

Farmer groups have entered extensively into the marketing and processing of farm products, either through the formation of co-operatives or of marketing boards. Aided by government legislation, producer marketing boards have been established for many products with the avowed purpose of stabilizing prices. Direct government aids are also available through price stabilization legislation, crop insurance and farm credit policies. Thus the role of governments and of farmer-controlled companies in the marketing of farm products is expanding year by year. On the other hand, private industry still holds and likely will continue to hold an important place in the processing and marketing field. Geographical shifts in production have required the construction of new plants, especially for livestock slaughter, and in recent years a number of new plants have been built for the processing of fruit and vegetable crops. Progressive trends in agriculture have also had the effect of increasing demand for many industrially produced commodities and services such as machinery, electricity, fertilizers, antibiotics, pesticides and so on, farmer expenditures for which have been increasing at a rapid rate in recent years.

Although improvements in farm practices have certainly resulted in greater agricultural productivity in recent years and will continue to do so, it must not be forgotten that weather is still a dominant factor in agricultural output and can cause considerable variation from year to year in the over-all farming picture or in the output of certain localities or of certain crops. In 1966 the weather was particularly favourable for crop production with the result that the index of field crop output (1949 = 100) rose to 204.1, the highest level ever reached.

## Section 1.—Federal Government in Relation to Agriculture\*

The Canada Department of Agriculture dates from Confederation. It was established in 1867 as an outgrowth of a Bureau of Agriculture set up in 1852 by an Act of the Legislature of the Province of Canada. The Department derives its authority from the British North America Act, 1867, which states in part that "in each province, the legislature may make laws in relation to agriculture in the province" and that "the Parliament of Canada may from time to time make laws in relation to agriculture in all or any of the provinces; and any law of the legislature of a province relative to agriculture, shall have effect in and for the province as long and as far as it is not repugnant to any Act of the Parliament of Canada"

A Department of Agriculture with a Minister of Agriculture at its head was accordingly established as part of the Government of Canada. Departments of Agriculture headed by provincial Ministers of Agriculture were also set up by the provincial governments, except in the Province of Newfoundland where agricultural affairs are dealt with by the Agricultural Division of the Department of Mines, Agriculture and Resources. The agricultural affairs of the Yukon and Northwest Territories are administered for the Federal Government by the Department of Indian Affairs and Northern Development.

### Subsection 1.—Services of the Canada Department of Agriculture

The activities of the Canada Department of Agriculture (CDA) fall into three broad groups: research, promotional and regulatory services, and assistance programs. Research work is aimed at the solution of practical farm problems through the application of fundamental scientific research to all aspects of soil management and crop and animal production. Promotional and regulatory services are directed toward the prevention or eradication of crop and livestock pests and the registration of chemicals and other materials used to achieve that end and toward the inspection and grading of agricultural products and the establishment of sound policies for crop and livestock improvement. Assistance programs cover some of the sphere of soil and water conservation, price stability, provision of credit, rural rehabilitation and development, and crop insurance and income security in the event of crop failure.

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