Water Development.—Projects constructed under the water-development program under the supervision of the Water Development Services Branch are divided into two categories according to size of project, number of people benefiting, and cost of construction: (1) individual and neighbour projects and (2) community projects.

Individual and neighbour projects are works serving the needs of one or two farmers and are generally in the form of small dams and dugouts that supply water for stockwatering and domestic use and/or for irrigation purposes. PFRA provides all engineering services required to plan and design such projects and a portion of the construction costs. The rate of assistance paid on individual projects is based on yardage of earth moved and amounts to seven cents per cubic yard up to a maximum of \$250 for dugouts, \$300 for stockwatering dams and \$600 for irrigation projects. Where two or more farmers pool their water resources to build neighbour projects, assistance is paid up to a maximum of \$1,000. Responsibility for the actual construction is left to the farmer who either contracts the work out or builds the project himself. Community projects utilize the waters of well-defined watersheds and are built to serve the needs of groups of farmers. Each project is justified on the basis of its individual merit and the major share of cost is borne by PFRA.

During the 28 years in which PFRA has been engaged in this work, the program has resulted in the construction of more than 85,000 individual and neighbour projects and approximately 900 community water-storage and development schemes.

Major Projects.—While the immediate needs of farmers are being met by PFRA under the water-development program, attention has been given recently to the construction of larger irrigation and reclamation projects involving the development of many thousands of acres of land. Such undertakings are in line with the long-range land-use plan to provide for expansion and stability in Canada's growing economy. Of an estimated 3,000,000 acres of potentially irrigable land in Western Canada, 1,500,000 acres have been developed or are in process of being developed. The construction of these large irrigation and reclamation works, which, because of their size or their location, are undertaken by agreement between the Federal Government and the provincial government concerned, is financed through special vote of Parliament.

St. Mary Project.—To make available for irrigation a larger percentage of the water flowing through southern Alberta in the Waterton, Belly, St. Mary and Milk Rivers, a program to extend the original St. Mary Irrigation Project was undertaken jointly by the Government of Canada and the Province of Alberta. The Federal Government agreed to construct the main supply reservoirs and the connecting canals and the Province of Alberta agreed to construct the irrigation distribution system. Construction of the St. Mary dam, key structure on the whole project, was finished in 1951. In 1958, the second phase, involving the diversion of the Belly River into the St. Mary Reservoir, was completed. The third step, involving the diversion of the Waterton River into the St. Mary Reservoir by way of the Belly River diversion, is under construction. The present storage and distribution facilities extend irrigation to 296,000 acres of land in the St. Mary Project. With the addition of resources of the Waterton River, a further 214,000 acres will be brought under irrigation, making a total of 510,000 acres.

Bow River Project.—The Bow River Irrigation Project, situated west of Medicine Hat in Alberta and having an irrigation potential of 240,000 acres, was taken over by the Federal Government from the Canada Land and Irrigation Company in 1951; the Company had developed about 57,000 acres before financial difficulties caused suspension of work. PFRA commenced the orderly rehabilitation of the project works and is proceeding with the development of the remainder of the area. The Federal Government is responsible for settlement of the areas surrounding Vauxhall and Hays where farms have been provided for 436 settlers; 152 have now been established in the Hays district.

South Saskatchewan River Development Project.—In July 1958 agreement was reached between the Federal Government and the Province of Saskatchewan to start construction