canary seed. Edible beans, corn and soybeans, currently covered under the ASA, would be excluded.

Participation in the program is voluntary, and participants may include qualified farming companies, cooperatives and partnerships, if individual members are actual producers and the farming business is more than 50% Canadian-owned. Participants must be Canadian citizens or landed immigrants.

Under the jointly-funded program, producers and the federal government each pay a yearly levy into the stabilization fund to an agreed maximum. The levy changes in response to the relationship between the interest earned or paid on the fund and the levy contributions of producers. The levy rate of producers ranges from a minimum of 1% to a maximum of 2.5%, with the federal government's contribution being the same plus an additional 2% on all eligible producer proceeds. Currently, the levy rates for producers and the federal government are 1% and 3%, respectively. The federal government also pays all program administration costs.

Producers receive payments from the fund when either of two measures, eligible net cash flow or eligible net cash flow per unit (tonne), is below the immediately preceding five-year average. Net cash flow, calculated for each crop year, is defined to be the difference between overall cash receipts from western grain sales and the cash costs of producing the grain for market. The measure yielding the larger payout for a given year is used to calculate a stabilization payment, which will equal the difference between the measure and the previous five-year average, adjusted for eligibility and participation. The Act, which permits coverage on grain receipts to a maximum of $60,000, provides for an interim payment to be made in the spring of a prospective payout year in order that farmers have cash available prior to spring seeding; these payments are subject to Cabinet approval. The $60,000 maximum was expected to cover approximately 88% of eligible grain sales for the 1986-87 crop year; target coverage for the program is 90%. Levies paid into the fund are tax deductible, and payments received from the fund are taxable income. The maximum grain receipts subject to levy entitlement may be changed by the Governor in Council.

Producers may voluntarily withdraw from the program prior to 31 July of the third crop year of their participation or exercise their ten-year program anniversary withdrawal option. Producers who withdraw have one opportunity to rejoin in each ten-year period; should they do so, they become conditional participants for a three-year period and receive only 90% of any payment issued during that time. An amendment to the Act