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are done away with and the fruit is put on the market at actual cost of transportation, the heavy additional commission that had previously been paid to a whole army of agents being entirely done away with. This difference at present all goes to the members of the co-operative companies. The consumer, while paying no less per barrel for his apples, is getting much better value when he buys a barrel of co-operative packed apples, for every co-operative company has to pack to a very high standard and every barrel is guaranteed.

Briefly, the co-operative scheme as we are working it in Nova Scotia cuts out all unnecessary expense and secures for the farmer the full value of his product and gives the consumer full value for his money.

We figure that the entire working expenses of the Central Association will not exceed three cents per barrel. Under the old regime the grower had to pay in commission, advanced charges, &c., anything from twenty-five to thirty-five cents per barrel, in addition to a number of heavy charges on the other side, so you will readily see that our present system effects a very real saving.

I do not know that we are working under any recognized school of co-operation, although the system we are working on more closely resembles the Rochdale system than any with which we are familiar.

We do not tie ourselves to that or any other school, preferring to develop our own system as we think it expedient. Our system is briefly this. Local companies are formed comprising a membership of about 40 to 80. These members agree to bring in the whole of their standard varieties of apples to be packed by their company and receive the average price made on each variety according to the quantity of No. 1, No. 2, and No. 3 that their fruit packs out. All fruit is packed in the warehouse under close inspection of officers from the Central Association. No member is allowed to pack any standard variety at home. The subsidiary company occupies the same position to the central company that the member does to the subsidiary company. The fruit of all companies is pooled and is entirely controlled by the central office, which issues instructions to all companies as to what to pack, when to pack and when to load, &c. The Central is in touch with all the markets of the world through its own representatives and effects all sales, subsidiary companies not having power to make any sales except through the central office. Through our system of centralizing sales in Europe we create competitive buying, thus obtaining for our members the best price for their product at the minimum cost of handling. The prices obtained for each variety are averaged, and the companies shipping receive the average made on each grade.

One thing is imperative in working a system like this, and this is absolute uniformity of pack. This, you will understand, is a somewhat difficult matter. To meet this we have our own inspectors, whose business it is to see that our uniformly high pack is maintained. An inferiority in any pack is immediately reported by our men in London and Liverpool, so we are thus able to keep a double check, and, so far, have had little difficulty. I have every confidence that the system we are working is correct, and it is working out to our entire satisfaction.

I have with me a copy of the Act under which we are incorporated, also a copy of the Act under which subsidiary companies are incorporated. These Acts we require amended, and we are going to the Legislative Assembly at Halifax this session for this purpose, and any assistance you can give us will be more than appreciated.

*By Mr. Best:*

Q. Are these apples packed in packing houses?

A. Yes.

Q. How are they taken from the orchard to the packing house?

A. In wagons. They are picked in barrels.