

less a maximum margin for handling expenses agreed upon in advance. Thus the Agricultural Products Co-operative Marketing Act and the Wheat Co-operative Marketing Act were passed in 1939. The latter was used in one year only but the Agricultural Products Co-operative Marketing Act, which covers the marketing of all agricultural products except wheat, has been used to a greater or lesser degree from time to time during the intervening years.

The purpose of this Act is to aid farmers in pooling the returns from sale of their products by guaranteeing initial payments and thus assisting in the orderly marketing of the product. The Government will undertake to guarantee a certain minimum initial payment to the producer at the time of delivery of the product including a margin for handling, sales returns to be made to the producer on a co-operative plan. The guaranteed initial payment may be up to a maximum of 80 p.c. of the average price for the previous three years, the exact percentage to be recommended by the Minister of Agriculture who enters into an agreement with the selling agency for the product. The payment to the producer is to be made through the sales agency on a graded basis at the time of delivery of the product.

Agreements under this Act have been made with respect to the marketing of maple products, honey, onions, potatoes, cheddar cheese, apples, peaches, apricots, cherries, oats, barley, flax, rye, corn, fox and mink pelts, and the following seeds: alfalfa, crested wheat grass, brome grass, slender wheat grass, western rye grass, timothy, red clover, alsike clover, sweet clover, creeping red fescue, meadow fescue, and peas. Thus far the Government of Canada has suffered losses under this Act only with respect to fox pelts and potatoes. This experience indicates that any service to agriculture rendered by this Act has been at relatively small expense to the taxpayers of Canada except for minor administrative expenses, most of which have been taken care of as part of the day-to-day administration of the Department of Agriculture.

The Agricultural Products Marketing Act.—Following the withdrawal of wartime powers of the Federal Government, the Agricultural Products Marketing Act of 1949 was enacted to provide delegation for like powers to those established for marketing boards within a province for the purposes of interprovincial and export trade. A Supreme Court judgment in January 1952 cleared the validity of the Agricultural Products Marketing Act but left some doubt with respect to how licences, levies or other charges could be made by marketing boards beyond the extent of immediate administrative expenses without some approval by the Federal Government in its constitutional field of indirect taxation. In April 1957, following a further Supreme Court judgment in respect to Ontario legislation, an amendment to the federal Agricultural Products Marketing Act vested in the Governor in Council the right to authorize local boards to "fix, impose and collect levies or charges from persons engaged in the production or marketing of the whole or any part of any agricultural product and for such purpose to classify such persons into groups and fix the levies or charges payable by the members of the different groups in different amounts, to use such levies or charges for the purposes of such board or agency, including the creation of reserves, and the payment of expenses and losses resulting from the sale or disposal of any such agricultural product, and the equalization or adjustment among producers of any agricultural product of moneys realized from the sale thereof during such period or periods of time as the board or agency may determine".

There are at present close to 75 such marketing boards organized in Canada, about one-half of which are in the Province of Quebec and about one-quarter in Ontario; all other provinces with the exception of Newfoundland have one or more boards.

The annual statistical report prepared by the Economics Division of the Department of Agriculture in relation to these boards indicates that about one-seventh of the farm cash income in Canada in 1959 was received from sales made under the control of provincial marketing board plans, including the following commodities: seed corn, potatoes, other vegetables, sugar beets, tobacco, hogs, certain dairy products, fruits, wool, honey, white