

advice to farmers. Such a system would help to keep the profits from agriculture within the community, and would also allow policies to be tailored specifically to meet unique regional needs.

The United Grain Growers Association (UGGA) maintains that Canadian producers are not only the most efficient producers of food in the world but that, over a long period, they have also developed high quality products and a good international reputation. Farmers, however, now have the new challenge of adjusting to a sector that is in transition. To do this they require financial instruments that will facilitate the adjustment without distorting long-term planning decisions. The UGGA feels that general measures affecting all producers, such as improved trade policies and an agribond program, are probably the best approach to improving further the efficiency of Canadian farmers and the family farm.

The Canadian Cattlemen's Association believes that two different types of farm operations will emerge from the current adjustments in the agricultural sector: medium-to-large sized operations with a number of diversified activities, each large enough to allow considerable sophistication; and a growing number of small-to-medium sized operations, often managed by part-time operators with off-farm employment. The latter group will make up most of the rural population across Canada, but will farm a smaller percentage of the land than the large operators and produce a considerably smaller percentage of total agricultural output. The emergence of these two very different groups of farmers will make it more difficult to develop policies addressing their distinct challenges and problems. It is also imperative that short-term measures complement the long-term objective of movement toward greater diversity in production and trade.

Two themes have recurred: efficiency and long-term financing. In the past the agricultural sector has met the challenges of mechanization and increased productivity; it now faces those of technological improvement and farm management. A stable long-term financing plan that is able to accommodate the cyclical needs of agriculture will not only strengthen the family farm but will also enhance the agricultural sector as a whole.