

exceed premiums and reserves. Farmers pay 50% of total premiums required to make the programs self-sustaining. The remainder is contributed by the federal government where the province elects to pay all administrative costs, or share administrative costs and the remaining premium equally with the federal government.

In the 1978-79 crop year, 110,000 farmers purchased some \$1.5 billion in crop insurance. Premiums totalled \$148 million (including government contributions).

Indemnities amounted to \$75 million on the 1978 crop, a considerable drop from \$111 million in 1977. Summer drought, hail and wet weather at harvest time caused heavy losses in all provinces.

The Canadian Livestock Feed Board, established by the Livestock Feed Assistance Act (1966), is a Crown agency reporting to Parliament through the agriculture minister. It 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 is fair equalization of feed grain prices in Eastern Canada and in BC.

The board may make payments related to the cost of feed grain storage and transportation, the latter payments having been made since 1941. Since April 1967 the freight subsidy has been administered by the livestock feed board. Initially, it was applied only to feed grains produced in the Prairie provinces and designated for domestic livestock consumption in Eastern Canada and British Columbia. It was then extended to the movement of Ontario corn and wheat to the Atlantic provinces and Quebec.

The feed freight assistance program underwent substantial changes as part of the domestic feed grain policy. These changes, which became effective in August 1976, included reductions of \$6.61 a tonne in rates of assistance to Ontario and Western Quebec (as far east as Montreal). For Eastern Quebec and the Atlantic provinces, rates of assistance remained unchanged. Expenditures under the program were reduced from recent levels of about \$20 million a year to about \$10 million. Effective 1977, for a period of up to five years, the board may make payments against carrying charges for feed grains stored at feed mills in Eastern Canada and BC. Financial incentives are also available for the construction and expansion of inland elevators. The purpose of these federal programs is to encourage expansion of grain storage in grain deficient areas.

The Farm Credit Corporation. This corporation (FCC) is responsible for the administration of the Farm Credit Act and the Farm Syndicates Credit Act. Responsibility for lending decisions and operations is decentralized into seven regional offices, one for the Atlantic region and one for each of the other provinces. Field officers work out of 108 offices across Canada.

The Farm Credit Act, designed to meet long-term mortgage credit needs of Canadian farmers, provides two types of mortgage loans. Borrowers must be of legal age to enter into a mortgage agreement and loans are made only to Canadian citizens or those with landed immigrant status. All loans are repayable on an amortized basis within a period not exceeding 30 years. Funds for lending under the act are borrowed from the finance minister. In the fiscal year ending March 31, 1978 there were 7,066 loans for a total of \$558.2 million.

The Farm Syndicates Credit Act authorizes the corporation to make loans to syndicates of three or more farmers for machinery, equipment or buildings. Loans can be made to syndicates to a maximum of \$100,000 or \$15,000 per qualifying member, whichever is the lesser. Loans are repayable over a period not exceeding 15 years for building and permanently installed equipment and seven years for mobile machinery. In 1977-78, the corporation lent \$2.1 million to syndicates, representing 105 loans.

Provincial government services

11.3

Departments of agriculture

11.3.1

Newfoundland. Government agricultural services in Newfoundland are provided by the forestry and agriculture department. Principal branches are: agriculture, lands and