

measures have been enacted over the years. Originally, emphasis was on production increases and control and eradication of pests and diseases. Gradually, however, with rising production and increasing specialization on the part of farmers, problems in marketing began to emerge.

To ensure quality, inspection and grading procedures and standards were established, but the periodic collapse of prices caused by bumper crops and intensified by the general inability of large numbers of producers to bargain on an equitable basis with far fewer buyers has been a much more difficult part of the marketing problem.

The first attempt to provide bargaining power to producers was the organization of voluntary marketing co-operatives. All provinces eventually passed legislation for incorporation of these co-operatives, and most of them also provided additional assistance in various forms. Federally, introduction of the Agricultural Products Co-operative Marketing Act provided for financial guarantees to producers willing to market their crops on a pooling-of-returns basis. More information on co-operative organizations is given in Chapter 18.

Although much co-operative marketing was initially successful, it was found that the voluntary aspect represented a serious weakness. Many members dropped out in good times to make their own deals. A type of marketing organization was needed with the legal power to control the output of all producers of a certain product in a certain area, and as a result marketing control legislation was adopted providing for various types of boards, agencies and commissions.

11.6.1 Quality standards

The federal and provincial departments of agriculture co-operate in establishing and enforcing quality standards for various foods. Some control over size and types of containers used is exercised by the Canada Department of Agriculture, and the Department of Consumer and Corporate Affairs enforces regulations pertaining to weights and measures.

Standards related to health and sanitation in food handling are developed and enforced at all three levels of government. Examples of provincial and municipal action include laws pertaining to pasteurization of milk, inspection of slaughter houses and sanitary standards in restaurants. At the federal level, inspection by the health of animals branch of the agriculture department of all meat carcasses that enter into interprovincial trade is required; the foods and drugs directorates of the health and welfare department have wide responsibility for food composition standards; and the consumer and corporate affairs department has jurisdiction over advertising.

11.6.2 Marketing controls

The Agricultural Products Co-operative Marketing Act (RSC 1970, c.A-6) was passed in 1939 as a result of a federal government decision to assist orderly marketing by encouraging establishment of pools that would give the producer the maximum sales return for his product, less a margin for handling expenses agreed upon in advance. All agricultural products except wheat produced in the Canadian Wheat Board area are eligible for marketing assistance under this act.

The purpose of this act is to aid farmers in pooling 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 payment to the producer at the time of delivery of the product, including a margin for handling; sales returns are made to the producer on a co-operative plan. Amount of the initial payment is set at the discretion of the minister taking into account current and estimated market prices. For 1976 crops, agreements were made for marketing winter wheat and beans in Ontario, apples, strawberries and rutabagas in Prince Edward Island.

The Canadian Dairy Commission, established in 1966, was the first national marketing agency to be established since creation of the Canadian Wheat Board in 1935. The commission has the power to stabilize the market by offering to purchase major dairy products, butter and skim milk powder, at fixed prices and to package, process, store, ship, insure, import, export or sell or otherwise dispose of any dairy product purchased