

Other legislation provides for legal control over the marketing of agricultural products, either by a producer's board or a government agency. Legislation of this type includes that pertaining to milk control boards and marketing boards which is discussed below. Measures pertaining to grain marketing have been reviewed in Subsection 1, pp. 864-870, and the Agricultural Stabilization Act, which provides price support for certain key products is discussed in the Agriculture Chapter, p. 453.

General Marketing Controls.—The federal and provincial departments of agriculture co-operate in establishing and enforcing grades of quality standards for various foods. Some control over size and type of containers used for distribution of agricultural products is exercised by the federal Department of Agriculture and the Department of Trade and Commerce enforces regulations pertaining to weights and measures (see p. 889).

Controls related to health and sanitation in food handling are developed and enforced at all three levels of government—municipal, provincial and federal. Examples of provincial and municipal action include laws pertaining to the pasteurization of milk, inspection of slaughterhouses and sanitary standards in restaurants. At the federal level, inspection by the Health of Animals Branch of the Department of Agriculture of all meat carcasses that enter into interprovincial trade is required. The Food and Drug Directorate of the Department of National Health and Welfare has wide control over the composition of foods sold and over misleading advertising of foods and drugs.

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 continuously served agricultural producers since 1939.

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 paid to producers 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.

Agreements have been made under this Act pertaining to a wide variety of agricultural products. With regard to crops produced in 1963, they pertained to apples for processing, forage crop seeds and maple syrup.

Milk Control Legislation.—Most of the provinces enacted milk control legislation before 1940. Many 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 actually sold for fluid consumption. In Ontario and British Columbia, this minimum price is based on formulas. Most provinces also set either minimum or fixed wholesale and retail prices for fluid milk. The wholesale and retail prices are fixed in Prince Edward Island, Nova Scotia and Saskatchewan; minimum prices are established in New Brunswick, Quebec