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.

The cost of stabilization programs under the Act averages $58,500,000 a year. The Board has available a revolving fund of $250,000,000. Losses incurred are made up by Parliamentary appropriations and any surplus is paid back to the Consolidated Revenue Fund. An Advisory Committee named by the Minister of Agriculture and composed of farmers or representatives of farm organizations assists the Board in its operations.

Canadian Dairy Commission Act.—The Canadian Dairy Commission was established by the Canadian Dairy Commission Act, 1966, and became operative on Apr. 1, 1967. The affairs of the Commission are directed by three Commissioners, and its objects are "to provide efficient producers of milk and cream with the opportunity of obtaining a fair return for their labour and investment and to provide consumers of dairy products with a continuous and adequate supply of dairy products of high quality".

To perform its functions, the Commission is authorized to stabilize prices of major dairy products through offers to purchase at fixed prices, thus establishing stable prices in the interests of both producers and consumers. The Commission may borrow from the Minister of Finance the funds required for such purchases to a maximum of $100,000,000, which must be repaid.

The Commission administers the payment of funds provided to it by the Government for subsidies to producers of milk and cream used in the production of dairy products. These payments supplement returns to producers from the market and permit market prices to be kept at reasonable levels. The total quantity of milk and cream on which subsidy is paid is restricted to the volume required to serve the Canadian domestic market. Each producer is given a quota for the amount for which he is eligible for subsidy. The Commission, indirectly, pools returns to producers from products sold on the domestic and export markets through an export equalization fund. Money for this is deducted from the subsidy and payments are made to equalize export prices with domestic prices for any surplus products that must be exported.

The Commission also has authority, under regulation by the Governor in Council, to exercise control of the interprovincial and export movement of dairy products, and to perform other functions related to its responsibilities.

Crop Insurance Act.—To assist in making the benefits of insurance protection on crops available in all provinces, the Crop Insurance Act was passed in 1959. This Act does not set up any specific insurance scheme but rather permits the Federal Government to assist the provinces to do so by making direct contributions toward the cost of providing crop insurance. The initiative for establishing schemes to meet their own regional requirements rests with the provinces. Schemes may be organized on the basis of specific crops or areas within the provinces and agreements between the provinces and the Federal Government set out the terms of insurance coverage.

Under the Act and amendments of 1964 and 1966, the Federal Government will pay 50 p.c. of the administrative costs incurred by a province and 25 p.c. of the amount of premiums required to make the scheme actuarially sound. In addition, the Federal Government may make loans to any province equal to 75 p.c. of the amount by which