

Mr. MOTHERWELL: He will be the commissioner of agricultural economics, and his salary is advertised as \$4,320.

Mr. CAMPBELL: Would the minister tell us if it is proposed to break any new ground in this work, or will the duty of this official be merely to assist existing organizations? Will he go in to new fields and try to develop new cooperative organizations?

Mr. MOTHERWELL: Of course he will be working in cooperation with those organizations already existing. We conducted a campaign in the county of Essex with the idea of organizing the tobacco growers. We had no officers of our own for that purpose and we applied to Mr. McPhail of the central wheat pool to let us have some men of agreeable personality, skilled in that class of work and possessing knowledge of the whole subject. They sent down three men and we obtained from them a lot of information. Conditions were not absolutely favourable to the continuance of the work which we hoped to take up later on because there was an organization already in existence. There were many problems which made it difficult to go any further, but this is one of the things which should be taken charge of in cooperation with the Department of Agriculture of Ontario; something should be done for the tobacco growers in western Ontario because they are too much at the mercy of those who buy and the question of quality is not receiving the consideration it should. This and other matters are largely of federal concern, and I think there is a very decided place for a service of this kind.

Mr. CAMPBELL: I desire to commend the minister for taking this step, and I trust the venture will be a successful one. May I suggest to the minister that it might be well to spend a little money to look into the whole matter of the cost of distribution. Whether or not you call it cooperation, that is one of the great problems which will have to be solved. A few days ago the hon. members from the maritimes were complaining about the difficulties they encountered in marketing their fish. As the hon. minister knows, we would buy their fish in the west if it could be purchased at a price we could afford to pay, and the same thing applies to British Columbia fruit. It seems to me that this question of the cost of distribution is one which might be taken up by the official whom the minister proposes to appoint under this item. The following appeared in a recent issue of *The Western Producer of Saskatoon*:

Apples which sell at \$2.50 a box return about 50 cents to the producer. If butter which sells

at 50 cents a pound only returned ten cents to the producer for butter fat what would the producer of butter fat do? Would he clamour for $\frac{3}{4}$ cent a pound tariff to save his business, or reorganize his method of marketing? The fruit grower thinks a tariff of $\frac{3}{4}$ cent per pound helps him out.

I would like to quote from an article which appeared in the *Manitoba Free Press* last fall, as follows:

The prairie provinces are the natural market for the fruit-grower of British Columbia, and that market could be greatly enlarged, without waiting for future increase of population, if there could be a reduction in the retail price of the fruit on the prairies. The British Columbia apple is an excellent product and the consumption in these provinces is limited only by the ability to purchase. There is no doubt that the sale now is much larger than a few years ago when the west was suffering from a severe depression. The people are buying more because they are able to do so, and they would buy still more if the price were lowered.

A very large proportion of the retail price goes to pay handling costs, freight, and wholesale and retail dealers' profits, leaving only a fraction of the price to pay the fruit grower for the care of his orchard and interest on his investment. The handling and distribution charges on a box of apples are given as follows by the Western Producer of Saskatoon after an investigation of the matter:

	Cents
Box	16
Paper for wrapping	5½
Labelling	1
Packing	7
Lidding	1
Superintendence, loading	10½
Associated Growers' charge	7
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Total handling and shipping charge	48
Freight to Saskatoon	56
Wholesalers' profit	40
Retailers' profit	60

Total charges \$2 04

If there is an overhead charge of \$2.04 per box, before the producer of the apples gets one cent, then it is a serious matter and something which the department should examine into. These figures are based on carload rates to Saskatoon, but those of us who live in the little outlying villages know that apples have to come from the larger centres such as Regina, Saskatoon, Moose Jaw, Yorkton and so on, and they are distributed at less than carload rates which runs the cost up much higher. It means that we have to pay \$3.50 to \$4 per box, and the average small town dweller or farmer is not able to pay that much. I have known of cases where the British Columbia producer got only a few cents per box for his apples, and I think the official whom the minister proposes to appoint should go into this matter, not merely with regard to apples or fish,