with resulting improvement in producer prices. Some of these commodities have been processed, packaged and delivered to the World Food Program as part of Canada's commitment to the Food and Agriculture Organization of the United Nations.

**The Crop Insurance Act** was passed in 1959 (RSC 1970, c.C-36) to permit the federal government to assist the provinces in making all-risk crop insurance available to farmers across Canada on a shared-cost basis under the terms and conditions of federal-provincial agreements. Crop insurance is intended to protect the farmer against unforeseen losses by spreading their impact over a number of years. The initiative for establishing crop insurance rests with the provinces and schemes may be organized to meet provincial requirements for insurable crops and areas.

Under the act, the federal government contributes a portion of premium costs and/or administration costs and shares the risk by providing loans or re-insurance when indemnities greatly exceed premiums and reserves. Commencing with the 1973 crop year the farmers pay 50% of the total premiums required to make the schemes self-sustaining. The remainder is contributed by the federal government where the province elects to pay all administrative costs, or the province may elect to share the remaining premium and all the administrative costs equally with the federal government.

In the 1975-76 crop year 94,000 farmers purchased some $990 million in crop insurance coverage. Premiums totalled $98 million (including government contributions). The number of farmers participating increased by 12% over 1974-75 while coverage increased by 47%. Saskatchewan and Alberta both showed substantial increases in participation and coverage.

Yields of most crops in 1975 were average or above average all across the country and still some $66 million was paid out in indemnities. Losses in all provinces were, for the most part, of a localized nature. Hail damage in both Saskatchewan and Manitoba was somewhat heavier than normal resulting in some substantial losses. Parts of northern and western Manitoba experienced excessive rainfall in late summer and early fall. Ontario and Quebec also had areas where excessive moisture resulted in crop losses.

The crop insurance program continued to expand in 1976 with 98,000 farmers carrying over $1 billion of insurance protection. The total premium income, including government contributions, was expected to reach $115 million.

Throughout the growing season weather conditions were generally good. Average to above average yields were forecast for all provinces, with losses confined to localized pockets of hail, drought and excessive moisture.

**The Canadian Dairy Commission** was established by the Canadian Dairy Commission Act in 1966 and became operative on April 1, 1967. The commission is directed by three commissioners, and its objectives 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".

The commission is authorized to stabilize prices of major dairy products through offers to purchase these products at fixed prices. This establishes 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 $300 million.

The commission administers the payment of funds provided by the government for subsidies to producers of manufacturing milk and cream. These payments supplement returns to producers from the market and permit market prices to be kept at reasonable levels. Each producer is eligible for subsidy on shipments covered by his market share quota. 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 all provinces (except Newfoundland) under the Market Sharing