

milk and cream sold in Canada now come under the market-sharing program. The arrangement provides that each producer receives returns related to the target support price for manufacturing shipments up to his market share. The target support price is achieved through the offer-to-purchase program which stabilizes markets, plus direct payments to producers. Producer returns for deliveries over market share are related to world prices for surplus dairy products.

Producer marketing boards were introduced during the 1930s to give agricultural producers legal authority under certain conditions to control 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 provinces.

The basic feature which enables marketing boards to control marketing is the compulsory aspect. A new board usually has to be first approved by a majority vote of the producers of the affected product. If it is approved, all producers of the product in the designated area, other than those who may be exempted as below a specified minimum production level, are required by law to market their produce under authority of the board. Depending on a board's objectives and the type of product, its powers and duties may only involve negotiating a minimum price or may include production or marketing quotas, designated times and places for marketing, or such other powers which may be considered necessary to ensure an orderly and equitable market.

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), passed in 1949, 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 production and marketing of commodities controlled by it for the purposes of the board including creation of reserves and equalization of returns.

The federal Farm Products Marketing Agencies Act passed in January 1972 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, owing 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 National Farm Products Marketing Council (NFPMC) was established by the Farm Products Marketing Agencies Act in 1972 to advise the agriculture minister on matters pertaining to establishment of marketing agencies. It reviews their operations, assists them in promoting more effective marketing of farm products, and co-ordinates related activities of provincial governments as well as efforts of producers to establish marketing plans. Membership of the NFPMC includes representatives of consumer, labour and business interests.

The first national agency formed under the act, the Canadian Egg Marketing Agency, commenced operation in June 1973 and the second, the Canadian Turkey Marketing Agency, in March 1974. Creation of a chicken marketing agency was announced in December 1978. These federal agencies work in conjunction with provincial boards; they do not deal directly with producers.

During 1977-78 there were 111 provincially authorized marketing boards operating in Canada, including the milk control boards which have a lesser degree of producer control than the others, as well as the earlier mentioned federal boards. Boards are established in all provinces, led by Quebec with 25 and Ontario with 23. An estimated 60% of 1977 farm cash income was received from sales made under the jurisdiction of marketing boards. A variety of agricultural commodities sold under marketing boards included grains, hogs, milk, fruit, potatoes and other vegetables, tobacco, poultry, eggs, wood, soybeans, honey, maple products and pulpwood. At year end 1978, the federal