

have outstanding is \$100,000. Loans may be repayable over a period up to 10 years for all purposes, except land purchase for which a 15-year term is permitted.

Farm improvement loans must be secured. Borrowers are required to provide a certain portion of the cost of a purchase or a project from their own resources. The maximum rate of interest on loans is based on the prime lending rate of the chartered banks, plus 1%.

Agricultural Products Board (1951) is empowered to buy, sell, or import agricultural products; to store, transport, and process such products; to sell agricultural products to any country and to make arrangements for their purchase and delivery; or to purchase agricultural products on behalf of any government or agency. The Board can only sell products at a loss when specifically authorized by the Governor-in-Council. Programs may also be taken in support of market stabilization of agricultural commodities in lieu of action under the Agricultural Stabilization Act.

Agricultural Stabilization Board (1958) stabilizes 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. Commodities included are slaughter cattle, hogs, lamb and wool, industrial milk and cream, corn and soybeans, winter and spring wheat, oats and barley produced outside designated areas defined in the Canadian Wheat Board Act. The Governor-in-Council may designate other commodities for support. The Board may stabilize the price of any product by offer to purchase, or by making deficiency payments for the benefit of producers. Stabilizing prices by means of assistance payments has helped balance production and demand. The act also provides authority for a tripartite cost-shared (federal, provincial and producer) stabilization program.

The Board's operations are financed by parliamentary appropriations for that purpose.

The Crop Insurance Act (1959) provides that the federal government helps the provinces in making all-risk crop insurance available to farmers on a shared-cost basis. Crop insurance can protect the farmer against unforeseen losses. Initiative for establishing crop insurance rests with the provinces. Programs are developed to meet provincial requirements. The federal government shares the risk by providing loans or reinsurance when indemnities greatly 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 if the province elects to pay all administrative costs.

Otherwise the provincial and federal government share administrative costs and the remaining premium equally.

Canadian Livestock Feed Board (1966) is a Crown agency with four main objectives: availability of feed grain to meet the needs of livestock feeders, adequate storage space in Eastern Canada for feed grain needed by livestock feeders, a reasonably stable price of feed grain in Eastern Canada and in British Columbia, and fair equalization of feed grain prices in the domestic market.

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, British Columbia, and Yukon and Northwest Territories. It was extended to the movement of Ontario corn and wheat to the Atlantic provinces and Quebec and to local grains produced within feed grain deficit regions.

The Board monitors transportation costs for feed grain and protein ingredients and plays a major role in freight rate negotiations and freight rate structure in co-operation with farm organizations, trade associations and the railways. Members and staff of the Board meet with producer associations and industry organizations to deal with problems of the feed grain-livestock sector of Canadian agriculture. Research activities focus primarily on economic aspects of animal feed production, utilization, feed grain marketing, transportation and current and potential problem areas.

Farm Credit Corporation (FCC) administers farm loans under the authority of the Farm Credit Act and the Farm Syndicates Credit Act. Its role is to provide financial services to enable Canadian farmers to establish, develop and maintain viable farm enterprises.

Under the Farm Credit Act, the Corporation offers three types of long-term loans: standard farm loans where the applicant must be principally occupied in farming after the loan is made; shared risk mortgages where the borrower and FCC share the costs or benefits of fluctuating interest rates; and loans to beginning farmers who may retain off-farm employment while developing an economic farm business, provided that farming becomes their principal occupation within five years.

The Farm Syndicates Credit Act enables the FCC to lend to groups of three or more farmers, the majority of whom are principally occupied in farming. The loans are for the shared purchase