

## APPENDIX VII.

## BRITISH AGRICULTURAL MARKETING ACTS.

## AGRICULTURAL MARKETING ACT, 1931.

A summary of the British Agricultural Marketing Acts, which are the result of the changes in agricultural policy in the United Kingdom, commences with the Act passed in July, 1931, under which a sufficient majority of the producers of any agricultural product was permitted, subject to the approval of the Minister of Agriculture and of Parliament, to adopt by vote a scheme regulating the marketing of that product, which would subsequently be binding on the minority who had voted against as well as on the majority who had declared in favour. It was, in fact, an Act to protect the main body of producers against minorities who could otherwise wreck any policy which the industry might attempt to pursue in its common interest. There had, for example, been a voluntary hops scheme supported by more than 90 per cent. of the producers, which had collapsed through the action of a numerically insignificant minority.

The Act provided for the conferring of powers upon Boards or other bodies to be constituted in connection with any such marketing schemes for the establishment of agricultural marketing funds for the purpose of making loans to the Boards, and for the encouragement of agricultural co-operation, research, and education. Schemes could be submitted to the Minister of Agriculture by producers or their representatives, this procedure being formally required even if, as has since been usual, the schemes were drafted by a Reorganization Commission set up by the Government.

For the producer there was the safeguard that no scheme could remain in force without the affirmative vote both of two-thirds of the registered producers of the product concerned, and of registered producers capable of producing two-thirds of the quantity which could be produced by all taking part in the vote. For the public interest there was the requirement of consultation between the Ministry of Agriculture and the Board of Trade, the provision for publication of a scheme and inquiry into objections before its approval by the Minister, who thenceforward took general responsibility for its scope, and the requirement of an affirmative resolution of each House of Parliament.

Extensive powers could be conferred on a Board under an approved scheme, including the right to assume a monopoly in selling the regulated product, or to determine "the price at, below, or above which . . . and the persons to whom, the produce may be sold." It was further provided that every scheme must require that no sale of the regulated product should be made by any person who is not either a registered producer or a person exempted under the scheme.

During the passage of the Bill, Conservatives moved to add a section to provide for restrictions on the sale of foreign produce, but this was rejected. The Act thus remained applicable only to home-grown produce. There was, however, no power to control production.

The 1931 Act also enables the Minister to set up Agricultural Marketing Reorganization Commissions to prepare schemes for regulating the marketing of any agricultural product. An important part in the new agricultural policy has been played by the Reorganization Commissions, consisting of men and women chosen for general capacity in business, accountancy, research, administration, and so forth, who prepare reports after exhaustive study with the resources of the Ministry of Agriculture behind them. On such reports the leading schemes have been based.

## AGRICULTURAL MARKETING ACT, 1933.

A further Agricultural Marketing Act was passed in 1933. This gave power for the quantitative regulation of imports and for the control of production in Great Britain. It includes provision for the punishment of "every person who produces any article in contravention of any development scheme." The 1931 Act having provided for the control of marketing of home-produced commodities, the new Act was its logical extension. It provided also for bringing processors of agricultural products within the scope of schemes.

The regulation of imports of agricultural products, under order of the Board of Trade, was made conditional on proof that a scheme of efficient organization is under way in the interests of United Kingdom producers, and that the import regulation is necessary to the efficient organization and development of the United Kingdom agricultural industry. The Government are required to appoint a "Market Supply Committee" to review generally the supply of agricultural products in the United Kingdom and to make recommendations to the Government.

The 1933 Act also introduced the new model of organization, termed the Development Board. Previously, although both primary producers—for instance, of pigs—and secondary producers—for instance, of bacon—had had power to make schemes under the Act, they had had no power to establish and operate a joint authority for pursuing their common interests in the development of the industry as a whole. Under the 1933 Act two or more Boards may combine to establish a Development Board with wide powers over the industry, including the reduction, suppression, or prevention of redundancy in productive capacity.

## REORGANIZATION COMMISSION FOR PIGS AND PIG-PRODUCTS.

The report of the Lane-Fox Reorganization Commission for Pigs and Pig-products—the first of such reports—recommended, for the purpose of ensuring the regulated expansion of the United Kingdom's pig industry, that all bacon-supplies, whether home-produced or imported, should be