

delivery system and local elevator congestion. The Board may provide interest-free advances to a producer for deliverable grain prior to its delivery to the Board in order that he may meet his short-term monetary commitments when sales opportunities are limited.

Maximum total advance payments are \$30,000 for individual producers, and up to \$90,000 for farm corporations or partnerships. Eligible producers receive advance payments from elevator agents, based on the amount of grain stored in their facilities; the payments are repaid through deductions from the sales receipts for subsequent grain deliveries. Special provisions under the Act

- permit rye, flaxseed and canola coverage; and
- allow emergency advance payments to enable producers of grain to better finance the drying of damp or tough grain, or for threshed grain in storage because of unusual weather conditions.

#### **8. The Dairy Support Program**

Under the Dairy Support Program, administered by the Canadian Dairy Commission established in 1966, efficient producers of industrial milk and cream that are shipping within their market sharing quota can earn a fair return on their investment and labour; the Program is also designed to ensure a sufficient supply of high quality dairy products. It comprises an offer-to-purchase program for butter and skim milk powder, and a federal subsidy program funded through the ASA.

Under the Program, the Commission establishes a Target Return for industrial milk and cream. The Target Return is based on assumed market returns, which reflect the federal market price support program for butter and skim milk powder, and direct payments made to producers by the federal government. A formula which measures the changes in production costs experienced by the most efficient farms adjusts the level of Target Returns for industrial milk during the year. The Target Return level is currently \$46.92 per hectolitre of milk containing 3.6 kilograms of butterfat; \$6.03 of this amount is represented by the federal government's direct payments to industrial milk and cream producers who meet domestic market requirements and milk produced under the export quota, and represents 13% of the Target Return level for industrial milk.