

Subsection 2.—Controls Over Farm Products Other Than Grain*

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. Closely related is regulatory action designed to protect the consumer.

Producers have been concerned about another type of market control, namely that which will give either their organizations or a government agency influence over the price received. In a highly specialized commercial agriculture such as Canada now has, the producer is dependent on the price of his product for his livelihood. Canadian farmers have long attempted to obtain some measure of market control through voluntary organizations, mainly marketing co-operatives. All provinces have made provision for the incorporation of such co-operatives and most, if not all, have provided other assistance to them. In the federal field, the Agricultural Products Co-operative Marketing Act encourages marketing under a co-operative plan.

Other legislation provides for legal control over the marketing of agricultural products, either by a producers' board or a government agency. Legislation of this type includes that pertaining to milk control boards, to producer marketing boards and to industry marketing commissions. Measures pertaining to grain marketing have been reviewed in Subsection 1, pp. 918-920, and the Agricultural Stabilization Act, which provides price support for certain key products is discussed in the Agriculture Chapter, pp. 481-482.

Product Controls.—The federal and provincial departments of agriculture cooperate 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 Canada Department of Agriculture and the Department of Trade and Commerce enforces regulations pertaining to weights and measures (see p. 930).

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.

Marketing Controls.—*The Agricultural Products Co-operative Marketing Act.*—In the late 1930s, 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 may undertake to guarantee a certain minimum initial

* Prepared in the Economics Branch of the Canada Department of Agriculture, Ottawa.