

as may be approved by the Governor in Council. The Board may stabilize the price of any product in one or more of three ways: by an offer-to-purchase; by a deficiency payment; or by making such payment for the benefit of producers as may be authorized.

The price stabilization program in stabilizing prices of certain commodities by means of deficiency payments has been useful in assisting the agriculture industry to make production adjustments from a position of excessive supply to one of more normal relationship 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, is 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 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 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 conduct 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.

By October 1962, the general ARDA agreement had been signed by all ten provinces and by mid-1963, with ARDA in its first full season of operation, 163 projects were under way in rural areas across the country, at a total cost of about \$7,000,000. An example of the type of project launched is a detailed land-use survey in Newfoundland. At present, arable land is too scarce to supply local demands for vegetables and the survey will provide an inventory of available farm and garden land. Other ARDA projects include: a community pasture at Wanham, Alta.; a major research program in Saskatchewan to discover sound principles for broad rural development programs; a rural development research