

their homes and are ordinarily resident in the spring wheat area are eligible for award and no award can be made with respect to more than 200 acres of the cultivated land of a farmer.

There are three categories of payments: (1) if the average yield of wheat for the township or block of sections, excluding those sections having a yield of 12 or more bushels per acre, is more than five and not more than eight bushels per acre, the payment is \$2 per acre on one half of the total cultivated acreage of the farmer; (2) if the average yield of wheat for the township or block of sections, excluding those sections having a yield of 12 or more bushels per acre, is more than three and not more than five bushels per acre, the payment is \$3 per acre on one half of the total cultivated acreage of the farmer; (3) if the average yield of wheat for the township or block of sections, excluding those sections having a yield of 12 or more bushels per acre, is three bushels or less per acre, the payment is \$4 per acre on one half of the total cultivated acreage of the farmer.

In the zero-to-five-bushel categories the minimum payment is \$200, although a farm must have at least 25 acres under cultivation other than land that is seeded to grass, or be in the development stage, to qualify for this minimum award.

The Crop Insurance Act.—To assist in making the benefits of insurance protection on crops available in all provinces, the Crop Insurance Act was passed in 1959. This Act does not set up any specific insurance scheme but rather permits the Federal Government to assist the provinces to do so by making direct contributions toward the cost of providing crop insurance. The initiative for establishing schemes to meet their own regional requirements rests with the provinces. Schemes may be organized on the basis of specific crops or areas within the provinces and agreements between the provinces and the Federal Government set out the terms of insurance coverage.

Contributions from the federal treasury are limited to 50 p.c. of the administrative costs incurred by a province and 20 p.c. of the amount of premiums paid in any year. In addition, the Federal Government may make loans to any province equal to 75 p.c. of the amount by which indemnities required to be paid under policies of insurance exceed the aggregate of: the premium receipts for that year; the reserve for the payment of indemnities; and \$200,000. Those farmers who take advantage of an insurance scheme set up under the Act are not eligible for any payments under the Prairie Farm Assistance Act, nor are they required to pay the 1-p.c. levy on grain sales as provided for under that Act.

As at Dec. 31, 1962, three provinces—Manitoba, Saskatchewan and Prince Edward Island—had passed crop insurance legislation. Manitoba operated a test area scheme in 1960, 1961 and 1962; in 1962 some 4,500 farmers in the province purchased insurance with a total liability of \$10,000,000. Saskatchewan operated a test scheme in 1961 and 1962; in 1962, 1,350 farmers participated in the scheme and provision was made for the Provincial Crop Insurance Board to accept liability for \$5,000,000 coverage in 1963. Prince Edward Island operated an insurance scheme for potato crops in 1962 and planned to extend the scheme in 1963 to provide coverage for grain crops.

The Agricultural Stabilization Act.*—The Agricultural Stabilization Act (SC 1958, c. 22, proclaimed Mar. 3, 1958) established the Agricultural Stabilization Board which is empowered to stabilize the prices of agricultural products in order to assist the agricultural industry in realizing fair returns for its labour and investment, and to maintain a fair relationship between prices received by farmers and the costs of goods and services that they buy.

The Act provides that, for each production year, the Board must support the price of nine named or mandatory commodities (cattle, hogs and sheep; butter, cheese and eggs; and wheat, oats and barley produced outside the prairie areas as defined in the Canadian Wheat Board Act) at not less than 80 p.c. of the previous ten-year average market, or base, price. Other commodities may be supported at such percentage of the base price

* This Act repealed the Agricultural Prices Support Act, 1944.