

## HOUSE GROUP NAMED TO EXAMINE SPREAD IN TOBACCO PRICES

**Whole Crop Absorbed,  
But at Prices Ruinous  
to Grower, States Aus-  
tin B. Smith, Subcom-  
mittee Chairman—Less  
Man Production Cost  
Received, He Says**

### PROFIT ON CIGARETS CALLED ENORMOUS

Spread between the price paid for tobacco in the leaf and tobacco from the retailer will be examined by a subcommittee of the Ontario Legislature's Committee on Agriculture. This decision was reached at yesterday's committee meeting, and Austin B. Smith (Conservative, Essex South) was appointed Chairman of the subcommittee.

Members of the group studying the tobacco situation will include Hon. Paul Poisson (Conservative, Essex North), Dr. R. N. Berry (Conservative, Haldimand), A. C. Burt (Conservative, Norfolk), R. A. Baxter (Liberal, Oxford South) and C. E. Raven (Conservative, Elgin West).

Named as Subchairman yesterday by J. Edgar Jamieson, committee Chairman, Mr. Smith said after the sitting that there was no overproduction of tobacco. The whole crop was absorbed, but at prices ruinous to the grower. He instanced burley tobacco, largely used by pipe-smokers. Production price was 6 to 7 cents per pound, but growers had received only 2 to 4 cents. Average purchase price of Ontario tobacco was 15 cents a pound, but the retailer received for it from \$1 up to \$30, including taxes, he said.

What he called "enormous" profits on cigars were instanced by Mr. Smith, who pointed out that, while raw tobacco prices have maintained a steady downward trend, the only reduction in retail prices has been forced by last year's cut in the excise tax.

The subcommittee will present its material to the Agricultural Committee, and through that body to the Federal Government for use in the mass-buying investigation. Further, Federal Trade Commissioners will be asked to attempt marketing of Ontario tobacco in their territories abroad.

## CHARGE BY SHIELDS QUERIED BY NIXON

**Matter of Beck's Alleged  
Statement to Be  
Settled Monday**

### WITHDRAWAL IS ASKED

A question of privilege, aftermath of a charge made during Tuesday's debate by G. S. Shields (Conservative, Woodbine), was raised by Hon. Harry C. Nixon at the beginning of yesterday's session of the Ontario Legislature. Referring to the Woodbine member's offer to prove his statement that Sir Adam Beck had referred to Mr. Nixon as "the worst enemy of Hydro," the Progressive Leader said: "I want to ask him if he can substantiate this charge."

Mr. Shields replied he had not had time to unearth the information.

"Let me say," Mr. Nixon continued, "that after carefully reviewing the years in which I sat in this House with Sir Adam Beck and after consulting with other members then present in the House, I do not recall such a charge being made against me." Addressing the Speaker, he said: "I ask you to rule that the honorable member should withdraw the charge."

The member for Woodbine again asked for time in which to locate the authorities, supporting his "personal recollections." Mr. Nixon pressed for finality, stating that he did not wish to sit under the charge indefinitely. It was finally agreed between the Speaker, the Progressive Leader and Mr. Shields that the matter should be settled on Monday of next week.

### Loans Act Amendment Is Termed "Convenience"

The bill amending the Loans Act was presented for second reading at the close of yesterday's session of the Ontario Legislature. Premier Henry described it as "a convenience." It will permit the Government to have bank overdrafts without the issuance of Treasury notes.

—One question, inquiring what remuneration, gratuity and expenses were allowed to members of the Soldiers' Air Commission during the past four years, was answered by Hon. W. G. Martin, Minister of Welfare. "No member of the Soldiers' Aid Commission received remuneration or gratuity of any kind in any form," the Minister answered, and reported a total expense account of \$929.25 during the four years.