

the co-operatives. They are not. They are spending the money towards an educational movement which will put Newfoundland back on its feet....

**Mr. Hollett** That is under 'Education' not 'Fisheries'.

**Mr. Penney** I want to correct the record. A matter was brought out in yesterday afternoon's debate on the co-operative section of the Fisheries Report. I understand the delegate from Bonavista Centre, a wizard on statistics, said that the co-operative movement began around ten years ago. I want to try and show that is incorrect. Some 15 or 16 years ago, a co-operative movement originated or was in operation in the town of Carbonear. It had a membership of some 40 people, a cross-section of merchants, labour, politicians and everything in the town. I do not know of any member who favoured confederation.

**Mr. Smallwood** Was that the poultry association?

**Mr. Penney** Yes.

**Mr. Smallwood** You were president?

**Mr. Penney** I did not say that. Fifteen or 16 years ago a co-operative was in operation in Carbonear, representing all denominations, labour and industry and all shades of political beliefs (except confederation); it operated until the younger members could not give it the time involved, when it was agreed to close up and distribute the assets to the people. During the time it was in operation members competed in public exhibitions in St. John's and won many cups and prizes. These souvenirs are still held in the homes of the winners. This co-operative society did not have the privilege of radio propaganda or special advice, yet it earned and paid dividends and gave the people a nest-egg until disbanded. I believe Canon Rusted will bear me out, and also Father Coady of Tors Cove, through whose efforts we were able to obtain a pedigreed Jersey bull, the offspring from which is around the settlement of Carbonear and until this day is producing butterfat and milk of a quality second to none anywhere, and this was in keeping with the quality of fresh eggs known so well all over the place. From this you may believe that the co-operative movement was in being before the time of Commission government.

**Mr. Ballam** ...When we find the net price derived by the fishermen from sales to co-operatives is two to three times the price paid by the

local buyers, that in itself proves the co-operative movement must be doing a wonderful job or else local buyers are falling down on the job.... I know the co-operatives on the west coast boosted the lobster fishery. Sweden is a 100% co-operative country; every phase of the industry in that country is co-operative, even the government. They get government assistance. Sweden is the most solvent and successful country in the world. If by spending government funds we can promote any such idea that might come near anything in Sweden we should do it by all means....

**Mr. Newell** I am anxious not to create false impressions. I would like to refer again to the figures — I hope nobody will get the impression that, because there is such a discrepancy in prices paid by local buyers and by co-operatives, local buyers are deliberately holding down the prices. I think the local merchants were paying as big a price as they could pay. This is important in the point of view of the fisheries.... With reference to competition, I remarked there was one or two firms which paid as much as 26 cents or 27 cents this year. Ever since the co-operative movement has gotten strong enough to have fairly large quantities of salmon on the market, there have been chartered boats to do it. It has been common practice for local dealers collecting certain amounts of salmon to get space on boats chartered by the co-operative society, and to enable them to pay practically the same prices as co-operatives. Most of the businessmen say they feel it is a good thing if the earnings of the fishermen can be increased, then the businessman has a chance of getting his bills paid.

**Mr. Roberts** I would like to say a word or two in regard to the co-operative movement on the northwest coast, with regard to the lobster fishery. I am not a co-operative man, neither am I a fisherman, but living in the midst of the co-operatives, we are all more or less connected with it. Mr. Ashbourne was wondering if extensive fishery would deplete fish. It can, especially in regard to lobsters. Fifty years ago lobsters were a nuisance, a pest, no one knew about canning lobsters. Their only use was for fish bait. Finally some Canadian who knew the northwest coast came down and packed those lobsters. The best price paid was 50 cents for 100 lobsters, regardless of what size they were. Today they are paid practically 50 cents each. In 1920 the government