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FEDERAL-PROVINCIAL  
RURAL DEVELOPMENT  
AGREEMENT

1975 - 79



ONTARIO

Hon. Bill Newman  
Minister  
Agriculture and Food

CANADA

Hon. Marcel Lessard  
Minister  
Regional Economic Expansion

**ONTARIO  
AGRICULTURAL REHABILITATION  
AND DEVELOPMENT ACT**

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**CANADA  
AGRICULTURAL AND RURAL  
DEVELOPMENT ACT**

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**FEDERAL-PROVINCIAL  
RURAL DEVELOPMENT  
AGREEMENT**



**April 1, 1975 to March 31, 1979**

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**CANADA-ONTARIO  
FEDERAL-PROVINCIAL RURAL DEVELOPMENT  
AGREEMENT, 1975-79**

under the

**Agricultural and Rural Development Act (Canada)  
Agricultural and Rehabilitation and Development Act (Ontario)**

THIS AGREEMENT made this 7th day of August, 1975

BETWEEN:

**THE GOVERNMENT OF CANADA,  
(hereinafter called "Canada")**

OF THE FIRST PART,

AND:

**THE GOVERNMENT OF THE PROVINCE OF ONTARIO  
(hereinafter called "Ontario")**

OF THE SECOND PART.

THIS AGREEMENT is entered into on behalf of Canada by the Minister of Regional Economic Expansion and on behalf of Ontario by the Minister of Agriculture and Food.

WHEREAS certain rural areas of the Province are subject to widespread social, technological and economic changes that necessitate adjustments on the part of many rural people;

AND WHEREAS the income levels, opportunities for employment and standards of living of many people in rural areas of the Province are unreasonably low;

AND WHEREAS Canada and Ontario have jointly agreed that government action is required to promote economic development and alleviate conditions of social and economic disadvantage in certain rural areas of the Province;

AND WHEREAS the purpose of the Agricultural and Rural Development Act (ARDA) is, inter alia, to undertake research and investigation and jointly to undertake with Ontario programs and projects for the more efficient use and economic development of rural lands, for the development of income and employment opportunities in rural areas and for the improvement of standards of living in those areas; for the development and conservation of water supplies for agricultural or other rural purposes; and for soil improvement and conservation in rural lands;

AND WHEREAS the Governor in Council by Order-in-Council P.C. 1977-1/1630 of the 9th day of June, 1977, has authorized the Minister of Regional Economic Expansion to execute this Agreement on behalf of Canada;

AND WHEREAS the Lieutenant Governor in Council by Order-in-Council 1084 of the 16th day of April, 1975, as amended by Order-in-Council 1943 of the 13th day of July, 1977, has authorized the Minister of Agriculture and Food to execute this Agreement on behalf of Ontario;

NOW, THEREFORE, it is agreed by and between the parties hereto as follows:

1. In this Agreement, unless the context otherwise requires:
  - (a) "Act" means the *Agricultural and Rural Development Act (ARDA)*, R.S.C. 1970, chap. A-4;
  - (b) "Committee" means the joint ARDA Committee established pursuant to section 2;
  - (c) "Federal Minister" means the Minister of Regional Economic Expansion of Canada and includes any person designated by the Federal Minister to act on his behalf under this Agreement.
  - (d) "fiscal year" means the period commencing on April 1st of any year and terminating on March 31st of the immediately following year;
  - (e) "Ministers" means the Federal Minister and the Provincial Minister;
  - (f) "Province" means the Province of Ontario;
  - (g) "Provincial Minister" means the Minister of Agriculture of the Province of Ontario and includes any person designated by the Provincial Minister to act on his behalf under this Agreement;

- (h) "program" means a definite plan consisting of a group of projects authorized under the terms of this Agreement;
- (i) "project" means any project described in this Agreement;
- (j) "selected rural areas" means the areas in the Province to be specified from time to time by the Governor in Council;
- (k) "shareable cost" means that portion of the total cost of a project to be shared by Canada and Ontario under this Agreement;
- (l) "shareable revenue" means rental income accruing to or collected by Ontario from any cost-shared program or project authorized under this Agreement and means any amounts of capital accruing to or collected by Ontario on the disposal of properties previously acquired by Ontario through any cost-shared program or project authorized under this Agreement; and
- (m) "termination date" means the last date upon which expenditures may be incurred, on any program or project, that will qualify for cost-sharing.

2. The Ministers shall establish a joint ARDA Committee composed of at least two representatives each of Canada and of Ontario with respect to programs and projects described in Parts I to VI of this Agreement.

3. (1) The Committee shall recommend to the Ministers programs and projects that are within the terms of the Act.

(2) The Committee shall recommend to the Ministers rural areas and lands to which programs and projects under this Agreement may apply, based on identification of the problems of those areas and lands.

(3) The Committee shall indicate to the Ministers how the recommended programs or projects, by themselves or in conjunction with other programs of Canada and Ontario, can contribute to the alleviation of the problems identified.

(4) The Committee shall indicate to the Ministers the objectives, sub-objectives, benefits and costs, including environmental and ecological benefits and costs, methods of implementation, the expected revenue, expenses, user charges, and provision for evaluation, as may be appropriate, of each program or project.

(5) The Committee shall review and report to the Ministers on progress in the implementation of programs and projects, including those relating to research and investigation.

(6) The Committee may recommend to the Ministers projects for research and investigation which are, in the Committee's opinion, required in order to identify, formulate or evaluate any program or project proposed or implemented under this Agreement.

4. (1) A program or project shall be for the period specified in the relevant program or project decision, but the termination date for any program or project shall not be later than December 31, 1980.

(2) The time period specified in the program or project decision may be extended or a program or project may be renewed by the Ministers subject to the date set forth in subsection (1) of this section.

5. Subject to section 53, the implementation of a program or project under this Agreement is subject to prior decision (in this Agreement referred to as a "program or project decision"), in a form agreed to between the parties hereto. The implementation of such programs or projects is conditional on their described in Parts I to VI hereto and on funds being appropriated by the Parliament of Canada and the Legislature of the Province of Ontario.

6. (1) The operation and maintenance of any project to which this Agreement relates shall be effected in accordance with generally prevailing management practices.

(2) The charges, if any, to be charged to persons to whom any of the benefits of a project are made available, shall be levied on a basis comparable to the employed in similar provincial or municipal projects.

7. Subject to the terms and conditions of this Agreement, and subject to funds having been appropriated by Parliament, Canada will contribute one-half of the shareable cost of programs or projects decided upon in the form of financial or other assistance, or both, provided however that where other Federal Acts or programs apply, and where contributions to a project are made under such Acts or programs, then no financial assistance shall be provided in respect of that project or portion of the project so assisted.

8. The parties hereto will jointly announce programs or projects decided upon, and any public information or advertising releases specifically related to such programs or projects shall indicate the extent of the respective shares of Canada and Ontario.

9. No program or project shall be decided upon under this Agreement after March 31, 1979. Canada will not be responsible for any expenditures incurred after the original or extended termination date specified in a program or project decision or December 31, 1980, whichever date is the

earlier. Canada will not pay any claim which is not received within twelve months after the original or extended termination date specified in a program or project decision or after the fiscal year ending March 31, 1981, whichever date is the earlier.

10. (1) Ontario may submit, from time to time, through the Committee, proposals for decision by the Federal Minister of each program or project to be undertaken under this Agreement.

(2) In submitting proposals, Ontario shall provide sufficient information for the adequate assessment of the suitability of the program or project, including the purpose, the costs, the benefits, the expenses, and assessments of the economic significance of each of the parts of the program or project.

To facilitate the administration of this Agreement, 11. To facilitate the administration of this Agreement, Ontario agrees to provide the Federal Minister, on or before the first day of September of each year, with estimates concerning its proposed program for the subsequent fiscal year in such form as the Federal Minister may request.

12. Subject to this Agreement, payments by Canada shall be promptly made to Ontario on the basis of audited claims setting out the costs actually incurred and paid on programs and projects decided upon, submitted in a form and verified in a manner satisfactory to the Federal Minister and certified by a senior official of Ontario.

13. Ontario shall maintain adequate records of all transactions made pursuant to this Agreement, supported by proper documents and vouchers.

14. Ontario shall make such records, documents and vouchers available to the Federal Minister for audit upon request and any discrepancy between the amounts paid by Canada and the amounts actually payable by Canada shall be promptly adjusted between Canada and Ontario.

15. Ontario may apply ARDA programs to Indian lands and Indian people. In the event that Indians are involved in a program, Canada will negotiate special cost-sharing arrangements to the extent that Indians are involved.



## PART I RESEARCH

16. The objective of this Part is to enable Canada and Ontario to undertake jointly, physical, social and economic research concerning any of the programs or projects under this Agreement. Basic physical and biological research is not considered pertinent to the intent of the Act or this Agreement.

17. Programs or projects under this Part may pertain to any or all of the following:

(1) surveys, studies and investigations aimed at establishing criteria and priorities for action under ARDA and assisting in the solution of rural problems and to develop programs and projects that qualify for cost-sharing under this Agreement;

(2) pilot action research specifically designed to test new program approaches to the solution of rural problems and the improvement of rural standards of living not allowed for in other sections of this Agreement. Such projects will terminate at a time agreed to in the relevant project decision and participation in them shall not oblige Canada or Ontario to participate in an extension of the projects thereafter, nor in any additional projects of this type;

(3) studies aimed at determining the feasibility of any project aimed at improving the income level or employment opportunities of rural people;

(4) studies aimed at assessing the impact of programs on rural people.

18. For programs or projects under this Part the shareable cost may be one hundred per cent (100%) of the total cost.

19. (1) The shareable cost under this Part may include the gross salaries and wages and the employer's share of contributions for Canada Pension Plan and Unemployment Insurance, and expenses, as determined by the Committee, of employees of Ontario or its agencies when those employees are specifically and directly engaged on programs or projects decided upon for a continuing period of one month or more.

(2) When employees of Canada are specifically and directly engaged on programs or projects decided upon for a continuing period of one month or more, their gross salaries and wages and the employer's share of contribution for Canada Pension Plan and Unemployment Insurance and expenses, as determined by the Committee, may be included as part of Canada's contribution to the shareable cost of the program or project.

**PART II**  
**LAND USE AND FARM ADJUSTMENT**

20. The objectives of this Part are:

(1) to assist in the establishment of viable farm units through the enlargement, consolidation, regrouping, and basic improvement of non-viable farms;

(2) to assist in the withdrawal from agriculture of land of low agricultural capability;

(3) to release capital to farmers who desire to sell non-viable farms;

(4) improve and develop land and water resources in low income rural areas.

21. Programs or projects under this Part may pertain to any or all of the following:

(1) the acquisition of lands of low agricultural capability for conversion from agriculture to a more effective use, such as forestry, recreation, wildlife management or conservation reserve;

(2) the acquisition of lands for conversion to community pastures or large-scale leasehold ranches;

(3) the acquisition of woodlot holdings for the purpose of effecting private woodlot enlargement or consolidation;

(4) the acquisition of non-viable farms for the purpose of effecting farm enlargement or consolidation;

(5) the development of lands acquired under subsection (2) above for conversion to community pastures or large-scale leasehold ranches;

(6) the regrouping and basic improvement of properties acquired under subsection (4) above for the purpose of establishing viable farms;

(7) the development of water resources for rural community water supply in selected rural areas of the Province;

(8) the development of agricultural land through drainage, field enlargement, or the provision of farm water supply in rural areas of the Province for the purpose of improving the efficiency and productivity of viable farms;

(9) the provision of financial or other assistance to farm woodlot operators for the purpose of establishing or improving woodlots on existing holdings.

22. (1) The shareable cost for programs under this Part other than for programs under section 21, subsections (7) and (8), may be one hundred per cent (100%) of the total net cost to Ontario after deducting such contribution by the owners as Ontario may determine.

(2) For programs and projects under section 21, subsections (4) and (6) involving the buying, selling, leasing, renting, development and basic improvement of properties, the shareable cost may be the net cost to Ontario of carrying out such programs and projects. The terms and conditions of participation by Canada including the determination of net cost, and the allowable costs for land acquisition, development and improvement, shall be approved by the Governor in Council after consultation between the Ministers.

23. For projects under section 21, subsections (1), (2) and (5), the shareable cost shall not exceed \$150 per acre.

24. For projects under section 21, subsection (3), the shareable cost shall not exceed \$100 per acre.

25. For projects under section 21, subsection (9), the shareable cost shall not exceed \$50 per acre.

26. For projects under section 21, subsection (7), the shareable cost shall not exceed seventy-five per cent (75%) of the total cost.

27. For projects under section 21, subsection (8), the shareable cost shall not exceed sixty-six and two-thirds per cent ( $66\frac{2}{3}\%$ ) of the total cost.

28. For the purposes of achieving the objectives of the Land Use and Farm Adjustment Part of this Agreement, Ontario or its agent may buy, lease, sell, rent or otherwise dispose of properties in whole or in part.

## PART III

### REHABILITATION

29. The objectives of this Part are to assist in the rehabilitation and re-establishment of certain rural people in effective income and employment opportunities.

The full provisions of federal Manpower programs will be available for all persons requiring placement counselling, adult training, vocational rehabilitation, or assistance in moving their possessions and families to new labour markets where they have a suitable job.

This Part is directed to those rural families affected by the Land Use and Farm Adjustment Part of this Agreement and to other low income rural families that require assistance not available through Manpower or other public programs.

30. Programs or projects under this Part may pertain to any or all of the following:

(1) special assistance, where necessary, for people aged 55 years and over or physically infirm who are not qualified for training and re-establishment, and who are affected by the Land Use and Farm Adjustment Part of this Agreement;

(2) special allowances or grants, not to exceed \$2,500 per family, when the sale of a farm does not provide adequate funds to allow the rehabilitation and relocation of the family in another area where employment is available;

(3) special allowances while participating in group counselling, social development, orientation or informal course, including transportation and living costs, for individuals who may later qualify for rehabilitation and reestablishment;

(4) special assistance for persons moving their families and effects where this will enhance their prospects for employment and where the moves cannot be authorized under the Manpower Mobility Program.

31. For projects under this Part, the shareable cost may be one hundred per cent (100%) of the total cost.

## **PART IV**

### **RURAL DEVELOPMENT FIELD SERVICES**

32. The objectives of this Part are to assist Ontario to encourage effective community and area leadership programs under this Agreement; and to involve local people in the solution of socio-economic problems of the community and area.

33. Programs or projects under this Part may pertain to any or all of the following:

(1) the provision of grants and allowances for the training of selected local leaders expected to perform various voluntary services at the community level;

(2) the holding of seminars, conferences, meetings and other types of group activities, including allowances, and related costs for participants.

34. For programs and projects under this Part of the Agreement, the shareable cost may be one hundred per cent (100%) of the total cost.

## PART V

### ALTERNATIVE EMPLOYMENT AND INCOME OPPORTUNITIES

35. The objective of this Part is to increase income and alternative employment opportunities for low income rural people in selected rural areas of the Province.

36. Programs or projects under this Part may pertain to any or all of the following:

(1) the establishment of new processing or manufacturing facilities utilizing renewable natural resources;

(2) the expansion and modernization of present processing or manufacturing facilities utilizing renewable natural resources;

(3) the establishment or expansion of facilities or services deemed necessary for the additional or new production of selected primary and secondary products;

(4) the establishment, expansion or modernization of publicly owned park and tourist facilities or services including, where necessary, the acquisition of land;

(5) the carrying out of forest stand improvement operations on Crown or publicly owned lands.

37. The shareable cost for programs or projects under this Part may be one hundred per cent (100%) of the total net cost to Ontario.

38. For projects eligible for assistance under section 36, subsections (1), (2) and (3), the owners of the facility or service must contribute not less than fifty per cent (50%) of the project cost.

39. For projects under section 36, subsection (5), the shareable cost shall not exceed \$70 per acre.

40. Programs and projects under this Part with a total cost in excess of \$100,000 shall be subject to a prior economic analysis.

41. The maximum annual contribution by Canada for all programs and projects under this Part shall be negotiated annually by the Ministers.

## PART VI

### PUBLIC INFORMATION SERVICES

42. The objective of this Part is to provide for the development of public information services suited to the needs of the ARDA program. Emphasis is placed on creating effective information exchange within and between governments, and also between government, non-governmental organizations and the public.

43. Programs or projects under this Part may pertain to any or all of the following:

(1) the provision by Ontario of one public information officer working specifically on ARDA public information;

(2) the publication of material prepared by this officer;

(3) the publication of material, prepared by other agencies or individuals, relevant to the ARDA program and useful for public information purposes or for purposes of carrying out a program or project under this Agreement;

(4) the production or purchase of public information materials such as posters, signs, films, slide sets, and exhibits, relevant to the ARDA program and necessary for public information purposes.

44. (1) For programs or projects under this Part, the shareable cost may be one hundred per cent (100%) of the total cost.

(2) All publicity in the Province concerning programs or projects shall utilize the phrase, "ARDA (Canada-Ontario)" or such other appropriate terminology that will indicate the joint nature of the program.

### SHAREABLE REVENUE

45. Any shareable revenue from any program or project to which this Agreement relates shall be divided between Canada and Ontario for a period of twenty years in the same proportions as the respective shared costs of Canada and Ontario in that particular program or project.

46. (1) When any lands acquired or works constructed by Ontario for any purpose specified under this Agreement are sold within twenty years after such acquisition or construction, the proceeds from such sale shall be divided between Canada and Ontario in the same proportions as the respective shared costs of Canada and Ontario in that particular program or project.

(2) When any lands acquired or works constructed by Ontario for any purpose specified under this Agreement, are changed within twenty years to a use incompatible with the intent of this Agreement, Ontario shall pay Canada an amount equal to the original contribution by Canada to these lands or works.

## GENERAL

47. In the carrying out of a program or project other than a research project, only the gross salaries and wages and the employer's share of contributions for Canada Pension Plan and Unemployment Insurance and expenses of additional employees of Canada and Ontario specifically engaged on the project or program for continuing period of one month or more may be included in the project costs.

48. Costs to Canada and Ontario for supervision, office space, telephones and other costs of a similar nature shall not be included in the project costs.

49. Ontario shall be the authority responsible for the undertaking, operation and maintenance of any program or project to which this Agreement relates.

50. Ontario shall indemnify and save Canada harmless from any and all claims, except those arising from acts of God, that may be made with respect to any projects undertaken under this Agreement.

51. The following conditions relevant to employment and the award of contracts shall apply in respect of all projects carried out under this Agreement:

- (a) recruiting of labour shall be conducted through the Canada Manpower Centres unless the Committee decides otherwise, in which case it shall give approval to the recruitment procedures employed;
- (b) in the employment of persons on a project, there shall be no discrimination by reason of race, sex, national origin, colour, religion or political affiliation; and
- (c) the provisions of the Labour Standards Arrangement proposed by the Federal Department of Labour in 1970 shall be applicable to this Agreement, it being understood and agreed that to the extent that there are higher provincial standards applicable to particular occupations or regions, these higher provincial standards shall apply. In the aforesaid Labour Standards Arrangement, the following provisions are regarded as minimum requirements:



- (i) rates of pay prevailing in the area of employment for each classification of work, subject to the minimum wage specified in provincial legislation;
- (ii) in building construction, time and one-half the specified prevailing rate of pay after the hours stipulated for purposes of overtime payment in the relevant provincial standards, which shall in no case be more than 48 per week;
- (iii) in road and heavy construction, time and one-half the specified prevailing rate of pay after the hours stipulated for purposes of overtime payment in the relevant provincial standards, which shall in no case be more than 50 per week;
- (iv) labour conditions to be specified in all tendering documents and to be posted conspicuously in the work place.

52. No member of the Senate or House of Commons or of the Legislative Assembly of the Province of Ontario shall be admitted to any share or part of any contract, agreement or commission, or to any benefit to arise therefrom, with respect to any program or project under this Agreement.

53. (1) Any provincial expenditure incurred between April 1, 1975, and the date of the Federal Minister's decision upon a program or project that was carried on by Ontario between April 1, 1975, and the date of the signing of this Agreement, may be considered part of the shareable cost of the program or project.

(2) Programs and projects decided upon under the authority of the 1970-75 Federal-Provincial Rural Development Agreement may be amended by the Federal Minister. Any provincial expenditure on such programs or projects, incurred prior to the Federal Minister's signing of this Agreement, may be considered part of the shareable cost under this Agreement.

## GOVERNMENT OF CANADA

Department of Regional Economic Expansion

## GOVERNMENT OF THE PROVINCE OF ONTARIO

Ministry of Agriculture and Food

## APPENDIX

### ARDA DIRECTORATE OF ONTARIO

K. E. LANTZ, <i>Chairman</i>	Assistant Deputy Minister Production and Rural Development Ministry of Agriculture and Food
H. F. CROWN, <i>Vice-Chairman</i>	Director, Rural Development Branch Ministry of Agriculture and Food
E. A. HASLETT	Director, Economics Branch Ministry of Agriculture and Food
N. R. RICHARDS	Land Resource Science Department University of Guelph
W. A. G. THURSTON	Supervisor, Advisory Services Forest Management Branch Ministry of Natural Resources
J. W. MURRAY	Supervisor, Water Management Engineering Conservation Authorities Branch Ministry of Natural Resources
B. A. SMITH	Director, Economic Development Branch Ministry of Treasury, Economics and Intergovernmental Affairs
R. L. BROCK	Director, Tourism Development Branch Ministry of Industry and Tourism

### CANADA DEPARTMENT OF REGIONAL ECONOMIC EXPANSION

R. R. MCINTYRE	Assistant Deputy Minister Ontario Region Toronto
D. C. GRAHAM	Director General 233 South Court Street Thunder Bay

**RURAL DEVELOPMENT FIELD STAFF  
ONTARIO MINISTRY OF AGRICULTURE AND FOOD**

**Rural Development Officers**

	<i>Address</i>	<i>Area Served</i>
*	222 McIntyre St. W. North Bay	Temiskaming, Rainy River, Manitoulin, Algoma, Sudbury, Nipissing, Parry Sound, Kenora, Thunder Bay
C. E. Dahms	Box 110, Plantagenet	Russell, Prescott, Glengarry
W. Hermans	315 Raglan St. S. Renfrew	Renfrew, Lanark, Carleton
B. B. Hodgins	55 George St. N. Peterborough	Hastings, Peterborough, Victoria, Northumberland
D. A. Knapp	Box 2004, Kemptville	Grenville, Stormont, Dundas
R. T. McMahon	Box 651 1055 Princess St. Kingston	Leeds, Frontenac, Lennox & Addington, Prince Edward
R. L. Morrison	181 Toronto St. S. Markdale	Grey, Bruce, Huron, Wellington, Simcoe, Dufferin, Muskoka, Middlesex
*M. Paulhus, Area Co-ordinator, Ministry Programs, Northern Ontario		

**Rural Development Counsellors**

P. Butler	Box 110, Plantagenet, Ont., K0B 1L0
G. Delorme	222 McIntyre St. W., North Bay, Ont., P1B 2Y8
R. F. Deyo	41 Dundas St. W., Napanee, Ont., K7R 1Z5
W. H. E. Dobson	Box 2004, Kemptville, Ont., K0G 1J0
B. Dowdall	10 Sunset Blvd., Perth, Ont., K7H 2Y2
D. J. Emke	Box 1330, Walkerton, Ont., N0G 2V0
J. G. Galway	1055 Princess St., Box 651, Kingston, Ont., K7L 1H3
W. J. Hardman	Box 328, Gore Bay, Ont., P0P 1H0
C. A. Hurtubise	Box 110, Plantagenet, Ont., K0B 1L0
A. Leith	181 Toronto St. S., Markdale, Ont., N0C 1H0
C. M. Patrick	Box 15, Renfrew, Ont., K7V 1R6
C. Potvin	Box "G", New Liskeard, Ont., P0J 1P0
R. N. Racine	Box 655, Cornwall, Ont., K6H 5T3
W. Ritchie	181 Toronto St. S., Markdale, Ont., N0C 1H0
W. G. Shier	Box 340, Stirling, Ont., K0K 3E0
R. L. Slade	Box 1330, Walkerton, Ont., N0G 2V0
T. A. Zimmerman	Front St., Emo, Ont., P0W 1E0

