

time we could not receive a fair price within $1\frac{1}{2}$ to 3 cents a pound below Montreal prices. The cheese was sold on an auction basis, and the buyers realized of course that it would cost us a considerable amount to sell it outside our province. After the board came into operation we were able to pay our producers a price equal to the Montreal price, and on most occasions a fraction above. This was achieved without costing the cheese consumer in New Brunswick or anyone else in the Maritimes an additional cent.

Perhaps I should have pointed out before that the provincial marketing acts are not mandatory. The state does not carry out the operation of marketing in a compulsory manner. The legislation, which is merely permissive, enables groups of producers of any one commodity to get together and agree by vote on a percentage basis whether or not they want to establish a marketing plan. In most cases this requires at least a two-thirds majority of the people engaged in the production of a specific commodity. In other cases it requires 80 per cent of the producers, who must apply to the department administering the act for the authority to set up a board under which they can operate.

Honourable senators, at this time I should like to pay tribute to the farm organizations for the tremendous job they have undertaken and accomplished. I should like to refer particularly to the Canadian Federation of Agriculture, and to the provincial federations of agriculture and local organizations. They have had to do a tremendous selling job among the producers. After the Cheese Board had been established we recognized that there was a problem in relation to the marketing of hogs. On the livestock markets in New Brunswick—the packing houses and the processing plants—we could not receive a higher price than from 2 to 5 cents a pound below the Montreal price. We were never able to get above it. There again the farmers recognized that something ought to be done in relation to the orderly marketing of this product. As a result, an educational program was put into effect by the farming organizations of New Brunswick. They went into all areas in the province to tell their story and ask the farmers to vote on the question of coming under a provincial marketing plan with respect to all live hogs sold. A vote was taken, and 98.3 per cent of the farmers voted in favour of such a plan. The board was established, and the farmers today are receiving almost the same price as farmers of Quebec and Ontario are receiving on the Montreal and Toronto markets.

I should like again to point out that, while these boards function under provincial legislation supplemented by federal authority,

never for one moment have the farmers or producers felt they have been compelled to operate in this way. Once a board has been established the farmers regard it as an entirely co-operative enterprise. Because of that fact I think a great deal of credit is due to the farmers and the farm organizations. It is not any easy task to sell individual farmers on the idea of letting an organization market their product, for the farmers have always been in the habit of marketing their own products. One reason for this is that the farmer, by the very nature of his occupation, is more or less independent in his thinking. He is a sort of individualist. By reason of the fact that no two farmers have exactly the same problems, farmers have become individualistic. However, over a period of years they have come to realize that in their field of operations the fundamental problem facing the farm producer is that of the grading, packaging and marketing of their products.

As a result of difficulties that different boards encountered, particularly the Ontario board, in relation to interprovincial marketing of products, they assess on the producer a certain tax or levy. Of course, the producers register each year, and as the product is marketed a commission or a levy is charged to cover the board's operations and so on. During the past year, I believe, it was decided by the courts in Ontario that inasmuch as this levy is an indirect tax the provincial act has no authority or jurisdiction in that field, and therefore the provincial authorities have asked the federal Government to introduce in Parliament a bill to amend the act of 1949, which is Chapter 6 of the Revised Statutes of 1952, to provide for those things that are lacking in their present act.

I now come to the bill itself. Section 1 strikes out of the preamble the words "outside the province". It adds to the preamble the following words:

and whereas it is desirable to facilitate such marketing by authorizing the imposition of levies or charges for the equalization or adjustment among producers of the moneys realized from the marketing of the products: . . .

This will give each provincial board authority to levy on the product which it is handling.

From section 2 also the words "outside the province" have been struck out. There has been added to that section the authority that may be granted by the Governor in Council. It reads as follows:

The Governor in Council may by order grant authority to any board or agency authorized under the law of any province to exercise powers of regulation in relation to the marketing of any agricultural product locally within the province, to regulate the marketing of such agricultural product in interprovincial and export trade . . .