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CANADA

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I. LIVESTOCK AND PRODUCTS:

A. DAIRY PRODUCTS

1. Agricultural Stabilization for Dairy Products

(a) Nature and Extent of the Programme

(i) Background and Authority

The Federal Government supports the price received by dairy farmers in two ways. A government agency, the Canadian Dairy Commission, supports the price of industrial milk through offering to purchase butter and skim milk powder at a price sufficient to maintain the target return set for dairy farmers. In addition, the Agriculture Stabilization Board pays a direct subsidy of $6.03/hectolitre for industrial milk produced within the National Market Sharing Quota. Milk production in Canada is restricted through farm level production quotas. The National Supply-Management system for industrial milk is governed by a joint federal/provincial agreement administered by the Canadian Dairy Commission.

In July 1990, the Minister of Agriculture gave the Canadian Dairy Commission the mandate to establish dairy target and support prices for 1 August 1990 and 1 February 1991, after receiving advice from its Consultative Committee. Prior to 1 August 1990, federal cabinet determined these prices. This new authority has been extended to the 1991-92 dairy year.

(ii) Incidence

Federal dairy stabilization policy consists of supporting the market prices of butter and skim milk powder through an offer-to-purchase programme and making direct payments under a quota system to farmers for milk and cream used for the manufacture of industrial dairy products.

(iii) Amount of Payment:

The amount of direct subsidy payments by the CDC on industrial milk and cream, has been set at a rate of $6.03 per hectolitre of standard milk for a total payout of:

Dairy Year	($ million)
1988-89	279.593
1989-90	265.795
1990-91	254.286

(iv) Support Prices:

($/Kg.)	Butter	Skim Milk Powder
1988-89	5.102	3.013
1989-90	5.167	3.046
1990-91	5.331	3.130

(b) Effect of Programme

The fundamental objectives of the Canadian dairy support programme are to provide efficient milk producers with the opportunity to obtain a fair return for their labour and investment and to provide consumers of dairy products with a continuous and adequate supply of high quality dairy products.

B. LIVESTOCK AND MEAT PRODUCTS

1. National Tripartite Stabilization Programme for Lambs

(a) Nature and Extent of the Programme

(i) Background and Authority

Under the authority of the Agricultural Stabilization Act (subsumed by the Farm Income Protection Act (FIPA) since 1991), a national tripartite stabilization programme stabilizes lamb returns through direct payments to producers to reduce income lost from market risks. The programme cost is shared equally between the federal government, the provinces and producers and, hence, government contributions represent 2/3 of total payments. Under FIPA, NTSP for lambs is now covered as a component of an integrated safety net system.

(ii) Incidence

Support levels are set at a percentage of the Indexed Moving Average Price (IMAP). The IMAP is the national average market price of lambs, in the same quarter, in the preceding 10 years, adjusted to account for inflation and changes in feed costs.

(iii) Amount of the Payment (Total)

($ 000)	
1988	403
1989	1,527
1990	2,787
1991	3,269

(iv) Payment Per Unit (Total)
($/Head)

1988	Q1	0.00
	Q2	0.00
	Q3	6.83
	Q4	12.59
	Q5	12.58*
1989	Q1	9.02
	Q2	10.00
	Q3	9.34
	Q4	17.79
1990	Q1	12.86
	Q2	15.53
	Q3	17.87
	Q4	20.44
1991	Q1	23.37
	Q2	12.33
	Q3	18.78
	Q4	18.39

* (N.B. The fifth quarter appears due to a change in the calculation of the lamb year)

(b) Effect of the Programme

Payments help stabilize producers' income by reducing the impact of short-term price shocks. By insulating incomes against short-term disruptions in market conditions, this programme helps prevent the misallocation of resources.

2. National Tripartite Stabilization Programme for Hogs

(a) Nature and Extent of the Programme

(i) Background and Authority

Under authority of the Agricultural Stabilization Act, (subsumed by the Farm Income Protection Act since 1991), a national tripartite stabilization programme stabilizes hog returns through direct payments to producers to reduce income lost by producers from market risks. The programme cost is shared equally between the federal government, the province and producers and, hence, government contributions represent 2/3 of total payments. Under FIPI, NTSP for hogs is now covered as a component of an integrated safety net system.

(ii) Incidence

The support level is equal to the estimated national current cash costs of production in the quarter plus a percentage of the difference (margin) between these cash costs and the national average market price of hogs in the same quarter for preceding 5 years. This is called the guaranteed margin approach.

(iii) Amount of the Payment (Total)

	($ 000)
1988	131,562
1989	450,244
1990	39,817
1991	121,771

(iv) Payment Per Unit (Total)
($/Head)

1988	Q1	3.14
	Q2	0.00
	Q3	23.53
	Q4	37.08
1989	Q1	38.24
	Q2	36.27
	Q3	33.14
	Q4	16.45
1990	Q1	9.67
	Q2	0.00
	Q3	0.00
	Q4	1.12
1991	Q1	0.00
	Q2	0.00
	Q3	16.55
	Q4	18.98

(b) Effect of the Programme

Payments help stabilize producers' income by reducing the impact of short-term price shocks. By insulating incomes against short-term disruptions in market conditions, this programme helps prevent the misallocation of resources.

3. National Tripartite Stabilization Programme for Cattle

(a) Nature and Extent of the Programme

(i) Background and Authority

Under authority of the Agricultural Stabilization Act, (subsumed by the Farm Income Protection Act since 1991), the national tripartite stabilization programme stabilizes slaughter/feeder cattle and cow calf returns through direct payments to producers to reduce income lost from market risks. The programme cost is shared equally between the federal government, the provinces and producers and, hence, government contributions represent 2/3 of total payments. Under FIPA, NTSP for cattle is now covered as a component of an integrated safety net system.

(ii) Incidence

The support level for slaughter/feeder cattle is equal to the estimated national current cash costs of production in the quarter plus a percentage of the difference (margin) between these cash costs and the national average market price of slaughter/feeder cattle in the same quarter for the preceding 5 years. This is called the guaranteed margin approach. Support levels for cow-calf are set at a percentage of the Indexed Moving Average Price (IMAP). The IMAP is the national average market price of feeder calves in the preceding ten years adjusted to account for inflation.

(iii) Amount of Payment (Total)

($ 000)

	Feeder	Slaughter	Cow/Calf
1988	2,336	94,268	0
1989	2,706	51,628	0
1990	669	4,107	0
1991	1,852	124,680	0

(iv) Payment Per Unit (Total)

($/Head)

		Feeder	Slaughter	Cow/Calf
1988	Q1	0.00	37.91	0
	Q2	0.00	42.45	0
	Q3	32.79	100.95	0
	Q4	38.56	87.92	0

($/Head)

			Feeder	Slaughter	Cow/Calf
1989	Q1	Jan	0.00	17.09	0
		Feb	0.00	3.02	0
		Mar	3.96	0.00	0
	Q2	Apr	16.62	44.50	0
		May	23.68	59.83	0
		Jun	9.32	68.58	0
	Q3	Jul	0.00	49.30	0
		Aug	0.00	10.28	0
		Sep	1.65	17.35	0
	Q4	Oct	0.00	12.93	0
		Nov	0.00	29.21	0
		Dec	0.00	5.16	0
1990	Q1	Jan	0.00	0.00	0
		Feb	0.00	0.00	0
		Mar	11.45	11.96	0
	Q2	Apr	0.00	0.00	0
		May	0.00	10.23	0
		Jun	0.00	0.00	0
	Q3	Jul	0.00	0.00	0
		Aug	0.00	0.00	0
		Sep	0.00	0.00	0
	Q4	Oct	0.00	0.00	0
		Nov	0.00	0.00	0
		Dec	0.00	0.00	0
1991	Q1	Jan	0.00	0.00	0
		Feb	0.00	0.00	0
		Mar	0.00	0.00	0
	Q2	Apr	0.00	0.00	0
		May	0.00	0.00	0
		Jun	0.00	0.00	0
	Q3	Jul	0.00	33.68	0
		Aug	0.00	98.09	0
		Sep	0.00	131.06	0
	Q4	Oct	11.44	137.53	0
		Nov	51.59	189.67	0
		Dec	55.34	132.86	0

(b) Effect of the Programme

Payments help stabilize producers' income by reducing short-term price shocks. By insulating incomes against short-term disruptions in market conditions, this programme helps prevent the misallocation of resources.

4. Feed Freight Assistance Programme

(a) Nature and Extent of the Programme

(i) Background and Authority

Under this programme, the Federal Government pays a portion of the transportation costs incurred in shipping feed grains to users in feed deficit areas of British Columbia, the Yukon, Northwest Territories and parts of Eastern Canada. This programme is administered by the Livestock Feed Bureau, Grains & Oilseeds Branch, Agriculture Canada.

(ii) Incidence

The freight assistance rates are set for various zones or regions based upon the weighted average cost of transportation over the least cost route.

(iii) Amount of the Payment

Expenditures on feed grains freight assistance were $18.2 million in 1988-89 on 1.9 million tonnes of grain; $16.6 million in 1989-90 on 1.5 million tonnes; and $16.6 million in 1990-91 on 1.40 million tonnes of grain, which represents about 8.18 per cent of the feed used in Canada.

(iv) Estimated Payment Per Unit

During the 1988-89 crop year, the average expenditure was $10.97 per tonne shipped under the programme; during the 1989-90 crop year it was $10.31 and during the 1990-91 crop year, it was $11.82 per tonne.

(b) Effect of the Programme

The feed freight assistance programme reduces the freight cost of transporting feed grains to eligible areas.

5. Atlantic Livestock Feed Development Initiative

(a) Nature and Extent of Programme

(i) Background and Authority

The Agreement was designed to promote the development of the livestock feed industry in Nova Scotia and to assist the province to achieve livestock feed self-sufficiency.

The Agreement included a number of programmes which were designed to:

- increase the quantity and quality of livestock and poultry feed produced in the province;

- promote the development and production of new and/or improved feeds;

- improve feed production, processing and utilization systems;
- improve producers' technical and managerial skills related to feed production.

The agreement was administered by a joint federal/provincial management committee, assisted by an implementation committee for each programme. The funding ratio was an 80/20 federal, provincial commitment.

The programme is no longer active.

(ii) Incidence

Applications were made throughout the term of the agreement and reviewed for eligibility purposes on a regular basis over the life of the Agreement. Payments were made in the form of a contribution when project approval was given.

(iii) Amount of Payment

	Federal Funds
1988-89	1,781,000
1989-90	1,810,000
1990-91	2,587,000

As stated earlier these funds were distributed in the form of Contributions.

(iv) Payment per Unit

Not applicable. (Not all projects were on-farm).

(b) Effect of the Programme

The overall effect of the programme was to improve the quantity and quality of feed production. Feed self-sufficiency still has not been attained, but purchased grains in the ruminant livestock industries have been replaced to a large extent with high quality forage.

6. Special Atlantic Livestock Initiative

(a) Nature and Extent of the Programme

(i) Background and Authority

At the Federal/Provincial Ministers' and Deputy Ministers' meeting at Prince Albert in August 1989, special assistance of $6.0 million was agreed to as a temporary support measure.

The programme is no longer active.

(ii) Incidence

Hog producers received support for all hogs marketed in 1989 and 1990 indexing 81 and above, on backfat. Beef producers received support on all carcass grading A, B, or C marketed in 1989. Sheep producers received a payment based on the ewe inventory on hand on 31 March 1990.

(iii) Amount of Payment

In 1989, $947,300 was paid to hog producers and in 1990, $659,700 was paid. Beef producers received $183,700 and sheep producers received $62,800 in payments under the Initiative.

(iv) Amount Per Unit

Hog producers received $4 per eligible hog marketed in 1989 and $3 per hog marketed in 1990. Beef producers received $25 per eligible carcass in 1989. Sheep producers received $5 per ewe on inventory on 31 March 1990.

(b) Effect of Marketing Programme

The objective of the initiative was to increase sustainability and efficiency of production in the region.

II. CROPS AND PRODUCTS:

A. GENERAL

1. Advance Payments for Crops Act (APCA)

(a) Nature and Extent of the Programme

(i) Background and Authority

The Advance Payments for Crops Act (APCA) is a voluntary programme enacted in 1977. It applies to all storable crops grown in Canada, except wheat, oats and barley grown in the Canadian Wheat Board designated area (oats were removed 1 August 1989). It provides guarantees and funds the interest on loans by eligible producer organizations to make advance payments to participants. These payments were interest-free up to the 1989-90 crop years, based on a maximum of 50 per cent of expected market prices. Advances are repaid when the crops are marketed. The advances provide producers with flexibility to defer marketing to more favourable times.

The programme is administrated by Agriculture Canada and various producer organizations across Canada, which sign an agreement to establish a line of credit with a lending institution to fund the advances. The interest-free aspect of APCA was removed for the 1989-90 crop year, and the advances became interest-bearing at commercial rates.

Agriculture Canada guarantees repayment of 98 per cent of the amount a producer organization borrows from a bank and paid the interest (except for the 1989-90 crop year) on the bank loans made in accordance with the Act. Agriculture Canada also prescribes the rate of advance per unit of crop and determines the maximum guarantee.

(ii) Incidence

During 1988-89, advance payments were available to producers of potatoes, carrots, rutabagas, onions, cabbage, apples, pears, sunflower seeds, oats, corn, barley, honey, rye, tobacco, soybeans, canola, alfalfa seed, leeks, and flax.

(iii) Cost of the APCA

For the 1988-89 crop year, the interest cost to fund advance payments by the government was $11.2 million. There was no interest cost in 1989-90 because the interest was paid by the producers.

(iv) Cost per Producer

For crop year 1988-89, the average interest was $1160 per applicant. There was no interest cost in 1989-90 because the interest was paid by the producers.

(b) Effect of the Programme

The programme supported orderly marketing by providing cash flow for producers at harvest time, thereby reducing pressure to market until supply and demand are better balanced.

2. Crop Insurance

(a) Nature and Extent of the Programme

(i) Background and Authority

The Crop Insurance Act of 1959, revised in 1990, enabled the Federal Government to enter into an agreement with any province to make contributions towards the premium, or the premium and the administration costs of that province's insurance scheme. Risk-sharing arrangements could also be made by way of loans or reinsurance of part of the province's liability whenever indemnities greatly exceeded premiums and reserves. In April 1991, the Farm Income Protection Act (FIPA) received Royal Assent. As a result, the Crop Insurance Act was revoked and the crop insurance programme is now covered under FIPA as a component of an integrated safety net system.

(ii) Incidence

In 1988-89 shared cost agreements were operative with all ten provinces. For this period, federal contributions toward total administration costs were $6.5 million and premiums totalled $187.2 million. The programmes operated on a joint basis with producers, provincial governments and the federal government sharing the cost of operating the programmes. In Quebec and Newfoundland the federal and provincial governments each paid 25 per cent of the total premium and shared the cost of administering the programme. The producers paid the remaining 50 per cent. In all other provinces, farmers and the Federal Government each paid one half of the insurance premium and the provincial governments absorbed the administration costs. The 1990 amendments provided for a single cost sharing formula allowing for each level of government to contribute 25 per cent of the crop insurance premium and an equal sharing of the administration costs. Farmers paid 50 per cent of the premium costs.

(iii) Amount of the Payment

The Federal Government contributed $193,721,503 to the fund for the 1988-89 fiscal year.

(iv) Payment Per Unit

The Federal Government contributed an average of approximately $1,437 per insured farmer in 1988-89.

(b) Effect of the Programme

This programme was designed to reduce, at the farmer level, the detrimental economic effects of severe crop losses due to uncontrollable natural hazards. Due to the high cost of such protection, federal government contributions make the programme available at an affordable cost and have the effect of reducing the need for emergency financial aid when disasters occur.

B. GRAINS AND GRAIN PRODUCTS

1. Western Grain Stabilization Program

(a) Nature and Extent of the Programme

(i) Background

This voluntary programme has been subsumed by the Farm Income Protection Act (FIPA) since the 1991 crop year. WGTP was designed to stabilize the income of western grain, oilseed and special crop farmers by protecting them against a sudden drop in cash flow. The programme covered the seven main grains - wheat, barley, oats, rye, flax, canola, mustard seed - and a list of special crops including triticale, mixed grain, sunflower seed, safflower seed, buckwheat, peas, lentils, fababeans and canary seed grown in the Canadian Wheat Board area. Participating producers paid a specified yearly levy rate ranging from a low of 2 per cent to a high of 4 per cent until an allowable individual maximum in eligible grain sale proceeds was realized. The federal government's contribution equalled the levy rate paid by producers plus an additional 2 per cent on all eligible producer proceeds. The programme was administered by the Western Grain Stabilization Administration and the federal government paid all administrative costs.

(ii) Incidence

When the calculated aggregate net cash income to producers of the covered commodities was below the previous five year average, a payment approximately equal to the difference adjusted for producer participation was triggered from the Stabilization Fund. The share of the total payment accruing to each individual producer was in proportion to his contribution into the programme over the last three-year period. Participating producers paid in 1987-88 a levy at a rate of 4 per cent of eligible grain sale proceeds.

(iii) Amount of the Payment

There were no payments made during the 1988-89 or 1989-90 crop years. In 1990-91 there was a $119 million payment triggered.

(iv) Estimated Amount Per Unit

There were no payments issued in the 1988-89 or 1989-90 crop years. In 1990-91 the average payment per participating producer was approximately $948.

(b) Effect of the Programme

While compensating producers for uncertainty and variation in their returns due to temporary market fluctuations, the programme is neutral with respect to producers' choices of output and input.

2. Western Grain Transportation Act (WGTA)

(a) Nature and Extent of the Programme

(i) Background

Until January 1984, freight rates on grains moving out of Western Canada were based on levels first set in 1897. Although these fixed rates originally covered the railways' costs of transporting grain, by the 1970's significant problems began to occur. These problems included large annual railway revenue losses on hauling grain, reluctance by the railways to invest in the grain transportation system, and agricultural production distortions in Western Canada. The Western Grain Transportation Act (WGTA), which became effective 1 January 1984 was designed to alleviate these problems.

(ii) Incidence

Under the WGTA, the federal government is required to pay a basic portion of total railway costs of transporting grain that is based on the difference which existed in 1981-82 between the total cost of transporting grain and what producers were then paying for transporting their grain. The government can also be required to pay an additional amount as a result of an inflation-sharing provision of the WGTA. A limit was also established for producers' freight rate increases so that freight rates do not exceed a fixed percentage of average grain prices.

(iii) Amount of the Payment

In the 1988-89 crop year ending 31 July 1989, the railways received $556.4 million from the federal government for transporting grains and oilseeds, $705 million in 1989-90, and $731.1 million in 1990-91.

(iv) Estimated Amount Per Unit

In the 1988-89 crop year, government payments under WGTA to the railways averaged about $21.88 per tonne; in 1989-90, $21.31 per tonne.

(b) Effect of the Programme

The programme increased the portion of transportation costs paid by prairie grain producers; provides railways with adequate revenues to invest in new rolling stock and infrastructure thereby improving and expanding the grain handling and transport system; and partially reduces the distortions affecting prairie agriculture because crops and products benefit more equitably from regulated freight rates.

3. Cash Flow Enhancement Programme (CFEP)

(a) Nature and Extent of the Payments

(i) Background and Authority

The Cash Flow Enhancement Programme (CFEP) has provided non-taxable rebates of interest on advances of less than $50,000 for participants in the Advance Payments for Crops Act (APCA) and the Prairie Grain Advance Payments Act (PGAPA). It was developed as a temporary measure for the 1990-91 crop year, since producers were experiencing cash flow difficulties because of depressed markets. (The programme has since been extended on a year-to-year basis.)

(ii) Incidence

The interest-free provisions of the cash advances apply to all crops currently covered under the PGAPA and the APCA, up to a maximum of $50,000 for both programmes.

(iii) Cost of the CFEP

The CFEP for the 1990-91 crop year is forecast to $84 million for interest rebates on $1.7 billion of reach advances.

(iv) Estimated Programme Cost Per Producer

Average per producer cost is forecast at $1,183 for CFEP 1990-91 and $875 for 1991-92.

(b) Effects of the Programme

The programme helps ease the cash flow difficulties for producers by facilitating cash advances under the APCA and PGAPA and provides income assistance through the interest-free benefit.

4. Agricultural Stabilization for Grains and Grain Products Outside the Canadian Wheat Board Designated Area

(a) Nature and Extent of the Programme

(i) Background and Authority

Under authority of the Agricultural Stabilization Act (ASA), the Agricultural Stabilization Board supported the prices of named commodities comprising: corn, barley, oats and wheat grown outside the Canadian Wheat Board designated area. Support levels were set at a percentage of the previous five-year average market price, indexed for changes in the cash costs of production. Other commodities could be designated for similar support from time to time.

In April 1991, the ASA was repealed with the passage of the Farm Income Protection Act (FIPA). The ASA programme described here is no longer available.

(ii) Incidence

A payment was made directly to producers when the five-year average market price for named commodities fell below a calculated support level. Corn, oats and barley marketed during the 1987 crop year received support. Winter wheat, spring wheat and oats marketed during the 1990/91 year received support.

(iii) Amount of Payment

1985 corn:	by the end of 91/92 payments reached	$42,865,237
1986 corn:	by the end of 91/92 payments reached	$132,655,467
1987 corn:	by the end of 91/92 payments reached	$59,284,787
1986 oats:	by the end of 90/91 payments reached	$808,657
1987 oats:	by the end of 91/92 payments reached	$ 28,040
1986 barley:	by the end of 91/92 payments reached	$5,139,745
1987 barley:	by the end of 91/92 payments reached	$5,102,393
1986/87 spring wheat:	by the end of 91/92 payments reached	$1,908,160
1990/91 spring wheat:	by the end of 91/92 payments reached	$ 496,416
1986/87 winter wheat:	by the end of 91/92 payments reached	$22,778,217
1990/91 winter wheat:	by the end of 91/92 payments reached	$ 8,232,897

(iv) Payment per Unit

1986/87 winter wheat	$25.13/tonne
1990/91 winter wheat	$ 6.94/tonne
1986/87 spring wheat	$13.44/tonne
1990/91 spring wheat	$42.96/tonne
1986/87 Barley	$17.69/tonne
1987/88 Barley (desig)	$12.35/tonne
1987/88 Barley (stat)	$ 7.42/tonne
1985/86 Corn	$ 8.92/tonne
1986/87 Corn	$29.70/tonne
1987/88 Corn	$11.85/tonne
1986/87 Oats	$12.88/tonne
1987/88 Oats	$ 0.51/tonne
1990/91 Oats	$ 1.36/tonne

(b) Effects of the Programme

Agricultural Stabilization Board payments helped stabilize producers' incomes by reducing the impact of short-term price shocks. By insulating incomes against short-term disruptions in market conditions, this programme helped prevent the misallocation of resources.

5. Prairie Grain Advance Payments Act (PGAPA)

(a) Nature and Extent of the Programme

(i) Background and Authority

The Prairie Grain Advance Payments Act (PGAPA) is a voluntary programme enacted in 1957. It applies to wheat, oats and barley grown in the Canadian Wheat Board designated area (oats were removed 1 August 1989). It provides guarantees and funds the interest on loans by the Board to make advance payments. The advances were interest-free up to the 1989-90 crop year, based upon a maximum of 66 2/3 per cent of expected market prices. Advances are repaid when the crops are marketed, normally through the Board.

The programme is administrated by Agriculture Canada and the Board, which uses its existing line of credit with the chartered banks to fund the advances. The interest free aspect of PGAPA was removed for the 1989-90 crop year, and advances became interest-bearing at commercial rates.

The government pays the interest on loans to fund the advances and is liable for defaulted advance accounts. Administration costs are borne by the producer through a charge on the Canadian Wheat Board's pool accounts.

(ii) Incidence

Advances made to producers totalled $319.5 million in the 1988-89 crop year, the last year of interest-free advances. Advances totalled $144.7 million in the 1989-90 crop year.

(iii) Cost of the PGAPA

Interest costs paid by the federal government for the 1988-89 crop year amounted to $14.7 million. Payments for defaulted accounts totalled $850,000 for the 1987-88 fiscal year. These defaulted accounts are collected by the Canadian Wheat Board over time.

(iv) Cost per Producer

For crop year 1988-89 the average interest cost was $680 per applicant. There was no interest cost in 1989-90 because the interest was paid by the producers.

(b) Effect of the Programme

The programme supports orderly marketing by providing cash flow at harvest. Thereby reducing pressure on the Board to market until supply and demand are better in balance, and compensating for restricted delivery opportunities because of grain transportation and handling restraints.

6. At and East Grain and Flour Subsidy Programme

(a) Nature and Extent of the Programme

This programme was terminated as of 15 July 1989 with final subsidies paid in 1990.

(i) Background and Authority

The At and East Grain and Flour Subsidy Programme, which was administered by the National Transportation Agency, provided subsidies to the railways on:

- grain moving for export, received at ports on Georgian Bay, Lake Huron, Lake Ontario and the upper St. Lawrence as far as Prescott, and transported by rail to ports east of and including Montreal; and

- flour moving for export from points east of Thunder Bay, and transported by rail to ports east of and including Montreal.

(ii) Incidence

The amount of the subsidy was equal to the difference between the revenues received by the railways from freight rates frozen at the level which were in effect in the 1960s, and the actual costs which they incurred on these movements.

(iii) Amount of Payments

Payments were $33.7 million for calendar year 1988 and $18.8 million for calendar year 1989. The final payment, in 1990, was $288,896.

(iv) Payment per Unit

1988	Flour	$65.99/tonne (average)
	Grain	$26.43/tonne (average)
1989	Flour	$65.84/tonne (average)
	Grain	$25.63/tonne (average)
1990	Flour	$69.80/tonne (average)

(b) Effect of the Programme

This programme evolved in response to a 1959 rate reduction by US railways for grain movements from points "at and east" of Buffalo, New York to Atlantic ports. The intent of the programme was to ensure that Canadian grain and flour shipments would continue to be exported through Canadian east coast ports, rather than through competing US ports. This competitive concern no longer exists since the cost of shipping by rail to US ports is now considerably higher than the cost of shipping by water through the Great Lakes/St. Lawrence Seaway. The subsidy had the effect of diverting traffic away from the Seaway in favour of subsidized rail movements, inconsistent with the government's market-oriented transportation policy. These programs were terminated effective 15 July 1989 and are expected to result in annual savings of about $40 million.

7. Freight Charges Equalization Programme

(a) Nature and Extent of the Programme

In the April 1989 Budget the announcement of the elimination of the "at and east" subsidy, also referred to the termination, effective 15 July 1989, of payments to western flour millers through this equalization programme.

(i) Background and Authority

Section 272 of the Railway Act froze the "stop-off" rate to flour mills in Eastern Canada "for the purpose of encouraging the continued use of the Eastern ports for the export of grain and flour". Appropriations under the Freight Charges Equalization programme are designed to equalize freight charges between eastern and western Canada on the transport of flour for export markets. This programme was administered by Agriculture Canada.

(ii) Incidence

Payments were issued to millers in Western Canada in order to equalize the freight "stop-off" charges between Eastern and Western Canada on grain which is processed into flour for export.

(iii) Amount of the Payment

Payments under this programme for fiscal year 1987-88 were $770,800, for fiscal year 1988-89 were $526,300 and for fiscal year 1989-90 were $306,178.

(iv) Estimated Payment Per Unit

The stop-off rate to Eastern mills was frozen under section 281 of the Railway Act at $0.66 per tonne. The stop-off rate to Western mills was set at compensatory levels which was determined to be $6.90 per tonne.

(b) Effect of the Programme

This payment provided Western and Eastern Canadian millers with equal access to flour export markets. It removed the disadvantage faced by western millers who were constrained by the higher compensatory "stop-off" rates on the transport of raw grain vis-à-vis eastern millers who paid a fixed rate of 66 cents per tonne.

8. Special Canadian Grains Programmes (SCGP I and SCGP II)

(a) Nature and Extent of the Programme

(i) Background and Authority

Under the authority of Agriculture Canada, the Special Canadian Grains Programme reduced the impact of the European Community/US subsidy war on Canada's grain sector by enhancing the cash flow of Canadian grain producers.

(ii) Incidence

Beneficiaries were the eligible producers of specific crops in 1986/87 for SCGP I, and in 1987/88 for SCGP II. The SCGP I special cash payment was made on the 1986-87 crop, with payments to producers in 1988. Payments were calculated on the basis of seeded acreage of eligible crops and average yields. Assistance rates reflected the price declines that arose in each commodity from the EC/US trade dispute. Payments for SCGP II were received in 1989.

Crops covered under the programme were wheat, barley, oats, rye, mixed grains, corn, soybeans, canola, flax and sunflower seeds, specialty crops and honey.

SCGPII payments were also made on summerfallow within the Canadian Wheat Board designated area. Grains used for silage, forage seed, green feed and hay were excluded. Payments were limited to $25,000 per producer.

(iii) Amount of Payments

Under SCGP II, programme assistance of $1,067 million was paid to 214,559 recipients. SCGP I paid out approximately $984 million. Administration costs were approximately $8 million for each programme.

(iv) Estimated Payment per Unit

Average payment per recipient was $4,974 for SCGP II and $4,913 for SCGP I.

(b) Effect of the Programme

The programmes helped offset low world grain prices caused by the EC/US subsidy war by enhancing cash flow of Canadian grain producers.

9. Two-Price Wheat Programme

(a) Nature and Extent of the Programme

(i) Background and Authority

The original objective of the Two-Price Wheat programme was to provide price stability to domestic millers by insulating the domestic wheat price from international fluctuations. Protection was thereby afforded consumers against high world prices and producers against depressed prices.

The Two-Price Wheat programme was eliminated as of 31 July 1988. It was replaced with a one-year transitional programme entitled "Two-Price Wheat Assistance Payments". This programme was designed to maintain the same level of domestic producer benefits as there otherwise would have been.

(ii) Incidence

Prior to August 1988, the Canadian Wheat Board maintained the domestic price to millers at $7.00 per bushel. The corresponding export price was approximately $4.00 per bushel. The difference between the domestic price and the world price had been paid indirectly by consumers.

The domestic price of wheat is now based on the North American market. Payments under the Two Price Wheat programme made through the pool accounts to producers.

(iii) Amount of Payment

Total payments through Two Price Wheat Assistance for the crop year 1988/89 were $87 million.

(iv) Estimated Payment per Unit

Red Wheat	$36.90/tonne
White Wheat	$47.97/tonne
Durum Wheat	$ 3.83/tonne

(b) Effect of the Programme

The programme helped protect consumers against high world prices and producers against depressed prices. The transitional programme was a one year adjustment programme for producers.

C. OILSEEDS AND OILSEED PRODUCTS

1. Agricultural Stabilization for Oilseeds and Oilseed Products

(a) Nature and Extent of the Programme

(i) Background and Authority

Under authority of the Agricultural Stabilization Act, the Agricultural Stabilization Board stabilized the revenues of named commodities including soybeans. Support prices were set at a percentage of the previous five-year average market price indexed for changes in the cash costs of production. Other commodities such as canola could be designated for similar support from time to time. The ASA has been subsumed by the Farm Income Protection Act (FIPA) since 1991.

(ii) Incidence

For named commodities, deficiency payments were made directly to producers for the difference between the annual average market price and a percentage of the adjusted previous 5-year average market price for each commodity.

(iii) Amount of the Payments

As of the end of fiscal year 1990/91, payments for 1986/87 soybeans reached $10,458,608; as of the end of 1991/92, payments for 1989/90 soybeans reached $17,917,882 and payments for 1990/91 soybeans reached $1,854,528.

As of the end of fiscal year 1989-90, payments on 1986/87 canola reached $3,050,439. As of the end of 1990/91, payments on 1987/88 canola reached $1,515,049, payments on 1988/89 canola reached $216,533 and payments on 1989/90 canola reached $237,278.

(iv) Estimated Payment per Unit

1986/87	Soybeans	$11.40/tonne
1989/90	Soybeans	$16.35/tonne
1990/91	Soybeans	$ 2.01/tonne
1986/87	Canola	$51.37/tonne
1987/88	Canola	$87.25/tonne
1988/89	Canola	$14.28/tonne
1989/90	Canola	$12.39/tonne

(b) Effect of the Programme

Agricultural Stabilization Board payments helped stabilize producers' incomes by reducing the impact of short-term price shocks. By insulating incomes against short-term disruptions in market conditions, this programme helped prevent the misallocation of resources resulting from short-term price or income stimuli. Long-term price movements were allowed to prevail.

D. FRUITS AND VEGETABLES

1. Agricultural Stabilization for Fruits and Vegetables

(a) Nature and Extent of the Programme

(i) Background and Authority

Under the Agricultural Stabilization Act fruits and vegetables were designated for support. Designated commodity prices were generally supported at the same level as named commodities. In addition, national tripartite stabilization plans are in place for: sugar beets (starting in 87-88), dry edible beans (87-88), apples (87-88), onions (88-89), and honey (88-89).

One of the functions of the Agricultural Products Board, as established under the Agricultural Products Board Act, was to take action in support of the stabilization activities of the Agricultural Stabilization Act. By buying surplus commodities and selling them later, the Board's activities helped stabilize farm incomes. The Board could sell products at prices lower than the purchase price plus handling and storage, only if authorized by the Governor-in-Council.

The functions of the ASA were subsumed by the introduction of the Farm Income Protection Act in 1991.

(ii) Incidence

Deficiency payments were made directly to producers for the difference between the annual average market price and a support level based on a percentage of the previous five-year average market price for each product, indexed for changes in cash costs of production.

Payments for a particular crop year can continue over several years, as farm records are submitted.

(iii) Amount of the Payment

1987/88 B.C. Pears: Pears grown in British Columbia marketed by 30 June 1988 were designated for support under Order-in-Council P.C. 1988-2590 dated 17 November 1988. A deficiency payment of $9.96 per 100 kilograms was triggered. Total payments made during the fiscal year 1988-89 amounted to $1,289,000. In 1989-90, payments were $16,694, but refunds to the programme were $23,049.

1987/88 B.C. Peaches: The 1987 British Columbia peach crop was also designated for support during 1988-89. Under the Order-in-Council P.C. 1988-2589 dated 17 November 1988, a deficiency payment of $23.16 per 100 kilograms was approved. Total payments amounted to $2,289,000 in 1988-89. In 1989-90, payments were $99,137.

1987/88 B.C. Prunes: The 1987 British Columbia prune crop was designated for support under Order-in-Council P.C. 1988-2591 dated 17 November 1988. A deficiency payment of $11.98 per 100 kilograms was triggered. During the fiscal year 1988-89, total payments amounted to $380,000. For the year 1989-90, payments were $10,532.

1987/88 Sour Cherries: Sour cherries marketed by 30 June 1987 were designated for support under Order-in-Council 1988-1460 dated 21 July 1988. A deficiency payment of 29.62ø per kilogram was triggered. Total payments in 1988-89 were $2,156,000.

Other Programmes Administered by the ASA:

1987/88 Red Delicious Apples

Order-in-Council PC 1988-2/2588 dated 17 November 1988 authorized the provision of assistance of 2 cents per pound for all Red Delicious apples produced in Canada in 1987 in an amount not to exceed $5.3 million. This assistance was provided in the form of a contribution to growers under Vote 15, Agriculture Grants and Contributions, pursuant to Section 5(2) of the Department of Agriculture Act. The assistance was provided to compensate the producers for reduced returns caused by large imports of Washington State product at depressed prices. Total payments in 1988-89 amounted to $4,449,000 and $4,000 in 1989-90.

1988 Nova Scotia Apple Transportation Assistance

Due to a large supply of juice apples and a lack of facilities for processing, authority was provided pursuant to Section 5(2) of the Agriculture Act to make a contribution of one-half of the actual cost of transportation of juice apples to facilities in Ontario. This was approved by Order-in-Council PC 1988-1/2588 dated 17 November 1988. Payments were $0.015/lb. to a maximum of $150,000. Actual total expenditure to date is $73,063.

Other Payments

In 1989-90 payments were also made to 1982 ($693) and 1983 ($10,536) apples, 1983 B.C. pears ($366), 1983 B.C. peaches ($517) and 1983 B.C. prunes ($66). Refunds were made to 1985 ($5,652) and 1977 ($4,813) potatoes and 1977 yellow seed onions ($2,350).

(iv) Payment Per Unit

1987/88 Red Delicious Apples	$ 4.40ø/kg
1987/88 Sour Cherries	$29.62ø/kg
1987/88 Peaches	$23.16/100 kg
1987/88 Pears	$ 9.96/100 kg
1987/88 Prunes	$11.98/100 kg

(b) Effect of the Programme

Agricultural Stabilization payments helped stabilize producers' incomes by reducing the impact of short-term price shocks. This helped prevent the misallocation of long-term resource adjustment.

2. National Tripartite Stabilization Programme for Apples

(a) Nature and Extent of the Programme

(i) Background and Authority

Under the authority of the Agricultural Stabilization Act, (now subsumed by the Farm Income Protection Act) this National Tripartite Stabilization Program stabilizes apple returns. The support level for apples is based on the indexed national average market price over the preceding 10 years, adjusted for inflation.

The programme cost is shared equally between the federal government, the province and producers and, hence, government contributions represent 2/3 of total payments. Under FIPI, NTSP for apples is now covered as a component of an integrated safety net system.

(ii) Incidence

A deficiency payment was triggered for the 1987 and 1989 apple crops.

(iii) Amount of Payment (Total)

A deficiency payment of $15,418,000 has been received by apple growers for the 1987-88 crop. Government contributions account for 2/3 of total. Payments for the 1989 crop have reached $16,657,000.

(iv) Payment per Unit (Total)

The payment per unit for 1987 apples was $35.50 per tonne. For 1989 apples, it was $40.17 per tonne.

(b) Effect of the Programme

Payments help stabilize producers' income by reducing the impact of short-term price shocks. By insulating incomes against short-term disruptions in market conditions, this programme helps prevent the misallocation of resources.

3. <u>National Tripartite Stabilization Programme for White Pea Beans and other Dry Edible Beans</u>

(a) <u>Nature and Extent of the Programme</u>

(i) <u>Background and Authority</u>

Under the authority of the <u>Agricultural Stabilization Act</u>, the National Tripartite Stabilization Program stabilizes white pea bean and other dry edible bean returns to reduce income lost by producers from market risk. Support is based on the guaranteed margin approach. The support price for a year will equal the cash costs of production in the current year plus a percentage of the average margin in the preceding 7 years. The programme is shared equally between the federal government, the province and producers and, hence, government contributions represent 2/3 of total payments. Under FIPA, NTSP for dried beans is now covered as a component of an integrated safety net system.

(ii) <u>Incidence</u>

Deficiency payments were triggered for all dry, edible beans for the 1987-88 crop year, for the 1989/90 crop year for other coloured beans and for the 1990/91 crop year for all dry, edible beans.

(iii) <u>Amount of the Payment</u> (Total)

A deficiency payment of $26,988,000 was made for crop year 1987-88 for white pea beans; $773,000 for kidney and cranberry beans; and $2,210,000 for other coloured beans. Government contributions account for 2/3 of the total.

For 1989/90 for other coloured beans, the payment was $548,000. For the 1990/91 crop, the payments for white pea beans have reached $17,235,000; payments for kidney, cranberry beans have reached $351,000 and payments for other coloured beans have reached $3,691,000.

(iv) <u>Payment per Unit</u> (Total)

The payments per unit for 1987-88 were:

$237.25/tonne for white pea beans
$ 66.92/tonne for kidney and cranberry beans
$112.85/tonne for other coloured beans.

The payment per unit for the 1989-90 other coloured bean crop was $46.08/tonne.

The payments per unit for 1990-91 were:

$171.74/tonne for white pea beans
$ 25.57/tonne for kidney and cranberry beans
$157.63/tonne for other coloured beans

(b) Effect of the Programme

Payments help stabilize producers' income by reducing the impact of short-term price shocks. By insulating incomes against short-term disruptions in the market conditions, this programme helps prevent the misallocation of resources.

4. National Tripartite Stabilization Programme for Onions

(a) Nature and Extent of the Programme

(i) Background and Authority

Under the authority of the Agricultural Stabilization Act, (now subsumed by the Farm Income Protection Act), this National Tripartite Stabilization Programme stabilizes onion returns to reduce income lost by producers from market risks.

The support level for onions is based on the Indexed National Average Market Price (IMAP). This is the national average market price over the preceding 7 years, adjusted for inflation.

The programme cost is shared equally between the federal government, the province and producers and, hence, government contributions represent 2/3 of total payments. Under FIPI, NTSP for onions is now covered as a component of an integrated safety net system.

(ii) Incidence

No payments have been triggered under this programme.

(b) Effect of the Programme

Payments help stabilize producers' income by reducing the impact of short-term price shocks. By insulating incomes against short-term disruptions in market conditions, this programme helps prevent the misallocation of resources.

E. **SUGAR AND RELATED PRODUCTS**

1. National Tripartite Stabilization Programme for Sugar Beets

(a) Nature and Extent of the Programme

(i) Background and Authority

Under authority of the Agricultural Stabilization Act, (now subsumed by the Farm Income Protection Act) the national tripartite stabilization programme stabilizes sugar beet returns. Support prices are set at percentage of the current cash costs of production plus a percentage of the

Indexed Moving Average Price received for sugar beets during the previous 15 years.

The programme is shared equally between the federal government the provinces and producers and, hence, government contributions represent 2/3 of total payments. Under FIPA, NTSP for sugar beets is now covered as a component of an integrated safety net system.

(ii) Incidence

A deficiency payment was triggered for the 1987, 1988 and 1990 crops.

(iii) Amount of the Payment (Total)

Final payouts amounted to $14.524 million on the 1987 crop, $2.947 million on the 1988 crop and $1.338 million on the 1990 crop.

(iv) Payment Per Unit (Total)

The payment per unit for 1987 sugar beets was $13.36 per standard tonne yielding 125 kg of sugar. The 1988 payment per unit was $3.5883 per standard tonne.

(b) Effect of the Programme

Payments help stabilize producers' incomes by reducing the impact of short-term price shocks. By insulating incomes against short-term disruptions in market conditions, this programme helps prevent the misallocation of long-term resource adjustment.

2. National Tripartite Stabilization Programme for Honey

(a) Nature and Extent of the Programme

(i) Background and Authority

Under the authority of the Agriculture Stabilization Act, (now subsumed by the Farm Income Protection Act) the National Tripartite Stabilization Programme stabilizes honey returns. The support level for honey is based on the Indexed National Average Market Price (IMAP). This is the national average market price over the preceding 7 years, adjusted for inflation.

The support price for any given year will equal a percentage of the IMAP. The programme cost is shared equally between the federal government, the provinces and producers and, hence, government contributions represent 2/3 of total payments. Under FIPA, NTSP for honey is now covered as a component of an integrated safety net system.

(ii) Incidence

A deficiency payment was triggered for the 1988 and 1989 crops.

(iii) Amount of the Payment (Total)

Payments have reached $8,306,000 for the 1988 crop and $3,517,000 for the 1989 crop.

(iv) Payment Per Unit (Total)

1988 = $.12/lb
1989 = $.0688/lb

(b) Effect of the Programme

Payments help stabilize producers' income by reducing the impact of short-term price shocks. By insulating incomes against short-term disruptions in market conditions, this programme helps prevent the misallocation for resources.

F. GENERAL PROGRAMMES

1. Special Agricultural Income Assistance Programme (1990)

(a) Nature and Extent of the Payments

(i) Background and Authority

Under the authority of Section 5 of the Department of Agriculture Act payment of up to $500 million was made to provinces contingent upon matching provincial funds. The purpose of the programme was to provide financial assistance through Federal-Provincial initiatives for the benefit of producers who had experienced dramatic income drops. These payments were in response to successive years of poor returns in grains and Oilseeds, Horticulture and other commodities. It was anticipated that the 1990 net cash income of the Grains and Oilseeds sector would decline by 55 per cent compared to 1989. Horticultural and other commodities were facing similar, though less serious, financial difficulties.

(ii) Incidence

The programme offered aid based on provincial participation. It also included structural measures, changes in Farm Debt Review Fund regulations, credit relief and contributions to crop insurance.

(iii) Amount of Payment

Federal Contribution Status
for the Period Ending
30 June 1991

	Expenditures to Date
Grains and Oilseeds	$444,018,084.75
Horticulture	27,661,612.20
Fox and Min	11,219,541.91
Soil and Water	$ 3,500,000.00
	$486,399,238.86

(b) Effect of the Programme

The programme helped to stabilize producers' incomes in the short-term against unusual financial difficulties. The existing stabilization programmes had not provided an adequate cushion against the acute problems producers faced in the marketplace at that time.

2. Canadian Agricultural Market Development Initiative (CAMDI)

(a) Nature and Extent of the Contribution

(i) Background and Authority

CAMDI resulted from the amalgamation, into one programme, of the various grant and contribution programs, including the former Fruit and Vegetable Storage Construction Financial Assistance Programme and the Canadian Agricultural Market Development Fund. The establishment of one "new" programme was intended to ensure greater flexibility and responsiveness of the initiative to industry needs, and to increase operating efficiency. The CAMDI terms and conditions were in effect up to 31 March 1990.

(ii) Incidence

Projects which were eligible for CAMDI funding included:

(A) Commercial and technical feasibility studies and market identification projects.

(B) Development projects which could have included a broad range of marketing initiatives in the areas of promotion, transportation, facilities, distribution, and product/process development, involving new or improved food products or processes which would have led to increased sales.

(C) Canadian capability projects which aimed to establish a required technical, production or marketing ability or skill <u>then unavailable in Canada.</u>

(iii) <u>Amount of the Contribution</u>

Funding was provided up to 50 per cent of eligible project costs, to a maximum of $250,000 annually or $750,000 over the life of the initiative. Where there was more than one source of government assistance, the level of support from all federal sources could not exceed 50 per cent of eligible costs, nor could support from all government sources (provincial and federal) exceed 75 per cent of eligible costs.

(iv) <u>Estimated Contributions Per Unit</u>

Actual levels of assistance offered were often lower than the maximum 50 per cent rate and, on average, were less than $50,000 over the life of the project. In 1988-89, $834,727 was committed towards 36 projects, for an average contribution of $23,187 per project. In1989-90, $2,197,219 was committed towards 36 projects, for an average contribution of $51,098 per project.

(b) <u>Effect of the Programme</u>

The CAMDI facilitated improvements in the marketing of Canadian agricultural and food products by providing financial assistance for selected projects concerned with market development for traditional and new or improved projects in both established and new markets.

3. <u>Canadian Agri-Food Development Initiative (CAFDI)</u>

(a) <u>Nature and Extent of Contribution</u>

(i) <u>Background and Authority</u>

The Canadian Agri-Food Development Initiative (CAFDI) is the consolidation of the former Production Development Assistance Initiative (PDAI), including the Crop Development Fund (CDF), and the Canadian Agricultural Market Development Initiative (CAMDI) which were in effect from 1 April 1985 to 31 March 1990. CAFDI is a financial contribution programme administered by the Agri-Food Development Branch (AFDB). It operates under Terms and Conditions approved by Treasury Board on 28 September 1989 and amended on 10 April 1992. The programme came into effect in 1990-91 and will expire 31 March 1995.

(ii) <u>Incidence</u>

Projects eligible for CAFDI funding include:

(A) Market Development projects which promote market opportunities for Canadian food and agricultural products. As well, projects that encourage cost saving and other improvements to the marketing system for the Canadian agri-food industry.

(B) Production and Processing Development projects which assist in the effective evaluation of new crops and crop varieties, and livestock and poultry production technologies in Canada. Also, projects which accelerate the commercial adoption of new agricultural production technologies, and contribute to the development of sustainable agriculture in Canada.

(C) Human Resources Development projects which enhance the long-term viability of the agri-food industry through the development and training of its human resource base.

(iii) Amount of the Contribution

Funding may be provided up to 50 per cent of eligible project costs to a maximum of $250,000 a year or $750,000 over the project's duration. Maximum government assistance may not exceed 50 per cent from all federal sources nor 75 per cent from all government sources combined.

(iv) Estimated Contribution Per Unit

Actual levels of assistance are usually less than $250,000 per year and $750,000 over the life of each project. In 1990-91, $1,788,865 was committed towards 111 projects. Generally, contributions are in the $5,000.00-$50,000.00 range.

(b) Effect of the Programme

The CAFDI encourages economic development in the Canadian agri-food sector by providing financial assistance for selected projects which contribute to improved competitiveness, more market responsiveness and greater self-reliance in the agri-food sector. The CAFDI encourages national policies which reflect regional diversity and sustainable agricultural practices.

TABLE 1

MILK PRODUCTS - SUPPLY AND DISPOSITION

Commodities	Calendar year	Beginning stocks	Production	Imports	Domestic disapp-earance	Exports	Ending stocks
Creamery butter	1983	36,925	103,585	25	108,647	4,144	27,744
	1984	27,744	107,788	67	106,842	288	28,469
	1985	28,469	94,882	121	103,155	559	19,758
	1986	19,758	98,515	31	99,513	422	18,369
	1987	18,369	94,208	15	100,543	3,130	8,919
	1988	8,919	104,324	104	99,293	178	13,876
	1989	13,876	97,402	97	94,975	2,355	14,045
	1990	14,045	99,426	126	90,740	4,168	18,689
	1991	18,689	96,927	160	88,284	12,412	15,080
Cheddar cheese	1983	36,211	99,448	0	91,837	3,439	40,383
	1984	40,383	101,356	451	97,170	3,893	41,127
	1985	41,127	109,532	418	103,213	9,144	38,720
	1986	38,720	110,874	422	107,173	8,914	33,929
	1987	33,929	117,671	490	110,089	7,490	34,511
	1988	34,511	117,618	616	108,383	7,951	36,411
	1989	36,411	112,272	381	111,928	8,475	28,661
	1990	28,661	113,250	476	105,283	6,335	30,769
	1991	30,769	117,473	489	106,088	8,880	33,763
Other cheese	1983	11,873	83,542	19,366	101,892	1,181	11,708
	1984	11,708	91,081	20,964	110,092	1,364	12,297
	1985	12,297	103,161	18,981	119,803	1,420	13,216
	1986	13,216	114,729	18,754	135,245	1,176	10,278
	1987	10,278	128,976	18,280	143,808	1,511	12,215
	1988	12,215	134,890	15,805	146,001	2,006	14,903
	1989	14,903	138,009	15,634	154,086	2,158	12,302
	1990	12,302	142,034	16,488	155,958	1,901	12,965
	1991	12,965	144,417	16,004	158,531	2,599	12,255
Concentrated whole milk	1983	25,564	153,398	0	77,340	88,512	13,110
	1984	13,110	182,716	0	39,645	132,868	23,313
	1985	23,313	160,627	0	65,255	103,491	15,194
	1986	15,194	93,038	0	44,202	55,114	8,916
	1987	8,916	69,729	0	52,115	21,831	4,699
	1988	4,699	68,920	101	49,214	21,166	3,340
	1989	3,340	58,083	124	51,509	6,455	3,583
	1990	3,583	45,794	125	36,583	9,551	3,368
	1991	3,368	55,093	150	42,282	13,372	2,957

TABLE 1 (Cont'd)

MILK PRODUCTS - SUPPLY AND DISPOSITION

Commodities	Calendar year	Beginning stocks	Production	Imports	Domestic disapp-earance	Exports	Ending stocks
Sweetened concentrated milk	1983	218	14,596	0	14,511	0	303
	1984	303	14,030	0	14,156	0	177
	1985	177	14,382	0	14,237	0	322
	1986	322	11,050	0	11,221	0	151
	1987	151	10,377	0	10,287	0	241
	1988	241	6,836	78	5,394	1,711	50
	1989	50	7,769	77	6,509	1,241	146
	1990	146	5,660	57	4,204	1,512	146
	1991	197	9,183	38	8,733	488	197
Skim milk powder	1983	29,511	122,956	0	43,699	81,864	26,904
	1984	26,904	129,387	0	63,059	70,001	23,231
	1985	23,231	98,926	0	46,024	60,579	15,554
	1986	15,544	105,187	0	44,640	66,067	10,034
	1987	10,034	101,581	5,394	57,732	46,354	12,923
	1988	12,923	109,660	1,260	52,419	58,992	12,432
	1989	12,432	95,145	451	66,757	31,800	9,471
	1990	9,471	92,925	1,502	46,930	42,520	14,448
	1991	14,448	77,972	899	44,559	36,145	12,615

Source: Statistics Canada

TABLE 2

BEEF: SUPPLY AND DISPOSITION

Year	Beginning stocks	Production	Imports for consumption	Total supply	Exports	Ending stocks	Domestic disa-ppearance
			- in metric tonnes -				
1982	15,708	986,493	86,306	1,088,507	82,772	13,293	992,442
1983	13,293	992,745	90,650	1,096,688	82,375	17,690	996,623
1984	17,690	948,414	113,624	1,079,728	104,526	15,704	959,498
1985	15,704	985,250	113,643	1,114,597	116,492	17,600	980,505
1986	17,600	990,482	109,848	1,117,930	102,326	13,192	1,002,412
1987	13,192	932,429	133,589	1,079,210	88,873	11,632	978,705
1988	11,632	927,702	153,064	1,092,398	82,492	16,744	993,162
1989	16,744	930,405	158,420	1,105,569	104,027	16,419	985,123
1990	16,419	878,311	184,786	1,079,516	104,900	12,943	961,673
1991	12,943	844,144	217,372	1,074,459	105,204	15,249	954,006

Source: "Livestock and Animal Products Statistics". Cat.#23-203, Statistics Canada.

TABLE 3

VEAL: SUPPLY AND DISPOSITION

Year	Beginning stocks	Production	Imports	Total supply	Exports	Ending stocks	Domestic disa-ppearance
			- in metric tonnes -				
1982	638	38,662	1,808	41,108	465	530	40,113
1983	530	39,711	833	41,074	303	967	39,804
1984	967	42,308	1,211	44,486	570	554	43,362
1985	554	43,539	1,201	45,294	615	710	43,969
1986	710	45,152	1,708	47,570	2,279	649	44,642
1987	649	44,762	1,204	46,615	3,547	263	42,805
1988	263	44,982	0	45,245	3,684	1,618	39,943
1989	1,618	48,411	0	50,029	5,266	749	44,014
1990	749	48,001	5,254	54,004	5,310	476	48,218
1991	476	49,325	2,636	52,437	4,345	417	47,675

Source: "Livestock and Animal Products Statistics". Cat.#23-203, Statistics Canada.

TABLE 4

MUTTON AND LAMB: SUPPLY AND DISPOSITION

Year	Beginning stocks	Production	Imports for consumption	Total supply	Exports	Ending stocks	Domestic disa-ppearance
			- in metric tonnes -				
1982	1,972	7,773	10,475	20,220	117	2,056	18,047
1983	2,056	8,464	13,792	24,213	197	4,463	19,652
1984	4,463	8,902	9,834	23,199	39	1,592	21,568
1985	1,592	8,205	11,719	21,516	98	2,376	19,042
1986	2,376	7,972	16,210	26,558	53	3,140	23,365
1987	3,140	7,571	15,048	25,759	56	2,623	23,080
1988	2,623	7,769	13,999	24,391	170	2,161	22,060
1989	2,161	8,439	12,359	22,959	141	1,813	21,005
1990	1,813	8,706	14,543	25,062	40	2,640	22,382
1991	2,640	9,320	13,801	25,761	98	2,443	23,220

Source: "Livestock and Animal Products Statistics". Cat.#23-203, Statistics Canada.

TABLE 5

PORK: SUPPLY AND DISPOSITION

Year	Beginning stocks	Production	Imports for consumption	Total supply	Exports	Ending stocks	Manu-facturing	Waste	Domestic disa-ppearance
				- in metric tonnes -					
1982	12,100	1,005,916	18,799	1,036,815	207,898	9,449	23,136	80,473	715,859
1983	9,449	1,029,608	24,167	1,063,224	201,205	10,456	23,681	82,369	745,513
1984	10,456	1,043,772	18,215	1,072,443	223,869	11,062	24,007	83,502	730,003
1985	11,062	1,088,418	21,229	1,120,709	250,806	8,983	25,034	87,073	748,813
1986	8,983	1,097,339	17,879	1,124,201	271,898	8,075	25,239	87,787	731,202
1987	8,075	1,130,897	22,077	1,161,049	301,086	8,538	26,011	90,472	734,942
1988	8,538	1,190,377	14,436	1,213,351	318,787	12,561	23,379	95,230	759,394
1989	12,561	1,184,283	12,438	1,209,282	284,813	12,112	27,239	94,743	790,375
1990	12,112	1,132,818	11,809	1,156,739	297,075	11,045	26,055	90,625	731,939
1991	11,045	1,129,039	14,913	1,154,997	265,990	14,355	25,968	90,323	758,361

Source: "Livestock and Animal Products Statistics". Cat. #23-203, Statistics Canada.

TABLE 6

SUPPLY AND DISPOSITION OF GRAINS AND OILSEEDS, CANADA, CROP YEARS 1986-87 TO 1990-91 (KLT)

Grain and crop years[a]	Beginning stocks	Production	Imports	Total supply	Exports[b]	Industrial use[c]	Food and domestic use[d]	Other domestic use	Total ending stocks	Average price[e] ($/tonne)
Durum										
1986-87	554	3,897	0	4,451	1,190	140	711	851	1,610	194.40
1987-88	1,610	4,014	0	5,624	2,789	137	1,157	1,294	1,541	221.80
1988-89	1,541	1,979		3,520	2,048	151	495	646	826	276.80
1989-90	826	4,098	0	4,924	2,849	178	640	818	1,257	218.00
1990-91[f]	1,352	4,262	0	5,614	3,230	224	698	922	1,485	164-193.00
All wheat excluding durums										
1986-87	8,015	27,481	0	35,496	18,782	1,959	3,623	6,682	11,122	180.60
1987-88	11,121	21,978	0	33,108	20,383	2,026	4,583	6,609	5,764	191.20
1988-89	5,764	14,017	0	19,781	10,358	2,073	3,143	5,216	4,206	274.00
1989-90	4,206	20,480	0	24,686	14,565	2,089	2,886	4,975	5,147	213.00
1990-91[f]	5,090	28,447	0	33,538	18,866	2,043	3,804	5,847	8,802	154-174.00
All Wheat										
1986-87	8,569	31,378	0	39,947	20,782	2,099	4,334	6,433	12,732	
1987-88	12,731	25,992	0	38,732	23,172	2,163	5,740	7,903	7,305	
1988-89	7,305	15,996	0	23,301	12,406	2,224	3,638	5,862	5,032	
1989-90	5,032	24,578	0	29,610	17,414	2,267	3,526	5,793	6,404	
1990-91[f]	6,442	32,709	0	39,152	22,096	2,267	4,502	6,769	10,287	
Barley										
1986-87	3,309	14,669	0	17,878	6,718	380	7,602	7,982	3,172	81.20
1987-88	3,172	13,957	0	17,130	4,594	350	8,479	8,829	3,707	78.00
1988-89	3,707	10,212	0	13,921	2,879	377	7,865	8,242	2,800	120.00
1989-90	2,800	11,666	0	14,467	4,506	325	7,590	7,915	2,046	109.00
1990-91[f]	2,046	14,186	0	16,232	4,635	392	8,302	8,694	2,903	80-111.00
Corn										
1986-87	1,426	5,912	642	7,979	143	1,181	6,481	6,642	1,194	87.34
1987-88	1,194	7,015	219	8,428	409	1,240	5,537	6,777	1,242	93.00
1988-89	1,242	5,369	988	7,599	29	1,188	5,381	6,569	1,002	140.00
1989-90	1,002	6,379	568	7,949	24	1,240	5,758	6,998	927	118.00
1990-91[f]	927	7,157	505	8,589	123	1,239	5,899	7,138	1,349	93-134.00
Oats										
1986-87	774	3,251	0	4,027	257	82	2,674	2,768	1,014	76.80
1987-88	1,014	2,995	0	4,009	284	76	2,752	2,828	897	99.00
1988-89	897	2,993	0	3,890	716	93	2,398	2,491	684	145.00
1989-90	684	3,546	0	4,230	733	90	2,261	351	911	107.00
1990-91[f]	911	2,851	0	3,762	381	73	2,135	2,209	972	77-87.00

TABLE 6 (Cont'd)

SUPPLY AND DISPOSITION OF GRAINS AND OILSEEDS, CANADA, CROP YEARS 1986-87 TO 1990-91 (KLT)

Grain and crop years[a]	Beginning stocks	Production	Imports	Total supply	Exports[b]	Industrial use[c]	Food and domestic use[d]	Other domestic use	Total ending stocks	Average price[e] ($/tonne)
Rye										
1986-87	302	609	0	911	201	64	281	335	375	92.20
1987-88	400	492	8	901	221	55	295	350	329	114.00
1988-89	329	268	0	607	115	55	226	281	211	143.00
1989-90	211	873	0	1,084	295	50	351	401	388	111.00
1990-91[f]	388	728	0	1,116	342	45	373	418	357	76-97.00
Mixed grains*										
1986-87		983		983			983	983		
1987-88		6,008		6,008			6,008	6,008		
1988-89		1								
1989-90		9								
Total - coarse grains										
1986-87	5,812	25,424	642	31,678	7,319	1,697	17,107	18,804	6,766	
1987-88	5,780	30,467	228	30,467	5,508	1,721	17,064	18,785	6,175	
1988-89	6,175	18,843	999	26,017	3,738	1,713	15,870	17,583	4,696	
1989-90	4,696	22,473	568	27,737	5,558	1,773	15,451	17,908	4,271	
1990-91[f]	4,271	24,922	505	29,698	5,481	1,748	16,244	18,637	5,580	
Canola										
1986-87	950	3,786	11	4,748	2,126	1,552	450	2,002	619	239.89
1987-88	619	3,846	10	4,475	1,750	1,608	466	2,074	651	303.10
1988-89	651	4,288	12	4,951	1,949	1,362	492	1,854	1,149	337.00
1989-90	1,149	3,096	7	4,252	2,048	1,229	206	1,435	769	303.00
1990-91[f]	769	3,281	19	4,069	1,888	1,441	321	1,762	420	277-301.00
Flaxseed										
1986-87	272	1,026	0	1,298	690	n.c.	n.c.	166	442	210.45
1987-88	442	729	0	1,171	624	n.c.	n.c.	145	402	246.00
1988-89	412	373	0	785	455	n.c.	n.c.	149	82	385.00
1989-90	82	498	0	679	498	n.c.	n.c.	127	54	374.00
1990-91[f]	54	935	0	990	494	n.c.	n.c.	151	345	195-337.00
Soybeans										
1986-87	118	960	217	1,295	147	983	81	1,034	114	232.42
1987-88	114	1,270	151	1,535	186	958	249	1,207	139	286.70
1988-89	139	1,153	159	1,451	294	855	152	1,007	171	317.00
1989-90	171	1,219	287	1,677	193	1,102	191	1,293	191	237.00
1990-91[f]	191	1,292	163	1,646	210	935	301	1,236	200	220-242.00

TABLE 6 (Cont'd)

SUPPLY AND DISPOSITION OF GRAINS AND OILSEEDS, CANADA, CROP YEARS 1986-87 TO 1990-91 (KLT)

Grain and crop years[a]	Beginning stocks	Production	Imports	Total supply	Exports[b]	Industrial use[c]	Food and domestic use[d]	Other domestic use	Total ending stocks	Average price[e] ($/tonne)
Total - Oilseeds										
1986-87	1,360	5,772	228	7,340	2,963	n.c.	n.c.	3,202	1,175	
1987-88	1,175	5,845	161	7,181	2,560			3,426	1,192	
1988-89	1,202	5,814	171	7,187	2,698			3,010	1,502	
1989-90	1,502	4,813	294	6,608	2,739			2,855	1,114	
1990-91[f]	1,014	5,508	182	6,750	2,592			3,149	965	
Total - Grains and Oilseeds										
1986-87	15,715	62,591	870	78,176	31,064	n.c.	n.c.	28,461	18,660	
1987-88	19,686	62,304	389	76,380	31,240			30,114	14,672	
1988-89	14,682	40,653	1,170	56,505	18,842			26,455	11,230	
1989-90	11,230	51,864	862	63,955	25,711			26,556	11,789	
1990-91[f]	11,727	63,139	687	75,555	30,169			28,555	16,832	

[a] The Canadian crop year is on an August-July basis.

[b] Includes exports of wheat and barley products.

[c] Includes canola and flaxseed processed in Canada.

[d] Includes feed, seed, handling losses, waste and dockage.

[e] Crop year average prices: Durum (No. 1 CWAD, CWB asking, in store, St. Lawrence Ports),
Wheat (No. 1 CWRS, 13.5% protein, CWB asking, in store, St. Lawrence Ports),
Barley (No. 1 Fd, WCE cash, in store, Thunder Bay)
Corn (No. 2 CE, in store, Chatham)
Oats (No. 1 FD, WCE cash, in store, Thunder Bay)
Rye (No. 1 CW, WCE cash, in store, Thunder Bay)
Canola (No. 1 Canada, CWE cash, in store, Vancouver)
Flaxseed (No. 1 CW, WCE cash, in store, Thunder Bay)
Soybeans (No. 2, in store, Chatham)

[f] Agriculture Canada forecast

[*] "Mixed grains" is calculated as a residual.

Source: Statistics Canada, Cereals and Oilseeds Review, cat. No. 22-007, July 1991.

TABLE 7

FRESH FRUITS - SUPPLY AND DISPOSITION
(metric tonnes)

Commodity	Crop year	Production	Imports	Fresh exports	Processed	Available for fresh use
Apples	1984-85	434,248	97,279	40,567	186,751	249,845
	1985-86	478,606	102,630	60,027	200,203	260,189
	1986-87	388,176	128,697	55,858	169,147	241,627
	1987-88	505,893	131,794	63,756	245,023	270,144
	1988-89	500,749	92,340	65,338	224,799	243,145
	1989-90	536,721	37,715	73,426	147,900	193,460
Cherries (sweet and sour)	1984-85	15,763	6,756	176	10,477	11,865
	1985-86	16,039	2,816	n.c.	n.c.	n.c.
	1986-87	8,350	6,971	n.c.	n.c.	n.c.
	1987-88	15,429	6,798	n.c.	n.c.	n.c.
	1988-89	12,296	7,038	n.c.	n.c.	n.c.
	1989-90	13,454	8,025	n.c.	n.c.	n.c.
Pears	1984-85	24,353	34,697	446	5,974	52,630
	1985-86	28,217	33,061	775	8,236	52,267
	1986-87	23,673	34,439	303	6,575	56,234
	1987-88	27,623	42,222	150	6,990	65,705
	1988-89	23,300	68,109	570	5,812	61,637
	1989-90	21,274	48,512	257	5,752	63,777
Plums	1984-85	5,392	30,995	47	412	35,928
	1985-86	6,340	26,179	n.c.	807	31,712
	1986-87	6,239	24,355	n.c.	n.c.	n.c.
	1987-88	6,574	33,345	n.c.	n.c.	n.c.
	1988-89	3,973	26,766	n.c.	n.c.	n.c.
	1989-90	4,515	28,274	n.c.	n.c.	n.c.
Peaches	1984-85	30,570	22,151		4,043	48,678
	1985-86	42,204	17,305	n.c.	7,565	51,944
	1986-87	33,199	18,066	n.c.	5,098	46,167
	1987-88	44,865	18,577	n.c.	8,794	54,647
	1988-90	44,086	18,121	322	7,310	54,575
	1989-90	39,516	19,873	2	6,694	52,693

n.c. = not calculated

TABLE 8

DRIED BEANS

Year	Production (000 cwt)	Imports Kg.	Exports Kg.
1988-89	1,876.74	784,416	97,259,272
1989-90	2,082.96	289,618	76,316,827
1990-91	3,083.27	452,692	97,585,709

II. OTHER PROGRAMMES

ABORIGINAL ECONOMIC PROGRAMMES

The Department of Industry, Science and Technology is responsible for the delivery of part of the Government of Canada's Canadian Aboriginal Economic Development Strategy. Under this initiative the Department helps aboriginal peoples develop and expand commercial enterprises and obtain long-term employment. The programme provides assistance in business development, joint ventures and capital corporations.

In the 1990-1991 fiscal year programme support totalled $69,317,020.

ADVANCED TRAIN CONTROL SYSTEM PROGRAMME

Under this programme financial assistance is available for companies to carry out research, development and testing of components and subsystems in support of the introduction of advanced train control technology in North America.

In the 1990-1991 fiscal year programme support totalled $878,420.

ATLANTIC ENTERPRISE PROGRAMME

The Atlantic Enterprise Programme (AEP) administered by the Department of Industry, Science and Technology, offers financial assistance to businesses in the Atlantic Canada region across a wide range of industry sectors. The objective of the AEP is to encourage long-term economic growth in the Atlantic region of Canada through assistance measures which promote capital investment. The programme is directed at the establishment of economically viable facilities as well as expansion or modernization projects which could not otherwise be carried out. Assistance is provided to business in two forms: reduced loan rates and special loan insurance.

In the 1990-1991 fiscal year expenditures incurred by the Department of Industry, Science and Technology totalled $3,427,803.

CANADIAN INDUSTRIAL RENEWAL BOARD

The Canadian Industrial Renewal Board (CIRB) was originally set-up to revitalize the textile, clothing and footwear industries, to strengthen and diversify the economic base of regions that are heavily dependent of these industries and to assist sector workers to adjust to changes in the work place. This programme has now been terminated.

Under the CIRB, a variety of assistance was available ranging from financial assistance for incorporation and general operating expenses, contributions, direct loans and loan insurance and special programme aid to sector workers in selected areas. Programme spending recorded in the 1990-1991 fiscal year represents outstanding funding commitments made in previous years.

In the 1990-1991 fiscal year expenditures under this programme totalled $4,167,782.

DEFENCE INDUSTRY PRODUCTIVITY PROGRAMME

The primary objective of this programme is to enhance Canada's economic growth through the promotion of viable defence or defence-related products. Supporting objectives are to provide a defence industrial base and to develop and maintain a defence technological capability. Included in the programme are research and development (defence and defence-related products and associated technologies), source establishment (qualified Canadian suppliers of defence and defence-related products), capital assistance (the acquisition of advanced product equipment and modernization or upgrading of engineering or manufacturing capabilities) and market feasibility studies (specifications for defence-related products and market characteristics for products).

The programme operates in support of Canada's cooperative international defence sharing agreements on research, development and production. These arrangements have been signed with the United States, the United Kingdom, France, the Netherlands, Italy, Sweden, Norway and the Federal Republic of Germany.

In the 1990-1991 fiscal year expenditures under this programme totalled $214,771,989.

ECONOMIC AND REGIONAL DEVELOPMENT AGREEMENTS/GENERAL DEVELOPMENT AGREEMENTS

Background:

During the 1970s, the federal government entered into framework General Development Agreements (GDAs) with the ten provinces and two territories. These agreements were used as a mechanism to provide for cooperative federal-provincial/territorial projects and programs to enhance the development of each region in Canada. Specific initiatives under each framework GDA were implemented by subsidiary agreements (sub-agreements) or memoranda of understanding (MOUs) that were the responsibility of federal and provincial ministers and their respective departments.

Overview:

In 1984, a new series of framework agreements, the 10-year Economic and Regional Development Agreements (ERDAs) were introduced to replace the GDAs. These agreements were negotiated between the federal government and each of the ten provinces. The ERDAs, similar to the previous GDAs, are a multi-year agreement between the Government of Canada and individual provinces which are used as a mechanism to facilitate consultation and co-ordination regarding economic and regional development policies, programs and activities between the two levels of government. Development agreements similar to the ERDAs also exist between the federal government and the governments of the two territories in Canada, the Yukon and the Northwest Territories. These agreements are known as Economic Development Agreements (EDAs).

Each agreement identifies priorities based upon a perspective of the economy of an individual province or territory which is shared by both the Federal Government and the participating Provincial or Territorial Government. Based upon this shared perspective the two levels of government negotiate formal federal/provincial or federal/territorial contracts (ERDA sub-agreements or memoranda of understanding) which define specific programmes or contracts which both governments then undertake in an economic development sector.

These agreements allow both levels of government to take co-ordinated economic action based upon their identification of development opportunities within the confines of mutually set and agreed priorities.

For the federal government, the Department of Industry, Science and Technology manages the framework ERDAs and EDAs in Ontario and Quebec and the two northern territories, the Yukon and the Northwest Territories respectively. The Atlantic Canada opportunities Agency (ACOA) is responsible for the four Atlantic provinces while the Department of Western Economic Diversification manages the framework ERDAs in the four western provinces.

Under the ERDA/EDAs currently in place, various sub-agreements or memoranda of understanding are in effect covering programme activity in such areas as industrial development (e.g., Canada-Quebec Subsidiary Agreement on Industrial Development), regional economic development (e.g. Canada-Quebec Subsidiary Agreement on Regional Economic Development, science and technology development (e.g., Canada-British Columbia Subsidiary Agreement on Science and Technology) and tourism (e.g. Canada-Alberta Memorandum of Understanding on Tourism Development Strategy).

In the 1990-1991 fiscal year the Department of Industry, Science and Technology provided funding totalling $69,553,828.

ENTERPRISE DEVELOPMENT PROGRAMME

The Enterprise Development Programme (EDP) encourages industrial diversification in the resource regions of the province of Quebec. Its objective is threefold: (i) to develop entrepreneurship; (ii) to enhance the competitiveness of existing firms; and (iii) to encourage diversification of the industrial base of the region in order to lessen the instability of regional economies. The programme provides assistance for the establishment, expansion and modernization of businesses, with particular importance assigned to small and medium-sized businesses. It also facilitates productivity improvement, technological development and adaptation to new economic conditions.

In the 1990-1991 fiscal year programme expenditures totalled $12,164,742.

INDUSTRIAL RECOVERY PROGRAMME FOR EAST-END MONTREAL

This programme aims to strengthen and diversify the industrial base of East-End Montreal within the Province of Quebec. It attracts new investment and encourages the development of new enterprises, particularly small and medium-sized businesses. Financial assistance under this programme may be directed to the establishment of a new business; the expansion or modernization of an existing business; an innovation project; the cost of project development studies or consultant services or the cost of common services.

In 1990-1991 programme assistance totalled $5,325,477.

INDUSTRIAL REGIONAL DEVELOPMENT PROGRAMME

The objective of the Industrial Regional Development Programme (IRDP) was to promote regional industrial development through support of private sector initiatives with particular emphasis on projects, industries and technologies having the greatest potential for economic return, sustained growth and international competitiveness. The programme made financial assistance available to business and non-profit organizations through contributions and repayable contributions. A wide variety of projects were funded under the IRDP including feasibility studies, product and process innovation, new plant establishment, modernization or expansion of existing plant facilities and marketing.

The cut-off for new applications was 30 June 1988. Contributions noted below represent outstanding commitments which originated before the termination date for new applications.

In the 1990-1991 fiscal year outstanding expenditures under this programme totalled $97,261,566.

INDUSTRIAL RESEARCH ASSISTANCE PROGRAMME

The Industrial Research Assistance Programme (IRAP), administered by the National Research Council of Canada, is a programme set up to further the economic development of Canada. The objective of IRAP is to increase the calibre and range of industrial research and development in Canada and to foster the use of available technology. To achieve this objective technical and financial support is given to research workers engaged in longer term applied industrial research projects of high technical merit.

The programme also provides support to Canadian companies to undertake projects that take advantage of knowledge and resources within government, university, institute laboratories as well as foreign laboratories.

In the 1990-1991 fiscal year programme expenditures totalled $64,454,789.

MANUFACTURING PRODUCTIVITY IMPROVEMENT PROGRAMME

This programme helps manufacturing and processing firms to become more competitive through the acquisition of advanced technologies. The programme provides contributions to eligible businesses, particularly small and medium-sized ones, for the purchase of new production equipment or for consultant studies.

In the 1990-1991 fiscal year programme support totalled $7,977,603.

MICROELECTRONICS AND SYSTEMS DEVELOPMENT PROGRAMME

The objective of this programme is to enhance the international competitiveness and growth of the manufacturing, processing and service industries in Canada. The programme strategy is to encourage Canadian systems development and microelectronics companies to further the objective by sharing with them the risk of developing appropriate advanced microelectronic technologies and advanced information technologies and systems. Typical industrial applications include the communication, processing and display of information, materials scheduling and process control. Assistance is for companies with in-house systems engineering capabilities, companies specializing in systems integration, and developers of advanced microelectronics systems.

In the 1990-1991 fiscal year expenditures under this programme totalled $9,376,977.

NORTHERN ONTARIO DEVELOPMENT FUND

This initiative provided for the enrichment of existing federal economic development programmes, of particular benefit to small and medium-sized businesses in Northern Ontario. This fund was for the purpose of topping up the former Industrial and Regional Development Programme for businesses located in the northern region of the province of Ontario. The cut-off date for applications for this programme was 30 June 1988.

In the 1990-1991 fiscal year outstanding commitments totalled $7,214,239.

SECTOR COMPETITIVENESS INITIATIVES

The objective of the Sector Competitiveness Initiatives (Sector campaigns) is to enhance the international competitiveness of Canadian industry in selected sectors. The initiative has four elements: consultation, information exchange, advocacy and targeted assistance to innovation projects and studies undertaken by commercial enterprises.

In the 1990-1991 fiscal year expenditures under this programme totalled $5,918,891.

SHIPBUILDING INDUSTRY ASSISTANCE PROGRAMME

The Shipbuilding Industry Assistance Programme was originally introduced in 1975 to encourage the modernization of Canadian shipyards. Under this programme, shipyards were formerly eligible for both production subsidies as well as a capital element which involved the earning of credits worth three percent of the value of the vessel.

In 1985 the Government moved to rationalize its assistance to this sector by terminating production subsidies as well as capital credits for ships delivered or for work commenced or contracts signed after 30 June 1985. Funding after this date represents outstanding programme commitments which originated before 30 June 1985.

In the 1990-1991 fiscal year outstanding expenditures under this programme totalled $7,709,080.

SMALL BUSINESS LOANS ACT

The Small Business Loans Act (SBLA) was originally designed to encourage lenders in the private sector to make term loans to small business enterprises. Under this programme an approved lender (i.e. private financial institution) can be guaranteed eighty-five (85) per cent of the loss sustained in making such loans, provided requirements specified in the governing legislation are met. The SBLA support relates directly to the lending of money to small businesses by private sector chartered banks and other designated lenders. Programme expenditures under the SBLA represent liabilities incurred by the Government of Canada in supporting this programme.

In the 1990-1991 fiscal year expenditures totalled $22,302,555.

SPECIAL AGRICULTURAL AND RURAL DEVELOPMENT ACT

The purpose of this programme was to improve income and employment opportunities in northern and rural areas, particularly for persons of aboriginal ancestry. The programme provided industrial incentives to enterprises directed towards projects which will open up new jobs, increase income and improve living conditions for people (particularly for disadvantaged people of native ancestry) who have previously had little or no access to earning and employment opportunities.

This programme expired 31 March 1989. Contributions noted below represent outstanding programme commitments which originated before the termination date for new applications.

In the 1990-1991 fiscal year programme expenditures totalled $2,720,672.

SPECIAL PROGRAMME FOR THE LAPRADE AND THETFORD MINES REGIONS

This special assistance programme channels contributions and grants to the Laprade and Thetford Mines regions of the Province of Quebec. Under this programme, assistance is offered for conducting studies; establishment, expansion or modernization projects; marketing activities; innovation or tourism projects as well as towards community projects and public infrastructure projects.

In 1990-1991 programme expenditures totalled $20,580,107.

STRATEGIC TECHNOLOGIES PROGRAMME

The objective of this programme is to enhance the international competitiveness of Canadian industry through the development, acquisition, application and diffusion of technology. Three strategic technology fields have been targeted for assistance, namely, "Advanced Industrial Materials", "Biotechnology", and "Information Technologies". The programme objective is met by encouraging and supporting precompetitive R & D Alliances and Technology Application Alliances designed to accelerate the transition to building the technology base essential for competitiveness.

In the 1990-1991 fiscal year programme support totalled $4,578,271.

TECHNOLOGY OUTREACH PROGRAMME/TECHNOLOGY OPPORTUNITIES IN EUROPE PROGRAMME

The primary objective of the Technology Outreach Programme is to improve the productivity and competitiveness of Canadian industry by providing a supporting infrastructure to accelerate the acquisition, development and diffusion of technology and critical skills within Canadian industry, especially in the small and medium-sized business sector. A secondary objective of the programme is to foster the development of a more integrated national network of technology diffusion support in cooperation with industry, universities, provincial research organizations and those federal agencies operating internal technology centres.

The programme comprises two forms of assistance: start-up assistance to new centres and assistance to established centres.

The objective of the Technology opportunities in Europe Programme (TOEP) is to contribute to the growth of a strong high technology industry in Canada through the development of new technology and expertise in Canadian firms and through the promotion of industrial co-operation between Canadian and European firms. Specifically, the purpose of TOEP is to facilitate the participation of Canadian firms in Eureka high technology projects. The last date for acceptance of applications under this programme was 31 December 1988.

In the 1990-1991 fiscal year total expenditures under these two programmes totalled $12,930,624.

WESTERN TRANSPORTATION INDUSTRIAL DEVELOPMENT PROGRAMME

The Western Transportation Industrial Development Programme (WTIDP) was aimed at industrial development and diversification opportunities in the four western provinces (Manitoba, Saskatchewan, Alberta and British Columbia) in manufacturing, processing and related service industries. Assistance was provided in the form of non-repayable contributions. Programme eligibility was open to small, medium-sized or large businesses in Western Canada. The programme: provided assistance to enhance research and development activities, funded studies on long term industrial development strategies; and extended industrial development incentives.

The WTIDP was originally administered by the Department of Industry, Science and Technology but was subsequently transferred to the Department of Western Economic Diversification on the establishment of this latter department in 1987. The WTIDP has now expired and is winding down. The expenditures noted below relate to commitments) originally made by the Department of Industry, Science and Technology.

In the 1990-1991 fiscal year outstanding expenditures incurred by the Department of Industry, Science and Technology totalled $2,233,743.