rehabilitation Act and the Maritime Marshland Rehabilitation Act have been directed toward this end but these are regional undertakings. Under the Agricultural Rehabilitation and Development Act, soil and water conservation as an aid to agriculture will be extended to cover the whole country so that it will be possible for agriculture throughout Canada to enjoy the benefits of federal assistance on resource conservation.

The Act also authorizes the Federal Government to carry on broad-scale research and it is proposed to carry forward basic research on national land-use needs and rural adjustment trends. Toward the end of 1961, a Director of the Act was appointed and discussions were held with all the provinces on projects and programs leading to federal-provincial agreements.

Section 2.—Provincial Governments in Relation to Agriculture*

Subsection 1.—Agricultural Services

Newfoundland.—Government agricultural services in Newfoundland are operated by the Agricultural Division of the Department of Mines, Agriculture and Resources. The Division is in charge of a Director who is assisted by a staff of 21 officers. For purposes of administration, the province is divided into nine districts. A fieldman with permanent headquarters is located in each district except Labrador, where the officer is resident for the summer only. Officers in charge of different phases of agricultural development visit each district on assignments from the St. John's office.

* Information supplied by the agricultural authorities of the various provinces.