

any dairy product and package, process, store, ship, insure, import, export or sell or otherwise dispose of any dairy product purchased by it. The Commission may also make payments to producers of milk and cream for the purpose of stabilizing the price of these products.

A comprehensive milk marketing plan was agreed to by the Canadian Dairy Commission and the milk marketing agencies of Ontario and Quebec in January 1971, establishing a market-sharing quota system for industrial milk and that portion of milk shipped by fluid producers which is used for manufacturing purposes. The agreement also covered cream shippers in Quebec, and cream shippers in Ontario entered the plan on April 1, 1971. Prince Edward Island was the third province to enter into the program, which became effective in that province on December 6, 1971. Producers in Alberta entered on April 1, 1972 and Manitoba and Saskatchewan came under the program on July 1, 1972. British Columbia entered the program on October 1, 1973, and Nova Scotia and New Brunswick on April 1, 1974. All manufacturing milk and cream sold in Canada now comes under the market-sharing program. With the market-sharing arrangement, each producer receives a market price related to Canadian price support levels for deliveries up to his market share. Prices for deliveries over market share are related to world prices for surplus dairy products.

Additional information on the role of the Commission with regard to dairy production and income stabilization is given in Section 11.2.2.

Producer marketing boards were introduced during the 1930s to give agricultural producers legal authority under certain conditions to control the marketing of their produce. The Natural Products Marketing Act of 1934 attempted to provide this power at the federal level but the courts ruled that the subject was outside federal jurisdiction. The subsequently introduced Natural Products Marketing (British Columbia) Act, 1936 was found to be within the powers of provincial governments and it has since been used as a model for marketing board legislation as it evolved in all 10 provinces.

While marketing board legislation has been revised from time to time on the basis of experience and there are variations in detail from province to province, the same basic powers are given to producers in all provinces. These include authority for a duly constituted producer board to control the marketing of 100% of a specified commodity produced in a designated area. A producer board, in at least some provinces, may set production quotas for each farmer. One producer board may control the marketing of several related commodities and the designated area may be either the whole or part of a province. A producer vote is usually required to establish a producer marketing board whose powers are delegated either by a provincial marketing board, which has certain supervisory authority, or by the Lieutenant Governor in Council.

The powers of a producer marketing board provided by provincial legislation are necessarily limited to trade within the province. Under the Agricultural Products Marketing Act (RSC 1970, c.A-7), the federal government may delegate to a marketing board powers with respect to interprovincial and export trade similar to those it holds under provincial authority with respect to intraprovincial trade. This Act also gives the Governor in Council the right to authorize a provincial marketing board to impose and collect levies from persons engaged in the production and marketing of commodities controlled by it for the purposes of the board including the creation of reserves and the equalization of returns.

The federal Farm Products Marketing Agencies Act was passed in January 1972 and is the enabling legislation for the creation of national marketing agencies or boards. National agencies may be set up, when producers and provincial authorities desire it, for any agricultural commodities which, due to widespread production in Canada or for other reasons, cannot be effectively marketed in an orderly manner under the jurisdiction of individual provincial boards. The Act establishes a National Farm Products Marketing Council to advise the Minister of Agriculture on all matters relating to the establishment and operation of national agencies, to review the performance of and assist in promoting effective marketing by these agencies and to consult with interested provinces on a continuing basis concerning the establishment of national marketing agencies.

The first national agency formed under the Act, the Canadian Egg Marketing Agency, commenced operations in June 1973. A second agency, the Canadian Turkey Marketing Agency, went into operation in March 1974. These federal agencies operate in conjunction with provincial egg and turkey boards; they do not deal directly with producers.