

The Government of Canada and provincial governments have, through legislation and in other ways, given marketing aids such as those related to research, education, information, inspection, grading and many other service measures of this type, designed to assist in making adjustments in marketing within agriculture and between agriculture and the remainder of the economy.

There exists in Canada today considerable legislation at the federal, provincial and municipal levels which gives government agencies and farmers the power to take measures for controlling the marketing of farm products. Legislation relating to grain marketing is dealt with in Subsection 1, pp. 903-905, and an attempt is made here to cover in a general way some of the other types of legislation, with particular reference to the Agricultural Products Co-operative Marketing Act, the Agricultural Products Marketing Act and the Agricultural Stabilization Act.

**General Marketing Controls.**—At the municipal level, many cities and towns have controls with respect to the sale of foods in certain areas or with respect to health standards. For example, most municipalities have some form of health regulation concerning milk being sold within their boundaries. This is often extended to licensing for the purpose of assuring sanitary standards on the farms where the milk originates. Similarly, zoning by-laws may not only control the areas where commercial merchandising generally can take place, but also state that public markets where fruit and vegetables and other goods are sold may operate only under fairly strict supervision of the municipality.

With respect to provincial government controls, most of the provinces enacted milk control legislation before 1940. Most of them finance these milk-control agencies out of public funds, others finance through the collection of licence fees and assessments from those engaged in the fluid milk industry, and some combine the two methods. Most milk-control agencies have authority to carry out some system of licensing which provides for the revocation of such licences if those engaged in the fluid milk business do not conform with the orders of the milk control board.

In all provinces with such boards, the milk control board sets the minimum price which distributors in specified markets may pay producers for Class I milk, that is, milk which is actually sold for fluid consumption. In a number of provinces this price is based on a formula. Most provinces also set either minimum or fixed wholesale and retail prices for milk. However, in Manitoba a maximum and not a minimum retail price is set, and in British Columbia and Ontario no control is exercised over milk prices at the retail level. In these three provinces some degree of price competition between store and home delivery sales has developed.

The powers given to or requirements made by milk control boards include: (1) authority to inquire into all matters pertaining to the fluid milk industry, to define market areas, to arbitrate disputes, to examine the books and records of those engaged in the industry, to issue and revoke licences, and to establish a price for milk; and (2) authority to require a bond from distributors, periodic reports from distributors, payments to be made to producers by a certain date each month, distributors to give statements to suppliers, distributors to give notice before ceasing to accept milk from any producer, producers to give notice before ceasing to deliver milk to any distributor, and the prohibition of distributors requiring capital investment from producers.

Thus fluid milk controls are not only widespread but also numerous. They are generally considered to be administered in the public interest as well as in the interest of those who have regular opportunities to appear before the boards in connection with requests for price changes.

Federally, the Food and Drug Directorate of the Department of National Health and Welfare has wide control over the content of foods sold. The Department of Agriculture establishes grades or quality standards for various foods and exercises some control over