

a declining proportion of the final consumer price. When the costs of food processing and distribution are added to the costs of inputs produced off the farm, the proportion of the consumer food dollar that represents a return to the farmer's land, labour and capital will be found to be little more than 10%. The bulk of the economic activity involved in supplying the food the consumer eats takes place off the farm, contributing to employment in towns and cities.

Yet the farmer remains a key player. In an industry dispersed over tens of millions of hectares the human challenges have been great, depending in the end on the competence, innovation, decision-making and co-operation of tens of thousands of individual producers.

A major portion of agricultural production in Canada is exported. In 1985, 51% of all Canadian agricultural production was exported and 70% of the agricultural products exported were grains and oilseeds. Wheat holds the prime place in Canada's agricultural exports: approximately half of all agricultural exports is wheat.

The mid-1980s have seen declining world grain prices which have produced a period of great financial stress for farmers, due to compounding the high interest rates during the high inflation years of 1981 and 1982, and exacerbated by drought and grasshoppers in the Prairie provinces.

The role of government — federal, provincial and municipal — has been crucial, for research, extension, credit, regulation, inspection, orderly community development, and services of many kinds. In agriculture, government has had a unique pervasiveness and intimacy because of the extremely dispersed nature of farming, and the very limited size of the individual enterprise. Agriculture has been so fundamental and vital to the nation's development that its progress could not be left to chance.

From the early days of settlement farmers and their wives recognized a need to take organized action to serve their economic, social and professional needs. For example, they organized to press for government legislative and policy action, to form their own co-operative marketing and supply businesses, to assist in acquiring the knowledge and skills in homemaking so essential for survival in a new and often unfamiliar environment, to take legal action when their rights were threatened, and to associate for improvement in animal breeding, cultivation methods and seed growing.

The farmer's organizational needs were not only to help him learn to do his job better, but to protect himself from economic exploitation and damaging instability. They were also to help ensure that there was orderly regulation and inspection

for grading, quality control, and protection from infectious diseases.

The history of farmer organizations in Canada makes a long, complex and often dramatic story. The issues and problems are not all settled today, nor is the drama lacking. The dramatic and complex debate surrounding the federal government move to restructure western grain transportation policy and Crow's Nest Pass statutory rates provides a case in point.

As the number and proportion of farmers declined the role of farm organization has seen important changes. When farmers represented a large proportion of the population and the problems of isolation of the farmer were greater, farm organization functioned in the field of general social policy more actively than it does today, for example in adult education, public broadcasting and health care. Particularly at the federal level its role in these areas has been reduced, with its work much more generally focused on strictly agricultural concerns. This is less true at the provincial level and even less at the community level.

The Canadian Federation of Agriculture is a federation of provincial farmer organizations and commodity groups. Although the only fairly comprehensive umbrella farm organization in Canada, it is not fully representative of farmer organizations. When one speaks of farmer organization this should be recognized as a general term that embraces the substantial body of farmer-owned marketing and supply co-operatives, and producer marketing boards, as well as general membership structures and commodity associations. Democratic farmer organization in Canada is diverse, reflecting the complexity of views and interests in the industry.

9.2 Agricultural resources

Agriculture is a major industry in Canada. About 65.9 million hectares in 10 provinces are cultivated; 46.1 million hectares are improved land. Farm cash receipts exceeded \$19.9 billion in 1985 and agricultural and food exports exceeded \$8.9 billion, accounting for 10% of Canada's total exports.

Including the processing, wholesale and retail sectors, agriculture accounts for approximately 10% of Canada's economic activity. Canada is among the top seven net food-exporting countries in the world today.

9.2.1 Agricultural regions

There are four main types of farms in Canada. Livestock farms include those specializing in the raising and finishing of beef cattle and hogs; poultry production for meat and eggs; and dairy cattle for the production of milk and other dairy products.