

Extracts from letter from The Sunmaid Raisin Growers Association  
dated Fresno Dec 11th, 1924.

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"Regarding the price of raisins our prices f.o.b. our California packing plants range on the packs most frequently handled by retail grocers from 8½ to 8 3-4 cents per lb. Before these raisins are bought by the Canadian consumer of course transportation charges and the wholesaler's and retailer's profit would have to be added also the present Canadian tariff on dried fruits which is two thirds of a cent per lb. The following is a brief summary of the Canadian Australian tariff agreement and the results which in our opinion will come, if this treaty is approved of by Parliament.

Here follows data of the changes caused by the Treaty

The principle disadvantages of the new 3 cent raisin tax from the viewpoint of the Canadian consumer are ; they will pay more than a million dollars annually additional for their raisins. Even though Australian raisins come in duty free, they will be sold to the Canadian consumer at the same price as Californian and Spanish raisins and currants which will have to pay the 3 cent tax. In addition to the increase of 2 and one third cents imposed by the new tax the price which will be paid by the Canadian consumer will be further increased by the increased margin which both the wholesale and retail grocer will take on raisins and currants. At a conservative estimate the Canadian consumer will have to pay 4 cents per lb more for raisins when the new tariff goes into effect than they are paying at the present time.

Australia will not benefit to any extent because the increase is not sufficient to permit her of competing with Californian raisins except on the Pacific Coast.

The farmer of Western Canada is one of the largest users of raisins and consequently a large share of the burden of the new tax on raisins will fall on him. To farmers and those who live in small town communities raisins have become almost an essential food as they are low in price and during the long winter months take the place of fresh fruits which are not available. Under the proposed new tariff consumers of Western Canada will have to pay at least 4 cents per lb more for their raisins.

Even with the advantage of entering Canada duty free while competing raisins have to pay a 3 cent tax Australian raisins will not be able to compete with California raisins except on the Pacific Coast territory. This is because the advantage given Australian raisins by the preference will be counterbalanced by the higher freight rates and carrying charges Australian raisins must face in reaching Canadian markets. Besides costing more to produce Australian raisins must pay an inland freight rate from the producing district to a port another freight charge for the trans-Pacific sea journey and a third freight charge from the Canadian port of entry to the point of consumption. In addition to these freight charges must be added insurance costs and charges for loading and unloading several times during the trip. Moreover the Australian raisin comes on the market in March about the time when the demand in Canada is least active and therefore the bulk of the crop will have to be kept in storage until the next fall. The Californian raisin crop is harvested in Sept or Oct and reaches the Canadian market just about when the demand is heaviest. The Californian raisins are only about 2 weeks distant as compared with 2 months distant for the Australian raisins and consequently there is less damage in transit. The Californian raisins include the "seeded" which is that commonly used in raisin pies and which has become extremely popular in Canada. There are no "seeded" raisins from Australia. Australian raisins are oil dipped which is a kind of raisin that has practically never been sold on the Canadian market and it will take Canadian grocers a lot of hard work and selling talk to persuade their customers to use them"

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