

income problems have taken different forms; and a decline in some rural communities has occurred together with problems of regional disparity. Legislation enacted to meet these situations includes price support (Agricultural Stabilization Act), dairy market and producer income stabilization (Canadian Dairy Commission Act), crop insurance (Crop Insurance Act), feed grain assistance (Livestock Feed Assistance Act), credit facilities (Farm Credit Act, Farm Syndicates Credit Act, Farm Improvement Loans Act), marketing assistance (Canada Grain Act, Agricultural Products Board Act, Farm Products Marketing Agencies Act) and other forms of assistance to meet emergency or long-term conditions (Prairie Grain Advance Payments Act, Agricultural and Rural Development Act and Prairie Farm Rehabilitation Act). All these measures are administered by the Canada Department of Agriculture or by organizations responsible to the minister except the Farm Improvement Loans Act (administered by the Department of Finance), Prairie Grain Advance Payments Act (Department of Industry, Trade and Commerce) and the ARDA and PFRA programs (Department of Regional Economic Expansion) and the Small Farm Development Program.

The Canadian Grain Commission was established in 1971 under the Canada Grain Act replacing the former Board of Grain Commissioners for Canada. For more detailed information see Section 11.7.1.2.

The Agricultural Stabilization Board, established in 1958 by the Agricultural Stabilization Act and as amended in July 1975, is empowered to stabilize the prices of agricultural products to assist the agricultural industry in realizing fair returns for labour and investment, and to maintain a fair relationship between prices received by farmers and the costs of goods and services that they buy.

The amended act provides that the board shall take action to stabilize the prices of named agricultural commodities at prescribed prices. These commodities are slaughter cattle, hogs, sheep, industrial milk, industrial cream, corn, soybeans, and oats and barley produced outside the designated areas as defined in the Canadian Wheat Board Act. The prescribed price of a named commodity is calculated at 90% of the five-year average of market price, or at such higher percentage as the Governor in Council may determine, indexed to reflect the cash cost of production of that commodity in that year as compared to the five years immediately preceding. The Governor in Council may also designate other commodities for support under the act on a similar basis. The board has supported at one time or another, in addition to the nine named commodities, apples, asparagus, blueberries, carrots, cherries, eggs, flowers, fowl, honey, peaches, pears, plums, potatoes, raspberries, rutabagas, sugar beets, sunflower seeds, tomatoes and wool. The board may stabilize the price of any product by offer to purchase, by making deficiency payments or such other payments for the benefit of producers as may be authorized.

In stabilizing prices of certain commodities by means of assistance payments, the Stabilization Act has assisted the agricultural industry in balancing production and demand. The act guarantees minimum returns to producers for their product based on national average market prices and production costs.

Since the inception of the act the cost of stabilization programs has totalled over \$2 billion. The board maintains a revolving fund of \$250 million; 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, advises the board and the minister on matters relating to stabilization.

The Agricultural Products Board was established in 1951 to administer contracts with other countries for the purchase or sale of agricultural products and to perform other commodity operations as Canadian needs may dictate. The board's recent activities have included the purchasing of surplus Canadian commodities