

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 size and type of packages and containers used in food preparation. The Weights and Measures Division of the Department of Trade and Commerce also exercises controls in its sphere.

The Agricultural Products Co-operative Marketing Act.—In the late 1930's, the Federal Government decided to assist orderly marketing by encouraging the establishment of pools which would give to the producer the maximum sales return for his product 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 are 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, tobacco, 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.