

raised from \$90,000,000 for the dairy year 1966-67 to \$120,000,000 for 1967-68, which meant an increase from 85 cents to \$1.21 to be paid directly to the dairy farmer for every 100 lb. of 3.5-p.c. butterfat milk sold for processing, less a holdback of 11 cents toward the cost of exporting surpluses, if any. The Government also offered to buy butter at 63 cents, skim milk powder at 20 cents and cheddar cheese at 38 cents per lb. (plus export aid) to make it possible for the dairy plants to pay the producer \$3.50 or thereabouts. For the first time, however, the subsidy was to be based on quota production. For the time being, the 1966-67 milk production was taken as sufficient for current market needs and producers were notified that they would be paid a subsidy in 1967-68 only on an amount equal to that which they had marketed for processing in 1966-67. The CDC made allowances for individual exceptional circumstances but indicated that it would work also toward raising the minimum amounts eligible for assistance. Dairying was in the news all year. Many farm organization meetings were held during the spring and, in October, CDA officials met with representatives of all sectors of the industry to discuss its problems. Finally, in mid-December, a conference attended by representatives of farm organizations, processors, provincial governments and the Federal Government reached general agreement on a policy to meet the difficulties facing the industry.

CDA's project of making new blood lines available to cattle breeders was continued in 1967. In April, an additional 214 head of Charolais, imported from France and held in quarantine at Grosse Île, Que., were released to buyers and, in the fall, the importation of a further 236 head was authorized. Measures were taken to ensure that full-blooded Charolais would remain in the country to carry out the purpose for which the program was initiated, rather than be sold abroad immediately.

Support for egg producers was increased by making the 34-cents-per-dozen federal buying price applicable to all amounts of eggs between 1,000 dozen and 10,000 dozen marketed by eligible producers. In July, the Government stepped in to buy surplus eggs which were converted into egg powder and donated to the World Food Program. The price improved and, since the national average for Grade A Large for the crop year was 36.7 cents per dozen, no deficiency payment was necessary. A joint federal-provincial program was also put into effect to assist producers' returns from potatoes when it was evident that production was far in excess of normal market requirements. Potatoes were diverted to starch plants and to cattle feed at government cost. Support for the 1967 sugar beet crop was set at a national level of \$15.50 per standard ton (250 lb. of sugar) delivered to processing plants, and an interim deficit payment was subsequently made. The federal action encouraged Ontario growers to maintain the acreage stipulated by processors as the minimum they would need to operate in 1967 and it also protected producers from serious fluctuations in the world price. A deficiency payment of 18.3 cents per lb. on wool was made in March. In the fall, the Government moved to control below-cost movement of imported live turkeys.

In 1967, Ontario and British Columbia entered the federal-provincial insurance scheme under the Crop Insurance Act and it was estimated that, including those from other participating provinces, 33,000 farmers received \$90,000,000 worth of crop protection in the year. More flexibility was brought to Farm Credit Corporation mortgages by allowing suspension of repayments under special circumstances. Such suspension might be for as long as five years on a 30-year loan.

CDA officials gave strong support to "Man the Provider", the agriculture theme pavilion at Expo 67 held at Montreal from April to October. The Minister of Agriculture formally opened the pavilion, presented certificates to those who had helped establish it, and entertained visiting agricultural ministers from foreign countries. The Department's plant and meat inspection staffs had important roles in keeping out banned material with minimum interference in the operation of the numerous foreign exhibits.

The Minister of Agriculture was Canada's delegate to the UN Food and Agriculture Organization Conference held in Rome in November. He urged that the organization be streamlined for effective action against world hunger and that private enterprise contribute management skills and capital to the important programs involved.