

\$800 in respect of any one farmer's total cultivated acreage.

The Prairie Farm Assistance Administration was responsible for making payments under the Grassland Incentive Program in 1971-72. This is a forage program offering an incentive of \$10 per acre to farmers who change their farm production from grains, oilseeds and other crops to perennial forage. Payments made to farmers under the program to March 31, 1972 amounted to \$9.8 million. In addition, the Prairie Farm Assistance Administration made payments to farmers of approximately \$5.4 million in 1971-72 under the Operation LIFT program of 1970. Total payments under the LIFT program amounted to \$63.3 million as at March 31, 1972.

**The Canadian Dairy Commission** was established by the Canadian Dairy Commission Act and became operative on April 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 million, which must be repaid.

The Commission administers the payment of funds provided 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. 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 collected by levies from producers in provinces under the Market Sharing Quota Program — Prince Edward Island, Quebec, Ontario, Manitoba, Saskatchewan and Alberta — and remitted to the Commission; in other provinces the money is collected by means of a holdback from subsidy payments. The funds are used to equalize export prices with domestic prices, for any surplus products that must be exported below domestic prices. Further details on the activities of the Commission with regard to marketing may be found in Section 11.8.2.2.

**The Livestock Feed Assistance Act** established the Canadian Livestock Feed Board, which is a Crown agency reporting to Parliament through the Minister of Agriculture. The Board has four main objectives: to ensure that feed grain is available to meet the needs of livestock feeders; that adequate storage space in eastern Canada is available for feed grain to meet the needs of livestock feeders; that the price of feed grain in eastern Canada and in British Columbia remains reasonably stable; and that there be fair equalization of feed grain prices in eastern Canada and in British Columbia.

To these ends, the Board may make payments related to the cost of feed grain storage and transportation. Feed grain transportation assistance payments have been made since 1941; since April 1967 they have been made under the authority of the Livestock Feed Assistance Act. Under the Feed Grain Assistance Regulations of the Appropriations Act, the original policy was initiated in October 1941 to provide a market for western feed grains, and to enable livestock feeders in eastern Canada and British Columbia to obtain supplies of feed grains at a cost that would maintain livestock and poultry production at a high level. This program has been modified over the years to encourage better utilization of both transport and storage facilities.

In the year ended March 31, 1972, more than 2.9 million tons of feed grain were shipped at a cost of \$20.2 million. Barley shipments made up more than 30% of the total, followed by western wheat and sample feed grains which accounted for 27%, oats nearly 20% and mill feeds about 15%. Small quantities of rye, western corn, screenings, and eastern corn and wheat made up the remainder. About half the shipments of each of the major grains went to Quebec, followed in order by Ontario, British Columbia and Nova Scotia.

**The Farm Credit Corporation** was established in 1959 as successor to the Canadian Farm Loan Board set up in 1929. The Corporation, which is a Crown agency, reports to Parliament through the Minister of Agriculture.