

It was announced that CDA will pay municipal grants equivalent to the full taxes for six government grain elevators in 1968; the Department has been paying grants since 1961 but only at the level of 50 p.c. of tax equivalent, under the Municipal Grants Act formula.

The opening of the South Saskatchewan River dam in the summer of 1967 marked the successful conclusion of seven years of construction supervision by the CDA's Prairie Farm Rehabilitation Administration engineers. The \$100,000,000 storage, irrigation and power project were named Gardiner Dam and Diefenbaker Lake. A \$200,000 dam was authorized for the Esterhazy area of Saskatchewan where there are many farms and where a large phosphate mine is giving jobs to residents and newcomers. The 12-man team from PFRA, which went to Ghana two years ago to help with the exploitation of that country's water resources and to train staff, is continuing its work there.

During the year, the Barber Commission continued its investigation of the agricultural machinery industry. In the fall, a task force was named by the Minister of Agriculture to project national agricultural goals and to recommend policies. Comprising economists, a business management expert and an accountant, the five-man group held several meetings before the end of the year. In late November a dozen veterinarians of the CDA's Health of Animals Branch were sent to assist in fighting a severe outbreak of foot and mouth disease in Britain.

The value of applying the results of research was made very evident in 1967 when, despite unfavourable weather, spring wheat yield per acre of 19.4 bu. was only 3 p.c. below the ten-year (1956-65) average. Improved varieties, pest control and fertilizer practices, moisture-conserving tillage methods and efficient harvesting all contributed to mitigate the adverse conditions. Each of the contributing factors was the result of years of research by the Department.

In March, the Department's Divisions, scattered in 18 locations in the city of Ottawa, moved into the new Sir John Carling Building on the grounds of the Central Experimental Farm. This became the headquarters of CDA, housing the Minister and Deputy Minister staffs, the Production and Marketing, Economics, Health of Animals, Financial and Administration, and Personnel Administration Branches and the Farm Credit Corporation. The positions of assistant deputy ministers for economics and for production and marketing were created and filled.

## Section 2.—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.

\* Prepared (July 1967) under the direction of S. B. Williams, Deputy Minister of Agriculture, Ottawa.