

Administrative costs of the council are shared by federal government and industry members. The council currently has 29 member organizations representing thousands of individuals. At least two general meetings are held each year; the board of directors meets about 10 times a year. The council is served by a small secretariat.

The Western Grain Stabilization Act became effective in April 1976. Its objective is to protect producers against a large unexpected decline in either world grain prices or in sales of Canadian grain, increases in the cash costs of producing that grain or in any combination of those factors. The support given will prevent the net cash flow, the difference between total receipts from the production and sale of cereals and oilseeds and the cash costs of production, in each calendar year, from falling below the average of net cash flow in the previous five calendar years.

Under this voluntary program, participating grain producers contribute a levy of 2% of their grain sales up to a maximum of \$25,000 a year to the western grain stabilization fund. The federal government contributes an equal amount to double the participating farmers' contributions. Detailed literature on the program is available from the Western Grain Stabilization Administration in Winnipeg.

11.2.5 Federal farm assistance programs

Changes in the past few decades have dictated the need for a different approach to some problems. Large-scale mechanization and, in some segments of the industry, automation have reduced manpower requirements significantly; the number of farms has declined but the size and efficiency of farms have increased; marketing and 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 provides price support, dairy market and producer income stabilization, crop insurance, feed grain assistance, credit facilities, marketing assistance, and other forms of assistance to meet emergency or long-term conditions. These measures are administered by the federal agriculture department or by organizations responsible to the agriculture minister except for the Farm Improvement Loans Act (administered by the finance department), Prairie Grain Advance Payments Act (industry, trade and commerce) and the Agriculture and Rural Development Act (ARDA) and Prairie Farm Rehabilitation Act (PFRA) programs (regional economic expansion).

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

The act provides that the board shall take action to stabilize prices of agricultural commodities at prescribed price levels. These commodities are slaughter cattle, hogs, sheep, industrial milk, industrial cream, corn, soybeans, and oats and barley produced outside designated areas 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 cash cost of production in that year as compared to the preceding five years. The Governor-in-Council may also designate other commodities for support on a similar basis. The board may stabilize the price of any product by offer to purchase, by making deficiency payments or other authorized payments for the benefit of producers. Stabilizing prices by means of assistance payments has helped the agricultural industry balance production and demand.

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. An advisory committee, named by the agriculture minister 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 purchase or sale of agricultural products and to perform other