Marketing Boards in Canada

Draft

December 1974.

Department of
Regional Economic
Expansion

Economic Development
Analysis Division

by: J. H. Berg

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1. Terms of Reference

The terms of reference of this study are:

1) to examine the structure and policies of marketing boards in Canada; and
2) to examine the feasibility and possible design of an Atlantic Region Fish Marketing Board.

This progress report concentrates on the first aspect, the purpose of which is to:

1) provide a brief discriptive overview of marketing boards;
2) comment on areas of possible future research; and
3) isolate points relevant to examining the feasibility and possible design of an Atlantic Region Fish Marketing Board.

2. Introduction

Marketing boards are now well-established, prominent and, perhaps, permanent features of the Canadian agriculture and food sectors. They directly influence, in varying degree, the production and/or marketing of most classes of agricultural commodities - beef being the major exception. Furthermore, with the passage of enabling federal legislation (Farm Products Marketing Agencies Act, 1972), more expansion at the provincial

and federal levels can be expected. Although marketing boards are but one form of market regulation in agriculture, they are quite clearly becoming dominant as they replace, supersede and/or complement other regulatory bodies.[1]

The existing network of marketing boards and the powers invested to them reflect:

1) the diverse nature of the Canadian agricultural sector both with regard to the types of commodities produced and the regional or provincial distribution of that production (see Tables 1-3); and

2) the constitutional questions concerning intra and inter-provincial trade.

These factors contribute to the difficulty of generalizing about marketing boards and such generalizations, when they occur, are often tenuous.

Two points are worth noting at the outset. The first is that marketing boards may affect the production and marketing of commodities outside their sphere of direct influence. For example, board actions may result in resource flows (depending on the degree of market barriers) by

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[1]Other regulatory forms would include co-operatives and numerous government legislation concerning product standardization, price stabilization, farm credit, etc. Some federal agencies or commissions perform functions similar to marketing boards.

affecting relative prices and rates of return between alternative commodity production and regions. Secondly, the creation of a marketing board in one province may produce cumulative effects by hastening the creation of boards in other provinces as competing producers seek to protect their interests (this is especially true under enabling federal legislation). Both of these points suggest that the influence of marketing boards may be more pervasive than appears at first glance.

3. Characteristics of Marketing Boards

a. Definition and Objectives of a Marketing Board

A marketing board has been defined as "a compulsory, horizontal marketing organization for primary and processed natural products operating under authority delegated by the government".[1] Officially, the objective is to develop a marketing plan for the regulated product which will promote a strong, efficient and competitive environment that is beneficial to all market participants.[2] In actual practice, board objectives may be simply to stabilize and raise producers' income. These points are discussed at more length below.

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[1] G.A. Hiscolks, Theory and Evolution of Agricultural Market Regulations in Canada in Market Regulation in Canadian Agriculture, Occasional Series No.3, University of Manitoba, May 1972. This volume contains several descriptive studies on the various aspects of marketing boards.

[2] See the Farm Products Marketing Agencies Act, 1972, P.15

b. Compulsion

Under existing enabling legislation, a marketing board can be created or existing powers broadened only by a majority decision of the producers concerned. The compulsory feature of the above definition means that, once established, all producers of the product within a specified region must adhere to the regulations of the board (certain classes of producers may be exempted - for example, marginal producers). This feature is partly designed to avoid a major shortcoming of co-operatives, namely the inability to adequately control aggregate supply and, therefore, prices and incomes of members. Marketing co-operatives still abound in Canada and, indeed, their business volume continues to grow.[1] However, they are essentially voluntary pooling organizations and lack appropriate legislation concerning their incorporation and operation. Hence, although co-operatives have been able to increase the bargaining position of producers within the industry, total returns are still

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[1] In 1972, 193 marketing co-operative reporting had a total business volume of $1,703 million (which was 32% of total farm cash receipts and only 60% of producers' receipts under marketing boards). Business volume relative to farm cash receipts varied considerably from province to province and by type of product. Furthermore, marketing co-operatives are becoming relatively less important as purchasing, financial and other co-operatives continue to expand rapidly.

subject to the whims of the market. Because marketing boards are compulsory and can be invested with a wide range of powers, they have a much greater discretionary control over aggregate supply, prices and producer incomes.

c. Horizontal Integration

Like co-operatives, marketing boards are horizontal organizations. By integrating supplies from individual producers and exercising control over these supplies through quotas, etc., boards can, in effect, behave as monopolists.[1] Gains from this monopoly position can then be distributed to the individual producers. Since marketing boards to date have been first and foremost producer orientated institutions it is this monopoly aspect that has received the most attention (especially from consumer groups). Evidence suggests that marketing boards do stabilize producer incomes and, in some cases, promote higher prices. What is far from clear, however, is to what extent marketing boards have been able to secularly raise average producer incomes above levels which would have occurred in their absence. There is a lack of

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[1]When demand conditions are inelastic with respect to price - a situation typical to many agricultural commodities, exercising monopoly power through supply restrictions will result in proportionately larger price adjustments. This means that a marketing board can cause significant price rises by withdrawing only a modest proportion of supply from the market. It should be remembered, however, that many boards are not endowed with or do not choose to exercise such powers (see Table 7).

empirical studies on this matter and need for futher research. Certainly, the answer would depend on the powers invested to individual boards which vary considerably from the complete control of production and pricing to mere promotional activities.[1]

The more powerful or influential is a marketing board, the greater is the tendency to affect the vertical integration of an industry as is most obvious in the case of fluid milk. This in itself is not cause for alarm for it does call attention to the fact that marketing is an entire system involving producers, processors, distributors and consumers alike. Recognition of this may help to redirect actual board actions towards the stated objectives of maintaining and promoting efficient and orderly production and marketing practices.

d. Primary Products

Marketing boards tend to be associated with agricultural commodities but, in fact, the theory justifying boards applies to other primary products.[2] The argument is well known. For a number of reasons, production at the

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[1]Furthermore, it is necessary to separate to what extent high prices are due to board actions as opposed to other discriminatory devices such as import quotas and tariffs. Often high prices may benefit only a minority of producers (the large, long-established ones). However, the rapid growth of marketing boards suggests that most producers perceive boards as potentially beneficial institutions.

[2]A few marketing boards exist outside of agriculture in such areas as oysters, fish and pulpwood.

primary level is often subject to wide variations. Since demand is either inelastic or slow to react, prices and, therefore, producer incomes can vary widely. Primary commodity markets can also be excessively competitive (many sellers and few buyers) at the first stage so that the bargaining strength of unorganized producers is extremely weak.[1] Furthermore, productivity increases under these conditions tend not to accrue to producers but instead result in lower farm prices. Marketing boards can provide the necessary countervailing power and market regulation to redirect the market balance towards producers. It would seem that the above argument would apply equally well to other primary sectors where there are many sellers and excessive price variability at the production level.

e. Producer Orientation

As mentioned earlier, marketing boards are primarily producer oriented institutions. This follows from the narrow conception of the purpose of marketing boards

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[1] Marketing boards also tend to equalize the market opportunities of different producers. This is not necessarily an attractive feature especially if it affords inefficient producers undue protection.

which is to enhance the producer's market position[1]. However, there are very important externalities associated with board actions and if marketing boards are to become the dominant form of market regulation in the agricultural sector they will have to evolve into institutions capable of dealing with these externalities[2]. Since the system of marketing boards is still in its stage of evolution with regard to coverage by commodity, geography and invested powers, this need not be difficult. What is required, is more attention devoted to the much broader stated, official objectives of maintaining and promoting an efficient and competitive agriculture industry and promoting more effective marketing of farm products in inter-provincial and export trade[3]. This will probably necessitate changes in board composition and outlook.

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[1] Certainly, the claims of producers are usually justified. Most of the dispute about marketing boards centers on whether or not the inherent monopoly powers will give rise to production inefficiencies and higher prices. Hence the tradeoff. Some form of countervailing power within the decision-making process of boards may be necessary to avoid this. Sometimes, the market itself may police board actions as would happen for example, if demand were fairly responsive to price changes. This would put more pressure on boards to increase efficiency as a method of raising producer incomes. However, this usually necessitates reducing the number of producers.

[2] That is, marketing boards will have to recognize their social responsibilities. A clear separation of the welfare and commercial aspects of marketing boards is necessary.

[3] Farm Products Marketing Agencies Act, 1972, P.5.

Two externalities of board actions immediately come to mind. The first concerns the consumer interest and the welfare implications of rising food prices. This has been discussed elsewhere[1]. A second externality concerns the affect rising agricultural prices can have on economic growth. As is well-known, the overall demand for food is inelastic with respect to price and income. Over time, in a growing economy, food absorbs a lower and lower proportion of disposible income. This is made possible through continuous structural change and productivity increases in agriculture that progressively reduce the relative price of agricultural commodities in terms of non-farm incomes. Farm incomes were able to increase only because of a remarkable reduction in the size of the agricultural labour force. This process is still continuing.

Under these conditions, rising relative food prices can slow down overall economic growth by reducing the disposible income available for non-food consumption. This reduces the effective market for other commodities

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1 See A Report On Consumer Interest in Marketing Boards, Consumer Research Council, Sept. 1974. This is a summary report the conclusions of which are based on specific studies on marketing boards in dairying, poultry and eggs, fruits and vegatables, hogs, wheat and tobacco. The conclusions vary from case to case. In general, the report seeks to justify and define a broader more responsible role for marketing boards within the framework of an integrated systems approach to the agriculture and food industries.

and produces cumulative effects on non-farm income, employment and growth[1]. Quite clearly then, the actions of marketing boards insofar as they affect food prices and encourage or discourage efficient production can have an impact (and qualitatively at least, an important impact) beyond the immediate market. How important this could be quantitatively is a matter for empirical estimation. The effects will probably vary from sector to sector and from region to region.

f. Application to Special Circumstances

In many ways, marketing boards, properly constituted, are ideal institutions for dealing with certain kinds of problems. A case in point would be a situation where producer incomes are falling not so much because of falling prices but because of rising costs[2]. Under these circumstances, agricultural stablilization programs may be inoperable or slow to react. Perhaps marketing boards would be in a better position to deal with such a problem.

g. Incorporation of Countervailing Power

In a way, marketing boards may be viewed as vehicles for maintaining economic power that was once enjoyed indirectly through the political process (resulting in a myriad of government policies). The so-called rationalization process that has occurred in agriculture has resulted in a drastic decline in the number of producers

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[1] There is also an inflationary aspect to the argument.
[2] Possibly a part explanation of the situation in Western beef.

so that they now represent a small fraction of total employment (5%). Under these circumstances, it is much more difficult to exercise power through the political process. Exercise of power directly through marketing boards then becomes an obvious alternative. Furthermore, it is an alternative that is keeping in line with the necessity for more planning and more formal lines of integration charactistic of other sectors in the economy[1].

4. Supply Management and Price Determination

The actions and powers of marketing boards vary widely as would be expected given the diverse nature of Canadian agriculture and the fact that marketing boards are still in their evolutionary stage. All policies are designed to improve the position of producers and/or improve the marketing channels through which the commodities move. Listed below are some of the major techniques used by boards in Canada (see Table 7).

a. Quotas

Quotas directly affect the supply and, therefore, the range of price variability of a commodity. Since quotas can create an artificial scarcity, they give rise to economic rent. The value of this rent accrues to producers according to their relative stake in the market.

Input quotas are restrictions on the use of factors of production such as land (acreage restriction by the

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[1] See report of the Federal Task Force on Agriculture, Canadian Agriculture in the Seventies, 1970, P.9.

Ontario Flue-Cured Tabacco Growers Marketing Board), capital (storage space by the Canadian Wheat Board) or labour (licencing by many boards). Apart from restricting supply, input quotas can raise costs by preventing a more efficient combination of resources and preventing the realization of economies of scale. Depending on year to year yields, marketable supply can still vary under input quotas.

Sales quotas allow more freedom to mix inputs but restrict marketable supply as is the case in milk, poultry and egg production. Sales quotas can effect the choice of technique in production by determining the level of output which may or may not be the most efficient level. Quotas are obviously an efficient method for restricting supply. However, they do lead to inefficiencies in production (as opposed to marketing) and it is most important that initial allocations be determined carefully[1]. Transferability of quotas is one method of avoiding gross inefficiencies but this mechanism can only operate properly if the market in quotas is well developed (one requirement is the availability of adequate information). A poor

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[1]For example, suppose there is a range of production techniques which are reasonably efficient and, therefore, viable. Initial quotas may or may not restrict production to this range. If not, the resulting higher average per unit costs will show up in higher prices and "excessive" returns to the more efficient producers. This situation can worsen over time if the quota allocations do not change in accordance with changes in the range of efficient production techniques (which, almost certainly, WILL change).

allocation of initial quotas both at the individual producer and provincial levels will lead to future problems as has happened in many cases. The possibility of avoiding formal market channels is one such problem.

b. Pricing

Apart from supply restrictions, many boards directly affect prices at both the producer and consumer levels. These may be maximum, minimum and/or fixed prices. Sometimes, producer prices are determined by cost of production formulas as is the case with the B.C. Milk Board. Many fruit and vegatable boards determine minimum prices through a bargaining proceedure with processors. Often, separation of markets allows multiple - pricing as in dairying and grains.

c. Other policies

There are a number of other powers endowed to marketing boards which indirectly affect prices and producers incomes. Pooling, storage and controlled distribution are widely used procedures for seasonal and perishable products. Market information, development and promotion activities are useful and widely adopted procedures. Reducing market balkanization through better organization and price information flows as in hog marketing are beneficial.

One thing is clear. All techniques of supply management and direct pricing have their drawbacks by causing in-

efficiencies at the production stage. However, uncontrolled markets also have their inefficiencies. The important question is to determine the nature of this tradeoff, design acceptable policies to minimize the tradeoff and to develop procedures to ensure the policies are adopted. The next sections describe in more detail the institutional framework of marketing boards in Canada and, drawing upon the above observations, make some initial suggestions regarding a marketing board for the Atlantic Fisheries.

5. Federal Legislation

The National Farm Products Marketing Agencies Act of 1972 was designed to solve the constitutional problems associated with provincial marketing boards dealing in commodities entering inter-provincial trade[1]. It was a logical extension of past trends that saw marketing boards emerge from local to provincial and regional levels. Although it now seems that the constitutional question is sorted out, it appears to have been done so at a price - namely, the economic balkanization of provincial markets through provincial quotas.

The above act authorized the formation of a National Farm Products Marketing Council composed of three to nine members of which at least fifty per cent must be primary producers representing the various regions of Canada. The Council is to

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[1] Intra-provincial trade is a provincial responsibility while inter-provincial trade comes under federal jurisdiction. Boards may have federally delegated authority to regulate interprovincial trade.

oversee and supervise the operations of the federal marketing agencies and to act as a liaison to the political process. If a majority of producers are in favour of an agency, the Council can proclaim the establishment of a National Marketing Agency for commodities entering interprovincial or export trade, determine the powers of that agency and its composition. The Agency in turn (also composed of a majority of producers) is to carry on the marketing plan by exercising its endowed powers but to have due regard for the interests of producers and consumers alike. Powers may vary widely. Provincial quotas are allocated according to past production and additional quotas are to take into account comparative advantage. Initial quotas therefore determine the amount of interprovincial trade. Marketing boards are not subject to the Combines Investigation Act and the National Farm Products Marketing Agencies Act does not apply to the Canadian Wheat Board or the Canadian Dairy Commission.

The recent experience with national marketing boards shows very clearly that an adequate legislative environment cannot solve all the problems associated with marketing boards. Rather, it can only set the scene within which other problem areas can be ironed out. One set of problems concerns the protection of various interest groups most affected by board actions. In the future, more attention will have to be directed towards finding satisfactory compromise solutions within the constraints

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dictated by economic realities[1]. A second set of problems concerns the functional operations of marketing boards, namely, the setting of prices and allocation of quotas. Administering prices is not an easy task and should not be taken lightly. Special care is required to ensure that the prices set will actually balance supply and demand and so clear the market. Thus, the setting of quotas is a crucial step in carrying out a marketing plan and its importance can not be underestimated.

6. Marketing Boards in Canada

Tables 1,2 and 3 show the provincial distribution of marketing boards in Canada. Of these boards, 4 were inactive, 5 reported no receipts (ie. were only educational and promotional) and 3 were newly formed. Not included in the remaining 92 boards are 12 new ones started during 1973 and early 1974 (4 in PEI, 4 in New Brunswick, 2 in Ontario and 2 in Saskatchewan). Knowing the number of boards does not tell us very much except that the network of boards is still in a state of evolution. Many boards are consolidating as in Quebec and many are new as in the Atlantic provinces. The number of boards are now multiplying quickly in the latter region (except for Newfoundland). The most important factors affecting the number of boards by province are of course, the relative importance of agriculture

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[1] Recent inquiries into marketing practices in the egg industry suggest that marketing boards as presently composed are subject to external pressure and, ultimately, control. However, such pressure is not internalized into the day-to-day decision-making process of boards and it is only exercised with considerable and costly delays

and the diversity of commodities. Table 1 shows that the number of commodities under marketing board jurisdiction are increasing. Eggs, tobacco, poultry and vegetable processing crops in PEI; forest products, bedding plants, manufacturing milk and turkeys in New Brunswick; tomatoes in Ontario; and sheepwool and feed grains in Saskatchewan could be added to the 1972 list.

Despite the fact that the total number of producers of agricultural commodities continues to decline rapidly in Canada the number of producers whose products were under marketing board jurisdiction continues to increase (Table 4)[1]. Although there is some double counting, this does highlight the popularity of boards among producers.

Tables 5 and 6 show the impact of those marketing boards that were not simply promotional in nature[2]. Some 55% of all farm cash receipts came under marketing boards in 1972. This proportion would be significantly higher for 1973 and 1974 with the addition of new boards. Eggs, for example, would be almost 100%. Grains and dairying respectively accounted for 38% and 26% of all receipts under marketing boards. The formation of a beef marketing board regulating all cash receipts from cattle production would raise the total percentage of farm cash receipts regulated by boards to an overwhelming 80+ percent. But, as yet, this has not occurred.

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[1]The Alberta Cattle Commission is promotional in nature.

[2]That is, they may negotiate or set prices, allocate quotas or in some other way regulate the marketing of goods.

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Of course, the real impact of marketing boards can only by judged by reference to the powers and procedures exercised and relating these powers to the relative importance of the commodity in question to the province in question. This analysis has not yet been attempted (although there appears to be enough data to do so). Table 7 shows the distribution of powers by commodity and provincial boards. The strongest powers are concentrated in dairying, eggs, poultry and tobacco. The weakest (but not always) in fruit and vegetables.

7. Some Regional Implications

The hard core empirical analysis of this report has not yet been started and the above generalizations need to be given some quantitative content. There are "a priori" reasons to suppose that insofar as marketing boards have a significant impact on agricultural markets, incomes and prices, the impacts will differ from region to region.

Some Possible Questions

1) Given regional differences in average incomes and the relative importance of farm incomes, will the pricing policies of marketing boards affect some regions more (or differently) than others at both the producer and consumer levels?

2) To what extent can the actions of marketing boards account for regional differences in farm incomes? Are these differences explainable by the absence of marketing boards, the regional variation in the

powers of boards or, perhaps, the product mix?

3) Why do boards regulating similar commodities behave differently from province to province and what is the effect?

4) What is the impact of provincial quotas? Could larger quotas for some provinces be justified on the basis of comparative advantage? Could they be justified on developmental grounds?[1]

5) How do intra-provincial quotas affect sectors in different provinces?

6) Is (or should) less attention paid to efficiency criteria in poorer provinces for social or employment reasons?

7) How do marketing boards react to one another across commodities and provinces and is this reaction significant?

Some of the above questions appear to be more easily answerable than others. Some may not be worth answering given the time and cost of doing so. Some may be unanswerable given data limitations.

8. Conclusions and Implications for an Atlantic Regional Fish Marketing Board

1) Marketing boards are becoming the dominant institution for the regulation and planning of Canadian agriculture. It is commonly agreed that some form of regulation is

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[1] In other words, could marketing boards become the bases for regional development policy.

necessary and there are strong economic arguments to support this position. Marketing boards, properly constituted, can be ideal vehicles for the necessary regulation and planning. First of all, they are decentralized institutions (by commodity and geography) ultimately linked to the political process at provincial and federal levels. This allows for freedom of action and the specialized knowledge necessary to deal with problems peculiar to each board. And yet, the boards are subject to some degree of outside (and centralized) pressure and control. Secondly, marketing boards enhance the bargaining power of producers who might otherwise be in a weak position as traditional sources of power are diluted. The economic effect of marketing boards can be much the same as that of trade unions. That is to say, increased pressure from below to raise incomes can induce structural adjustments that lead to higher productivity and, therefore, the means for realizing higher incomes. However, this requires a certain amount of pressure from competitors or the public forum to avoid raising commodity prices. This pressure is not always present.

2) Most of the criticism directed towards marketing boards is not concerned with the fact that boards control the production and marketing of commodities but rather with the degree of control and the form that control takes. As presently constituted, there

is a built-in bias towards excessive supply control (as opposed to regulation) and resorting to price increases as a means for raising producers' incomes. There does not appear to be enough attention directed to policies that would raise and stabilize producers' incomes without the necessity of resorting to higher prices (ie. policies designed to improve efficiency. This almost always means phasing out marginal or inefficient producers)[1]. Marketing boards in the future will have to recognize their social responsibility. Some form of countervailing power within the decision-making process of boards may be necessary. Marketing boards should be concerned with the commercial requirements of the market - not the welfare requirements.

3) As discussed above, there may be important regional implications of marketing board actions. On an "a priori" basis, this would seem to be so. More analysis is needed to determine the quantitative importance of this aspect.

4) On a theoretical basis, the arguments justifying marketing boards for agriculture are also relevant for the fishing industry. A tentative conclusion is that, in principle, a marketing board for the Atlantic fisheries is a viable institutional alternative.

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[1]This does not mean that productivity gains have not occurred under marketing boards. The question is whether such gains would have occurred anyway in their absence.

Reasons

a. Like agriculture, production at the primary level in fisheries is subject to wide variations so that producer prices also vary considerably.

b. Distress situations are common, the bargaining strength of many fishermen within the industry is weak and market information is inadequate[1]. Existing programs such as Fisheries Support Board designed to prevent distress selling may be distributing its benefits poorly and with a considerable lag. Direct government control does not seem to be the answer.

c. Decision-making is very decentralized. Structurally, the industry is inefficient.

d. Since the demand for fish products is more elastic than most agricultural commodities, the exercise of monopoly power through the price system is more difficult. Abuse of marketing board powers is therefore unlikely. Foreign competition also provides a form of countervailing power.

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[1]This has led to suggestions that a marketing board may be designed similar to that in the hog industry which relies on providing price information via a telex system. Fishermen could then know the prices quoted in various markets before landing. However, this suggestion ignores the fact that many fishermen are tied in various ways to a single market.

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e. The experience of the Fresh Water Fishing Commission suggests that the institution has had an impact on fishermans' incomes although so far it appears to have been marginal.

Several questions remain concerning the possible design of a fish marketing board.

1. How similar (or different) are the circumstances of fishermen to those of farmers (i.e. what special constraints apply to fishermen?)?
2. Is there adequate support among the primary producers?
3. Would the other participants in the industry agree to such a plan? If so, how much say should they have? If not, do they have the political power to veto the plan?
4. Would the provinces agree? Should the marketing board be controlled at the regional, provincial level or both?
5. Who should be excluded from the marketing plan - marginal fishermen and/or large efficient firms? Would such exclusions undermine marketing board actions?
6. Should the board have control over all species or would it be better to have separate boards for different classes of species?
7. How would provincial quotas be allocated - on the basis of past production or comparative advantage?

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8. What powers should the marketing board be endowed with? Should it be concerned primarily with promotion and market development? Or with organizational and informational aspects? Should it be mainly a co-ordinating agency? Should it have the power to engage in collective bargaining, licensing, etc? Should it indulge in supply management and direct pricing?
9. Will the marketing board promote rationalization or will its policies reflect welfare considerations? Will it promote regional development?
10. Should it have the power to bargain in international markets?

The overall acceptance of an Atlantic Region Fish Marketing Board will largely be determined by its makeup and invested powers. Some compromising will be necessary. Answers to some of the above questions will be aided by empirical analysis. Answers to others will be a matter of judgement.

If it is decided that further study on a marketing board for the Atlantic Region is warrented (and "a priori" arguments suggest that it is), then the following plan of study is suggested.

1. First of all, some empirical content should be given to the theoretical arguments for fish marketing boards outlined above. The

necessary support data[1] is available and should not require too much time to analyze. This should be general and apply to all Atlantic provinces.

2. Secondly, answers to some of the above questions concerning the design of a marketing board should be attempted. In order to keep it manageable, this part of the study should proceed on a province by province basis. This will have to be done at some stage anyway since the relative importance of fisheries varies from province to province, the conditions of the industry varies and the relative importance of the various fish species varies.

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[1]For example, price variability at the primary level and the regional variation in prices. A subsequent study on these aspects will be forthcoming in the near future.

TABLE 1 - PRODUCTS UNDER MARKETING BOARD JURISDICTION, CANADA, 1972 AS COMPARED TO 1967

Province	1972	1967
British Columbia	Grains, dairy, broilers, turkeys, eggs, fruit, potatoes and other vegetables	Grains, broilers, turkeys, eggs, potatoes and other vegetables
Alberta	Grains, cattle, hogs, sheep and wool, dairy, broilers, turkeys, eggs and fowl, potatoes and other vegetables	Grains, broilers, turkeys, potatoes and other vegetables
Saskatchewan	Grains, hogs, dairy, broilers, turkeys, eggs and honey	Grains, broilers, turkeys and honey
Manitoba	Grains, hogs, dairy, broilers, turkeys, eggs, vegetables and honey	Grains, hogs, vegetables and honey
Ontario	Winter wheat, seed corn, soybeans, hogs, dairy, broilers, turkeys, eggs and fowl, fruits, vegetables, tobacco, dried beans and sugar beets	Winter wheat, seed corn, soybeans, hogs, dairy, broilers, turkeys, eggs and fowl, fruits, tobacco, dried beans and sugar beets
Quebec	Dairy, poultry, eggs, fruits, vegetables, tobacco, pulpwood and maple products	Dairy, eggs, fruits, vegetables, tobacco, pulpwood and maple products
New Brunswick	Hogs, dairy, broilers, eggs, fruits and pulpwood	Hogs, dairy, broilers and pulpwood
Nova Scotia	Hogs, dairy, broilers, turkeys, eggs and pullets and wool	Hogs, dairy, broilers and wool
Prince Edward Island	Hogs, dairy, potatoes and other vegetables	Potatoes
Newfoundland	Eggs	---

SOURCES: Tables 1 - 6: Marketing Boards in Canada 1972-73, Agriculture Canada, August 1974.

Table 7: G.A. Hiscocks and T.A. Bennett, Marketing Boards and Pricing in Canada. Canadian Farm Economics, June 1974.

TABLE 2 - NUMBER OF MARKETING BOARDS AND VALUE OF RECEIPTS, BY COMMODITY, BY PROVINCE, CANADA, 1972

Commodity	Number of Boards	Province	Value of Receipts
			thousand dollars
Grains	1	Manitoba	9,500
	2	Ontario	26,456
	3		35,956
Oilseeds	1	Ontario	50,000
Hogs	1	Alberta	100,000
	1	Manitoba	70,000
	1	Ontario	174,547
	1	New Brunswick	3,481
	1	Nova Scotia	5,770
	1	Prince Edward Island	8,000
	6		361,798
Sheep and Wool	1	Alberta	4,332
Dairy	1	British Columbia	53,044
	1	Alberta	49,761
	1	Saskatchewan	11,317
	1	Manitoba	14,367
	2	Ontario	302,361
	5	Quebec	305,224
	2	New Brunswick	10,682
	1	Nova Scotia	17,786
	2	Prince Edward Island	9,632
	16		774,174
Broilers	1	British Columbia	16,625
	1	Alberta	18,000
	1	Saskatchewan	3,705
	1	Manitoba	5,100
	1	Ontario	59,500
	1	New Brunswick	4,000
	1	Nova Scotia	6,344
	7		113,274
Turkeys	1	British Columbia	6,000
	1	Alberta	5,000
	1	Saskatchewan	2,358
	1	Manitoba	5,450
	1	Ontario	24,939
	5		43,747
Broiler Turkeys	1	Quebec	84,317
Eggs	1	British Columbia	23,000
	1	Alberta	14,927
	1	Saskatchewan	5,225
	1	Manitoba	2,715
	1	Quebec	11,633
	1	New Brunswick	4,545
	1	Nova Scotia	11,000
	1	Newfoundland	3,100
	8		76,145
Fruits	3	British Columbia	20,138
	6	Ontario	30,454
	9		50,592
Vegetables	3	British Columbia	12,929
	2	Alberta	2,156
	2	Manitoba	4,680
	3	Ontario	36,335
	1	Quebec	51
	1	Prince Edward Island	240
	12		56,391
Tobacco	1	Ontario	141,623
	2	Quebec	8,407
	3		150,030

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TABLE 2 - NUMBER OF MARKETING BOARDS AND VALUE OF RECEIPTS, BY COMMODITY, BY PROVINCE, CANADA, 1972 (concluded)

Commodity	Number of Boards	Province	Value of Receipts
			thousand dollars
Pulpwood	14	Quebec	22,727
	1	New Brunswick	1,128
	15		23,855
Other			
Dried Beans	1	Ontario	17,056
Honey	1	Manitoba	3,200
Maple Products	1	Quebec	665
Wool	1	Nova Scotia	56
	4		20,977
Sub-total	91		1,845,588
Canadian Wheat Board	1		1,141,052
Total Boards Reporting Receipts	92		2,986,640
Educational & Promotional			
Cattle & Potatoes	2	Alberta	
Eggs	1	Ontario	
Dairy	1	New Brunswick	
Vegetable	1	Prince Edward Island	
	5		
New (less than a full year's operation in 1972 and, thus, no reported receipts)			
Hogs	1	Saskatchewan	
Apples	1	New Brunswick	
Turkeys	1	Nova Scotia	
	3		
Inactive			
Honey	1	Saskatchewan	
Onions	1	Ontario	
Sugar Beets	1	Ontario	
Blueberries	1	Quebec	
	4		
Total - Boards with no reported receipts	12		
Total Boards in existence for 1972	104		

TABLE 3 - NUMBER OF MARKETING BOARDS IN CANADA, BY PROVINCE, 1967-1972

Province	1967	1968	1969	1970	1971[a]	1972
British Columbia	8	9	9	9	10	10
Alberta	4	4	7	8	9	10
Saskatchewan	3	3	3	4	4	5
Manitoba	3	5	5	5	7	9
Ontario	22	21	20	20	20	20
Quebec	64	64	64	32	25	25
New Brunswick	5	5	5	5	7	8
Nova Scotia	3	3	3	3	4	6
Prince Edward Island	1	1	1	1	5	5
Newfoundland	0	0	0	1	1	1
Canadian Wheat Board	1	1	1	1	1	1
Total Active Boards	114	116	118	89	93	100
Inactive Boards	1	3	4	5	4	4
Total - All Boards	115	119	122	94	97	104

a First year including seven dairy boards not reported on in previous years.

TABLE 4 - NUMBER OF PRODUCERS WHOSE PRODUCTS WERE UNDER JURISDICTION OF MARKETING BOARDS IN CANADA, BY PROVINCE, 1967-1972

Province	1967	1968	1969	1970[c]	1971[d]	1972
	numbers [ab]					
British Columbia	5,196	4,866	5,028	4,754	6,004	6,011
Alberta	861	801	28,162	81,162	84,743	102,925
Saskatchewan	405	372	324	652	955	895
Manitoba	11,229	9,502	11,340	11,290	10,353	14,305
Ontario	146,221	124,793	113,004	111,155	116,313	112,271
Quebec	52,118	60,108	87,094	79,692	80,021	67,343
New Brunswick	7,776	6,442	5,092	4,980	4,791	4,731
Nova Scotia	2,052	2,024	1,806	1,804	2,297	2,444
Prince Edward Island	4,500	4,500	4,500	4,500	8,300	8,170
Newfoundland	-	-	-	-	70	70
Sub-Total	230,358	213,408	256,350	299,989	313,847	319,165
Canadian Wheat Board	198,054	192,057	189,532	187,918	175,641	176,886
Total	428,412	405,465	445,882	489,907	489,488	496,051

a Some double counting as a number of farmers may be members of more than one board.
b No producer figures are included for inactive boards.
c Revised to include producers under the Alberta Cattle Commission.
d Included are 4,844 producers under the seven dairy boards which were not reported on in previous years.

TABLE 5 - PRODUCERS' RECEIPTS UNDER MARKETING BOARDS AND PROPORTION OF THESE RECEIPTS OF FARM CASH RECEIPTS, BY PROVINCE, 1971 and 1972

Province	1971[a]			1972		
	Farm cash receipts from sales of agricultural products	Producers' receipts		Farm cash receipts from sales of agricultural products	Producers' receipts	
		Value[b]	Proportion		Value[b]	Proportion
	thousand dollars		percent	thousand dollars		percent
British Columbia	221,668	127,609	58	243,447	140,495	58
Alberta	803,673	342,400	43	921,794	452,372	49
Saskatchewan	915,457	529,486	58	1,200,782	732,481	61
Manitoba	378,415	159,055	42	484,370	279,233	58
Ontario	1,387,619	749,307	54	1,581,364	863,271	55
Quebec	686,044	396,783	58	776,678	433,024	56
New Brunswick	51,633	15,722	30	64,151	23,836	37
Nova Scotia	64,383	26,988	42	70,147	40,956	58
Prince Edward Island	39,111	7,983	20	44,017	17,872	41
Canada[c]	4,584,003	2,355,333	52	5,386,750	2,983,540	55

a Revised
b Producers' receipts for some Marketing Boards are reported on a crop year basis
c Newfoundland not included

TABLE 6 - PRODUCERS' RECEIPTS UNDER MARKETING BOARDS AND PROPORTION OF THESE RECEIPTS OF FARM CASH RECEIPTS BY COMMODITY, 1971 AND 1972

Commodity	1971[a]			1972		
	Farm cash receipts from sales of agricultural products	Producers' receipts		Farm cash receipts from sales of agricultural products	Producers' receipts	
		Value	Proportion		Value	Proportion
	thousand dollars		percent	thousand dollars		percent
Grains[b]	948,385	873,144	92	1,246,250	1,177,008	94
Oilseeds	221,092	28,149	13	240,342	50,000	21
Cattle and calves	1,079,976	-	-	1,195,837	-	-
Hogs	443,538	239,842	54	575,712	361,798	63
Sheep and lambs	7,897	-	-	9,062	4,032	44
Dairy products	806,033[d]	675,276	84	880,226[d]	774,174	88
Poultry	262,578	202,514	78	295,853	241,338	81
Eggs[e]	151,717	52,044	34	163,777	73,045	45
Fruits	84,402	47,555	56	87,127	50,592	58
Vegetables[c]	173,612	51,912	30	201,640	56,391	28
Tobacco	135,347	135,347	100	150,030	150,030	100
Other	233,426	49,550	21	340,894	45,132	13
Total[e]	4,548,003	2,355,333	52	5,386,750	2,983,540	55

a Revised.
b Wheat, oats, barley, rye, corn and C.W.B. and net cash advance payments.
c Includes potatoes.
d Includes dairy supplementary payments.
e Newfoundland not included.

TABLE 7. POWERS AND PROCEDURES OF PROVINCIAL MARKETING BOARDS 1973

	Pooling	Establish Consumer & Wholesale Price	Establish Producer Price	Type of Pricing	Quotas	Licensing	Seizure & Disposal	Control of Interprovincial & Export Trade	Import Control	Purchase & Sell	Market Information	Market Development Domestic	Market Development Export	Promotion
1. Grains														
Alberta to Grain Commission											X			X
Manitoba Feed Grain Mk. Comm.	X		Min.	Fx.		X				X				X
Ontario Seed Corn Growers M.B.			Min.	N		X								
Ontario Wheat Producers M.B.			Min.	N		X		X		X				
Ontario White Bean Prod. M.B.	X		Min.	Fx.		X		X		X				X
Ontario Soybean Producers M.B.			Min.	Fx.		X								
2. Sheep, Wool & Cattle														
Alberta Sheep & Wool Comm.						X								X
Alberta Cattle Comm.						X						X		X
Saskatchewan Sheep & Wool Mk. Comm.												X		X
Nova Scotia Wool Mk. Bd.			Fx.	Fx.		X	X	X						
3. Hogs														
Alberta Hog Mk. Bd.			Tele-Type			X							X	X
Saskatchewan Hog Mk. Comm.			M & M	N		X							X	X
Manitoba Hog Producer Mk. Bd.			Tele-Type		M	X							X	X
Ontario Pork Producers Mk. Bd.			Tele-Type			X		X						
New Brunswick Hog Mk. Bd.			M & M	Fx.	M			X						X
Nova Scotia Hog Mk. Bd.			Min.	Fx.		X		X						
Prince Edward Island Hog Comm.			Fx.	Fx.		X								
4. Dairy														
British Columbia Milk Bd.			Min.	F	M	X								
Alberta Dairy Control Bd.		C+W	Min.	N	M	X								
Milk Control Bd. of Saskatchewan		C(Min+Max)	Min.	N	M	X								
Milk Control Bd. of Manitoba		C(Max)	Min.	N	M	X								
Ontario Milk Marketing Board			Min.	F+N	M	X		X						
Federation of Ind. Milk Producers-Quebec			Min.	N	P+M			X						
Carnation Milk Prod. Bd.			Min	N	P+M									
Creamerie Revelation Bd.			Min	N	P+M									
Federation of Quebec Milk Pr.			Min	N	P	X								
New Brunswick Dairy Prod. Comm.		C+W	Min	F	M									
New Brunswick Cream Pr. M.B.			Fx	Fx	M									
New Brunswick Cheese M.B.			Fx	Fx	M	X	X							
Nova Scotia Dairy Commission			Fx	Fx		X								
Prince Edward Island Milk Control Bd.		C+W	Fx	Fx		X								
5. Eggs														
British Columbia Egg Mk. Bd.	X	W	Min	Fx	M	X		X						X
Alberta Egg & Fowl Mk. Bd.		W	Min	Fx	M	X								X
Saskatchewan Comm. Egg Pr. Mk. Bd.		W	Min	N	M	X	X	X						
Manitoba Egg Producers' Mk. Bd.	X		Min	Fx	M	X				X				X
Ontario Egg & Fowl Prod. Mk. Bd.			Fx	Fx	M	X		X		X				
Federation of Prod. of Eggs, Quebec			Min	N	M	X		X						
New Brunswick Egg Mk. Bd.			M+M	N	M	X	X							X
Nova Scotia Egg & Pullet Mk. Bd.			Min	N	M	X				X				X
Prince Edward Island Egg Prod. Comm. Bd.			Min	Fx	P+M	X								X
Newfoundland Egg Mk. Bd.		W+C	M+M	N	M	X								X
Ontario Started Pullet Mk. Bd.					M	X								X

6. Broilers														
British Columbia Broiler Mk. Bd.	X		M+M	N	M	X	X	X	X					X
Alberta Broiler Grower's Mk. Bd.			Min	N	M	X	X	X						
Saskatchewan Broiler Chick Pr. Mk. Bd.			M+M	N	M	X		X						
Manitoba Broiler Chick Pr. Mk. Bd.			M+M	N	M	X				X				X
Ontario Broiler Chick Pr. Mk. Bd.			Min	Fx	M	X		X		X				X
Federation of Quebec Poultry Producers			Min	N	P+M	X								
New Brunswick Broiler Gr. Mk. Bd.			M+M	N	M	X								X
Nova Scotia Chicken Mk. Bd.			Min	N	M	X		X						X
7. Turkeys														
British Columbia Turkey Mk. Bd.	X		Min	Fx	M	X	X	X	X					X
Alberta Turkey Growers Mk. Bd.			Min	N	M	X		X						
Saskatchewan Turkey Mk. Bd.			M+M	N	M	X	X	X		X				
Manitoba Turkey Prod. Mk. Bd.			M+M	Fx	M	X				X				X
Ontario Turkey Prod. Mk. Bd.			Min	N	M	X		X						X
8. Fruit														
British Columbia Fruit Bd.	X		M+M	Fx		X	X	X						X
British Columbia Cranberry Mk. Bd.	X				M	X	X							X
British Columbia Grape Mk. Bd.			Min	Fx										X
Ontario Apple Producers' Mk. Bd.			Min	Fx		X								
Ontario Berry Grow. for Processing Bd.			Min	N		X		X						
Ontario Fresh Fruit Growers' Mk. Bd.			Min	Fx		X		X						
Ontario Fresh Grape Grow. Mk. Bd.			Min	Fx		X		X						
Ontario Grape Growers' Mk. Bd.	X		Min	N		X		X						
Ontario Tender Fruit Mk. Bd.	X		Min	Fx	M	X		X						X
Saguenay—Lake St. John Blueberry Prod. Mk. Bd.			Min	N	P+M									
New Brunswick Apple Mk. Bd.			M+M	N	M	X	X							
9. Vegetables														
British Columbia Coast Veg. Mk. Bd.	X	W.C.	M+M	Fx	M	X	X	X						X
British Columbia Interior Veg. Mk. Bd.	X	W.C.	M+M	Fx	M	X	X	X						X
British Columbia Mushroom Mk. Bd.	X		Min	Fx	M	X								X
Alberta Fresh Veg. Comm.						X								X
Alberta Potato Comm.						X		X						X
Alberta Veg. Growers' Mk. Bd.			Min	Fx		X								
Manitoba Veg. Prod. Mk. Bd.	X		M+M	N	M	X				X				X
Manitoba Root Crop Prod. Mk. Bd.	X				M	X				X				
Ontario Asparagus Grow. Mk. Bd.	X		Min	N	M	X		X		X				
Ontario Greenhouse Veg. Prod. Mk. Bd.			Min	Fx		X		X						
Ontario Onion Prod. Mk. Bd.					M	X		X						X
Ontario Veg. Growers' Mk. Bd.			Min	N		X								X
Quebec Tomato Grow. Mk. Bd.			Min	N									X	
Prince Edward Island Veg. Commodity Mk. Bd.	X		Min	Fx			X	X						X
Prince Edward Island Potato Mk. Bd.			Min	Fx		X		X				X		X
Ontario Winter Celery Grow Mk. Bd.			Min	N		X								
10. Tobacco & Honey														
Ontario Flue-Cured Tobacco Gr. Mk. Bd.	X		Min	P.M.	X	X	X							
Quebec Cigar & Pipe Tob. Gr. Mk. Bd.			Min	P.M.	X									
Quebec Flue-Cured Tob. Grow. Mk. Bd.			Min	P.M.			X							
Saskatchewan Honey Prod. Mk. Bd.	X		Min		X	X								
Manitoba Honey Mk. Bd.			M+M		X	X								

Key to Abbreviations Used

Maximum	Max.	Formula Pricing	F.
Minimum	Min.	Negotiation	N.
Fixed	Fx.	Marketing	M.
Consumer	C.	Productions	P.
Wholesale	W.	Minimum & Maximum	M+M

Source: Economics Branch, Agriculture Canada.