

MARKETING BOARDS

&

IMPORT CONTROL.

By

M. PHILIPS. PRICE.

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APPENDIXES

For a useful summary of the provisions of the legislation and administrative actions which have created the new Agricultural Policy now in operation in this country, see *The Agricultural Register, 1933-4* (Oxford: Agricultural Economics Research Institute; 3s. 6d.). The following extracts are taken from this source:

I THE AGRICULTURAL MARKETING ACT, 1933

GENERAL

The most important principle introduced by this Act was the power to regulate supplies, both of imports and of home-grown produce. The Agricultural Marketing Act, 1931, had already provided machinery to enable a majority of producers of a commodity to regulate the marketing of their produce by methods which would be binding on the minority. Without this element of compulsion, marketing schemes would have been likely to fail, as they had failed in the past, but if farmers were to surrender their right to market their goods in their own way, they would expect compensation in the form of better prices, and it was objected that the adoption of measures for joint marketing of home supplies without measures for controlling the volume of import of produce from abroad, would not necessarily affect prices at all.

In fact, only one scheme was prepared under the 1931 Act alone, viz. for hops, a crop already protected by heavy import duties.

The declarations of the National Government, which came into office very soon after the passing of the 1931 Act, and its actions in negotiating the Ottawa Agreements and in limiting certain imports of agricultural produce by agreement with the chief exporting countries, justified the preparation of further schemes, and led naturally to the Agricultural Marketing Act of 1933. Under this Act, the reorganization of the marketing of any home grown agricultural product may proceed under the shelter of an order regulating the imports of that product. It may be said, therefore, that the machinery for formulating and operating schemes for the reorganization of agricultural marketing is provided mainly by the 1931 Act while the inducement to use it is the Act of 1933. The two Acts should be read together.

MARKETING SCHEMES

Under the Acts a scheme to regulate the marketing of any agricultural product or secondary product derived from an agricultural product may be submitted to the Minister, either by a representative body of the producers themselves, or by a Marketing Reorganization Commission constituted by the Minister. Up to the end of 1933, nine schemes had been submitted. Three of them (Pigs, Bacon, Milk) were based on recommendations of Reorganization Commissions; the remainder were drawn up and submitted by the producers or by their immediate representatives, direct.

When a scheme has been submitted, opportunities must be provided for objections to be raised to it, and a public inquiry must be held. If the Minister is satisfied that the scheme will conduce to the more efficient production and marketing of the product, he may then lay it, with or without modifications, before Parliament. If Parliament resolves that the scheme shall be approved, the Minister makes an order approving it, and specifying the date on which it shall come into force. Up to the end of 1933, the following schemes had been approved and brought into operation:

<i>Regulated product</i>	<i>Area of scheme</i>	<i>Date on which principal provisions were brought fully into operation</i>
Hops	England and Wales	6 Sept. 1932
Milk	Scotland (South of Grampians)	1 Dec. 1933
Pigs	Great Britain	9 Sept. 1933
Bacon	Great Britain	9 Sept. 1933
Milk	England and Wales	6 Oct. 1933
Potatoes	Great Britain	Approved, but not yet in operation

Every scheme must provide for the registration of every producer who applies to be registered, and it must constitute a board to administer the scheme. The next step, after the scheme has been approved by the Minister, is for a poll of the registered producers to be taken at which there must be a two-thirds majority of producers, who must represent two-thirds of the productive capacity of the producers, in favour of the scheme. Failing these majorities the scheme lapses, as did the Scottish Raspberry Marketing Scheme, for example.

In the meantime the imports of the product may be limited by the Board of Trade, having regard to the interests of consumers and to the effect that the limitations are likely to have upon the actions of other countries. The sales of the home-produced supplies of the product may be regulated by the Minister.

BOARDS, COMMITTEES, AND BODIES CREATED UNDER THE ACTS

Provision is made for various bodies to be set up under the Acts :

(a) *Agricultural Marketing Reorganization Commissions*, each of which consists of a chairman and four other members appointed by the Minister. Their duties are to prepare marketing schemes which the Minister shall bring to the notice of the producers concerned, to investigate matters affecting any other schemes, to recommend measures to promote co-operation between marketing boards and other persons, etc.

(b) *A Marketing Board* for each product for which a scheme is submitted. The constitution of each board depends on the provision of the scheme. Its duties are to administer the scheme.

The following Marketing Boards had been set up by the end of 1933 :

	<i>Date on which scheme comes into force</i>
Hops Marketing Board	8 July 1932
Scottish Milk Marketing Board	26 May 1933
Bacon Marketing Board	6 July 1933
Pigs Marketing Board	6 July 1933
Milk Marketing Board	29 July 1933
Potato Marketing Board	21 Dec. 1933

(c) *A Development Board* for each development scheme, consisting of a chairman and two other persons appointed by the Minister, together with a number of others elected by the constituent marketing boards. Its duties are to administer the scheme.

No Development Boards have yet been set up.

(d) *Consumers' Committees*. There is one for England and Wales, one for Scotland, and one for Great Britain. Each consists of a chairman and not less than six other members, appointed by the Minister, representing the interests of the consumers of all products regulated under the Acts. Their duties are to report on the effect of schemes on consumers and on complaints made by consumers.

The Consumers' Committees consist of the members of the Food Council, which was reconstituted on 8 December, 1933.

(e) *Committees of Investigation*, which correspond to Consumers' Committees, each consisting of a chairman and four other members, appointed by the Minister. Their duties are to report on the reports made by the Consumers' Committees and on complaints outside the scope of Consumers' Committees.

Only one committee has been appointed. It will act both as the Committee for England and Wales and as the Committee for Great Britain.

(f) *A Market Supply Committee*. This is composed of a chairman and not more than four other persons, appointed by the Minister of Agriculture and Fisheries and the Secretaries of State concerned with agriculture in Scotland and Northern Ireland. Its duties are to review the circumstances affecting the supply of agricultural products in the United Kingdom, to recommend steps for regulating the supply, etc.

(g) *Agricultural Marketing Facilities Committees*. There is one for England and Wales, one for Scotland, and a third, composed of members of the other two, for Great Britain, appointed by the Minister. Their duties are to consider the making and renewal of loans out of the Agricultural Marketing Funds.

POWERS OF MARKETING BOARDS

The powers which a Marketing Board may exercise include the following :

1. to buy the regulated product and to manufacture other products from it ;
2. to sell, grade, pack, store, adapt for sale, insure, advertise, and transport the product ;
3. to require the registered producers to market the product, in such quantities as may be determined, only to or through the agency of the Board ;
4. to buy, and to sell or hire to producers anything required to produce, adapt, or sell the product ;
5. to determine the description of the product which may be sold, and the price at, below, or above which, the terms on which, and the persons to or through whose agency, the product may be sold ;
6. to regulate grading, marking, packing, storing, adaptation for sale, insuring, advertising, and transporting ;
7. to demand information from producers ;
8. to promote or conduct co-operation, research, and education.

And every scheme must provide among other things that :

1. with few exceptions unregistered producers may not sell the product ;
2. the Board may impose penalties for contravention of the provisions of the scheme ;
3. a fund be contributed by the producers to be used by the Board for working the scheme.

FINANCIAL PROVISIONS

The funds provided for under the Acts are :

1. a fund for each marketing board, constituting its ordinary revenue, contributed by the producers and used for working the scheme ;
2. an Agricultural Marketing Fund for England and Wales ;
3. an Agricultural Marketing (Scotland) Fund.

The latter two are provided out of parliamentary funds and are administered by the Minister of Agriculture and Fisheries and the Department of Agriculture for Scotland respectively, acting on the advice of the Agricultural Marketing Facilities Committees. They exist for making loans to marketing boards, especially short-term loans in connection with the initial working of marketing schemes.

Loans of this kind have been made as follows :

- Hops Marketing Board, £550 (re-paid).
- Scottish Milk Marketing Board, £1,500.
- Pigs Marketing Board, £9,300.
- Milk Marketing Board, £22,250 (re-paid).

AMENDMENTS, &c., OF MARKETING SCHEMES

A marketing scheme may be amended or revoked by the Minister, acting on the report of the appropriate Committee of Investigation and after consulting the Board of Trade. Such action must be ratified by Parliament.

II THE AGRICULTURAL MARKETING (No. 2) ACT, 1933

The purpose of this Act was to increase the financial powers of marketing boards and to extend the power to make loans to them.

III REGULATION OF THE IMPORT OF AGRICULTURAL PRODUCTS, &c.

A *The Ottawa Agreements Act 1932*

The purpose of the Act was to give effect to the agreements reached at the Imperial Economic Conference 1932.

MAIN PROVISIONS

- 1 Customs duties, in addition to those already chargeable, shall be payable on certain imports into the United Kingdom. (*See list of orders below.*)
- 2 No such duties, nor duties under the Import Duties Act 1932, shall be charged on Empire products.

- 3 and 4 Increased preference is given for Empire wines, tobacco and coffee.
- 5 The Board of Trade may prohibit the imports of foreign goods of which the prices are manipulated so as to frustrate the preferences given to Empire products.
- 6 The Treasury may, in certain cases, add goods to the free list (of the Import Duties Act 1932) without any recommendation of the Import Duties Advisory Committee.
- 7 The Board of Trade may regulate imports into the United Kingdom of frozen mutton, frozen lamb, frozen beef and chilled beef in accordance with the "scheduled agreements" with Australia and New Zealand.
- 8 Subject to certain conditions, all Canadian cattle may be admitted into the United Kingdom.
- 9 to 14 Various other provisions.

The provisions of Section 1 of the Act were brought into operation as shown in the following table on 17 November 1932 :—

<i>Class or description of Goods.</i>	<i>Rate of duty.</i>
Wheat in grain	2s per qtr of 480 lb
Maize, flat, white	10 per cent a.v.
Butter	15s per cwt
Cheese	15 per cent a.v.
Eggs in shell :	
(a) not exceeding 14 lb in weight, per 120	1s per 120
(b) over 14 lb but not exceeding 17 lb in weight, per 120	1s 6d ,,
(c) over 17 lb in weight, per 120	1s 9d ,,
Condensed milk, whole :	
Not sweetened	6s per cwt
Sweetened, or slightly sweetened	5s ,,
Milk powder and other preserved milk excluding condensed, not sweetened	6s ,,
Fresh or raw fruit :	
Apples (except apples consigned to registered cider factories)	4s 6d per cwt
Pears	4s 6d ,,
Grapes, other than hothouse (from 1 February to 30 June)	1½d per lb
Peaches and Nectarines (from 1 December to 31 March)	14s per cwt
Plums (from 1 December to 31 March)	9s 4d per cwt
Preserved or dried fruits :	
Apples preserved in syrup	3s 6d ,,
Figs and fig cake, plums (commonly called French plums and prunellos), plums not otherwise described, prunes, and raisins	3s 6d ,,
Other fruits (except stoned cherries) preserved in syrup	15 per cent a.v.
Honey	7s per cwt
Linseed (1932, No. 1079)	10 per cent a.v.
Cod Liver Oil (1933, No. 644)	1s 4d per gall.

No frozen mutton, frozen lamb, frozen beef or chilled beef produced outside the British Empire may be imported into the United Kingdom, except under licence issued by the Board of Trade in accordance with the agreements with Australia and New Zealand, see Section 7 of the Act (1932, No. 992).

B SUMMARY OF OTHER TRADE AGREEMENTS

<i>Commodity</i>	<i>Duty</i>	<i>Agreement</i>	<i>Provisions</i>
Annato colouring	10% <i>a.v.</i>	Denmark	..
Bacon and hams	Free	Denmark	If regulated, the allocation to Denmark shall be 62 per cent of the foreign imports.
		Argentina	No new duties to be imposed on imports into United Kingdom.
		Sweden	Discussion before quantitative regulation. No foreign country except Denmark to receive minimum percentage allocation.
		Norway	Efforts to be made to leave supplies from Norway unregulated.
		Latvia	
		Estonia	Opportunity for discussion to be given before quantitative regulation, if any is undertaken.
		Finland	
		Lithuania	
Beef, chilled	Free	Argentina	No restriction on imports in any quarter of a year below quantity imported in corresponding quarter of year ending 30 June 1932, except when necessary to secure remunerative prices in the United Kingdom. Imports will not be reduced more than 10 per cent unless proportionate reductions in chilled and frozen meat imports from all meat exporting countries.
Bilberries	Free	Norway	
Bran and pollards	Free	Argentina	No quantitative restrictions to be imposed on imports into the United Kingdom.
Butter		Denmark	If regulated, not less than 2,300,000 cwt per year.
		Sweden	If regulated, not less than 185,000 cwt per year.
		Norway	Efforts to be made to leave supplies from Norway unregulated.
		Latvia	
		Estonia	Previous discussion, if supplies regulated.
		Lithuania	
		Finland	If regulated, not less than 198,000 cwt per year.
Calcium cyanamide	Free	Norway	
Casings	Free	Argentina	No quantitative restrictions to be imposed upon imports into United Kingdom.
Cheese presses	15% <i>a.v.</i>	Denmark	..

SUMMARY OF OTHER TRADE AGREEMENTS (Cont.)

<i>Commodity</i>	<i>Duty</i>	<i>Agreement</i>	<i>Provisions</i>
Churns for butter-making	15% <i>a.v.</i>	Denmark	..
Churns for conveying milk	15% <i>a.v.</i>	Denmark	..
Churns and butter-makers combined	15% <i>a.v.</i>	Denmark	..
Cream in hermetically sealed con- tainers	10% <i>a.v.</i>	Denmark	..
Cream separators	15% <i>a.v.</i>	Denmark	..
	15% <i>a.v.</i>	Sweden	..
Coconut oil	15% <i>a.v.</i>	Denmark	..
Eggs in shell		Denmark	5½ million great hundreds per annum, and in the event of further restriction not less than 38 per cent of foreign imports.
(a) not exceeding 14 lb. per 120	1s. per 120	Sweden	
(b) over 14 lb. not exceeding 17 lb. per 120	1s. 6d. per 120	Norway	In the event of quantitative regulation, opportunities for discussion will be given.
(c) over 17 lb. per 120	1s. 9d. per 120	Latvia	
		Estonia	
		Finland	
Fish meal except herring meal ..	10% <i>a.v.</i>	Norway	..
Hay and straw	Free	Sweden	..
		Norway	..
Hay and grass mowers	15% <i>a.v.</i>	Sweden	..
Herring meal	Free	Norway	..
Horsehair	Free	Argentina	No quantitative restrictions to be imposed on imports into United Kingdom.
Horseradish	10% <i>a.v.</i>	Sweden	..
Linseed	10% <i>a.v.</i>	Argentina	No new or increased duties or quantitative restriction to be imposed on these commodities.
Maize	Free	Argentina	No new duties or quantitative restriction to be imposed on this commodity.
Meat	Free	Argentina	No duties to be levied.
Milking machines	15% <i>a.v.</i>	Sweden	..
Mutton and lamb chilled or frozen	Free	Iceland	No reduction shall be applied to imports from Iceland proportionately greater than that applied to imports from other foreign countries.
Nitrate of lime	Free	Norway	..

SUMMARY OF OTHER TRADE AGREEMENTS (Cont.)

Commodity	Duty	Agreement	Provisions
Premier jus		Argentina	No quantitative restrictions to be imposed on imports into United Kingdom.
Raw wool		Argentina	No quantitative restrictions to be imposed on imports into United Kingdom.
Rennet	10% <i>a.v.</i>	Denmark
Seeds :			
Alsike clover	10% <i>a.v.</i>	Sweden
Cocksfoot grass		Sweden
Meadow fescue	10% <i>a.v.</i>	Denmark
<i>Poa trivialis</i>
Sharps and middlings		Argentina	No quantitative restrictions to be imposed on imports into United Kingdom.
Unrefined tallow		Argentina	No quantitative restrictions to be imposed on imports into United Kingdom.
Wheat	2s. qtr	Argentina	No new or increased duties or quantitative restrictions upon imports into United Kingdom.
Yeast	4s. per cwt	Denmark

Duties and other regulations have also been imposed on Agricultural Products under other Acts, the most important of which were The Import Duties Act, 1932, and The Irish Free State (Special Duties) Act, 1932.