

to pay Paul, because it would most certainly have hurt Moosomin creamery and then again you would have been running two establishments where one would have done. It was altogether contrary to the policy of the department because it was not increasing the output nor lowering the cost of production. These are the conditions that have to be met, and a representative gathering like this must do its share in meeting them.

I have outlined the policy of the government with regard to centralisation. If this meeting feels that this policy is the right one and will support that policy, you will help us out and greatly strengthen our hands for the future. It is for you to say whether this policy is in the best interests of the dairying industry. A very enterprising little town on the Grand Trunk Pacific Railway sent up a delegation and they were very anxious to have a creamery. However, we pointed out to them that it was too late for this season in any case, and suggested that they ship their cream to Tantallon. We would pay the express and they would get exactly the same for their cream as if they had a creamery in their own town, and they would in that way be following out the practical theory that you must increase the output to lessen the cost. So you see these people would be actually better off by sending cream to a creamery already established than to build one of their own.

ADVANTAGES OF CENTRALISATION.

To show further the effects of this policy on the season's make of butter I will take as instances the creameries at Langenburg and Churchbridge. Their representatives are here and will know that what I shall say is correct. One was operated privately and the other by the government. In 1906 both were running. Langenburg made 34,000 pounds, and Churchbridge 56,000 pounds of butter. The first year the Langenburg creamery was under government operation, that is in 1907, its output increased from 34,000 to 74,000, while the Churchbridge creamery's output decreased from 56,000 to 32,000 pounds. From 1906 to 1909 Langenburg's output increased from 34,000 to 95,000 pounds, while Churchbridge made only 49,000. I could give you other figures but these illustrate the general tendency. Because of these and other figures like them I am satisfied with the government's policy of aiding creameries in this way.

The figures I am about to submit relative to cost per pound of manufacture will, I think, further illustrate that the policy of centralisation is the proper one. Take the two creameries previously mentioned: Langenburg in 1907 made 34,000 pounds at a cost of 3.9 cents per pound; in 1908 it made 74,000 at a cost of 2.8 cents per pound; in 1909 it made 95,000 pounds at a cost of 2.2 cents per pound. Again, Moosomin, in 1907, made 12,000 pounds at a cost of 5 cents per pound; in 1908 it made 28,000 pounds at a cost of a little over four cents per pound; in 1909, 49,000 pounds at a cost of 3.4 cents per pound. These figures bear out the contention that wherever you can increase the output you lessen the cost of production and put that much more money into the pockets of the patrons.