The Address-Mr. Herridge

He went to one particular broker and offered his carload of McIntosh apples at \$1.25 a box—and there are 750 boxes in a car.

This man said, "I cannot pay that much. I can buy them for much less than that." Away the owner went, saying, "Well, I can get that much from someone else." As soon as he had left this broker, the broker in question telephoned four others in that line of trade. He said, "I have offered this bird \$1.25. You offer him \$1.15." The result was that when he got to the fourth man he was offered 75 cents.

This poor man, who was paying demurrage on the car all the while, and hotel expenses, went back to the first broker and said, "I will accept your \$1.25." "No, you won't," the broker replied, "I will give you 75 cents." Finally he accepted 75 cents—and the four brokers split the difference between the 75 cents and the \$1.25.

That was the sort of thing that happened when we had personal marketing, with men having to stand on their own feet alone and face a so-called competitive market.

I remember another grower who took a carload of apples to Regina. He was not going to sell through a broker, but was going to sell direct to the consumer. He rolled his car into Regina, and advertised in the Regina papers, "Carload of British Columbia fruit; buy your apples from the door", at such and such a date.

When he got to Regina, through the instrumentality of a local wholesale fruit concern—and I will not give the name—he was charged for selling without a licence. The truth was that he had a perfect right to sell without a licence. However in this case the court was not held that day. His car of fruit was tied up on the spur for two days. Then this big concern rolled in another car of fruit from Moose Jaw and placed it right behind his.

After facing trial his case was dismissed, when it was shown that he had a perfect right to sell his own product. Then this other car of fruit was opened up and, whatever price he asked, the wholesaler sold under him. So he was glad enough to sell his fruit for a very low price and return to British Columbia. That sort of experience happened frequently, and it was because of this state of affairs the fruit growers in British Columbia determined they had to have a co-operative organization for the marketing of their fruit.

This organization was attempted on a voluntary basis at first, without satisfactory supporting legislation. The old Okanagan united growers was formed. The growers found it was not satisfactory, because they were not selling fruit over one desk. There was

still some internal competition between the Okanagan united growers and individual shipping houses. And so finally they conceived the idea of the natural products marketing act. Under internal competition distribution was poor, so that carloads would roll into Calgary and other cities while the small and distant towns would not receive a sufficient supply of apples. There was a high percentage of bad accounts, a large percentage of claims for loss, rebates and so on.

However, as the result of grower representations, in 1935 the government of British Columbia passed the Natural Products Marketing Act, and that is the basis for all our co-operative marketing of fruit in the interior of British Columbia at this time. Under that act we have the tree fruit board which represents the growers, and is elected by the growers at an annual meeting of the British Columbia Fruit Growers Association. Then, associated with that tree fruit board we have Tree Fruits Limited, which is simply the selling agency of the fruit board. The tree fruit board drafts the regulations governing the actions of the sales agency and the growers in the selling of the crop. At the present time all the tree fruit in the interior of British Columbia, whether it comes from such large co-operatives as the Associated Growers or from any of the individual growers such as myself-I am a very small one—or from independent shipping houses, goes through Tree Fruits Limited, the central selling agency. On that account, Tree Fruits Limited was able to bring order out of chaos and sell our fruit to much greater advantage than previously.

As a result of that great co-operative effort-mind you, it was a struggle for years and the Okanagan and Kootenay fruit industries were threatened with catastrophe until this arrangement was made-made by the co-operative minded people of all parties, order has been brought out of selling chaos. I have had the pleasure of sitting on the Kootenay executive with members of the Conservative party and other growers who support the Liberal party. Regardless of party politics in British Columbia, so far as the fruit industry is concerned, the vast majority of the fruit growers support central selling and support the co-operative organization which they have built over the years.

Now, what has been the result? First of all, the fruit growers, since organizing under this plan, have received a larger percentage of the consumers' dollar. Figures will show that. Now that we have planned distribution, these products go out to prairie points and

[Mr. Herridge.]