

fertilizer practices, soil fertility, spray programs, field crop and animal management, and horticulture. Such collaboration ensures that new practices discovered by research are brought quickly to the attention of extension groups to recommend for local use.

Subsection 2.—Farm Assistance Programs

Basic to the concept of Canada's national agricultural 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, programs have been initiated to deal with special situations such as the Prairie Farm Rehabilitation Act (see p. 446) to deal with the results of the drought in the 1930's; the Prairie Farm Assistance Act (p. 466) to mitigate the effects of crop failure; Feed Grain Assistance Regulations (p. 466) to assist in the movement of western feed grains to Eastern Canada and British Columbia; and the Maritime Marshland Rehabilitation Act (p. 448) to save valuable soil in the Maritime Provinces.

Although much has been accomplished and is still being accomplished by these measures, changes since World War II have dictated a new approach to some problems. Large-scale mechanization was the sequel to the reduction of manpower available to farmers; the number of farms declined but the size of farms increased; marketing and income problems took different forms. Legislation enacted to meet these situations include price support (Agricultural Stabilization Act), crop insurance (Crop Insurance Act), resource development (Agricultural Rehabilitation and Development Act) and credit facilities (Farm Improvement Loans Act, Prairie Grain Advance Payments Act, Farm Credit Act and Farm Machinery Syndicates Credit Act). These measures, with the exception of the Agricultural Rehabilitation and Development Act, (see pp. 448-450), are described individually below.

Agricultural Stabilization Act.—The Agricultural Stabilization Act (SC 1958, c. 22, proclaimed Mar. 3, 1958) established the Agricultural Stabilization Board and repealed the Agricultural Prices Support Act, 1944. The Board is empowered to stabilize the prices of agricultural products in order to assist the agricultural industry in realizing fair returns for 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, at not less than 80 p.c. of the previous ten-year average market or base price, the prices of nine 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). Other commodities may be supported at such percentage of the base price as may be approved by the Governor in Council. Since the Act came into force, the following farm products, other than the nine named commodities, have been supported at one time or another: honey, potatoes, soybeans, sunflower seeds, sugar beets, tobacco, turkeys, apples, peaches, sour cherries, apricots, raspberries, asparagus, tomatoes, milk for manufacturing and skim milk powder. The Board may stabilize the price of any product by an offer-to-purchase, by a deficiency payment or by making such payment for the benefit of producers as may be authorized.

In stabilizing prices of certain commodities by means of deficiency payments, the price stabilization program has been assisting the agricultural industry to make production adjustments from a position of excessive supply to one of more normal relationship between supply and demand. The institution of limited deficiency payments by the Board assists in the adjustment of production in a relatively short time. During the period of adjustment, the Board guarantees a minimum average return to producers for a limited quantity of product.