

Agriculture in Canada

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Trends and highlights

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Statistics Canada estimated national realized net farm income for 1977 at \$3.3 billion, down 11% from 1976. Cash receipts were estimated at \$10.1 billion and operating and depreciation charges at \$7.8 billion. The forecast for 1978 was for a further decline of 6% in net farm income.

In 1977, the agriculture minister and a committee of Cabinet ministers with jurisdictions related to food launched a series of meetings with national food-related associations, provincial governments and interested individuals. The aim of the meetings was to develop a national food strategy.

Several new programs were introduced. New grants were announced to expand feed storage in areas of the country where supply is inadequate. Grants were made to commercial grain storage facilities and to farmers increasing feed storage on the farm. More than \$42 million was committed by the federal government for these programs.

To help farmers increase marketing efficiency, the government implemented the Advance Payments for Crops Act. Several groups took advantage of the program including the Ontario Soya-Bean Growers Marketing Board, BC Tree Fruits Ltd., Scotia Gold Co-op Ltd. of Kentville, NS, Quinte Fruit Growers Ltd. of Trenton, Ont. and the Fédération des producteurs de pommes du Québec. Under this act, the federal government guarantees, and pays interest on, loans made to producer organizations whose members require advance payments for storable crops.

The Agricultural Stabilization Board made support payments in 1977 on slaughter cattle, corn, greenhouse tomatoes, greenhouse cucumbers, summer pears, British Columbia cherries, apricots, prune plums and early table potatoes. Support payments for the 1976 sugar beet crop and 1977 beef cow-calf production would be made in 1978. Under the Agricultural Stabilization Act, certain commodities are supported at not less than 90% of the five-year average market price, indexed to reflect changes in cash costs of production.

The Agricultural Products Board agreed to purchase surplus Ontario freestone peaches and Ontario Keiffer pears in 1977 to ensure that the year's large crops of the two fruits would be processed. Through a new crop development fund, the agriculture department supported 27 projects in 1977 covering a wide range of research, from the feasibility of peanut production in Southern Ontario to growing sorghum in southwestern Prairie regions and German grape varieties in the Okanagan Valley. Under a fresh fruit and vegetable storage construction financial assistance program, the department provided \$1.4 million for new or improved storage facilities.

Three provinces signed amendments to the small farm development agreement program in 1977. British Columbia, Saskatchewan and Prince Edward Island all agreed to renew the program in which the federal government assigns farm management advisers to the provincial ministries of agriculture to work with small-scale family farms. Expenditures under the program in 1977-78 were expected to be more than \$1 million in Saskatchewan and about \$200,000 each in BC and PEI.

Major policy changes were announced in brucellosis control and in pesticide importation regulations. The country was to be divided into three regions, according to the level of brucellosis infestation, and new regulations would be announced to control cattle movement between regions. In the new pesticide importation policy, all pesticides sold, distributed and used in Canada would have to be registered and individual farmers could no longer import chemicals for use on their own farms.

In June the Cabinet approved in principle the creation of a national broiler agency. At year end, negotiations were still under way with the provinces toward implementing the program.