

in every Canadian city and town, and still is dependent for its wages upon the movement of farm goods to the city and city goods to the farm, and all the over-specialized, over elaborated, processes which a luxurious civilization imagines are necessary to its happiness.

While the average consumer in our cities is giving vent to his resentment against the middlemen in general and against the big middlemen (the packing and distributing corporations, for example), in particular, he overlooks two vital facts: first, that he himself is probably a middleman of the least essential and least efficient sort and dependent for his living upon the continuance of an effete economic condition; and, second, that any government regulation tending by radical means to reduce the middlemen's "spread" or marginal profit, tends to wipe out the unnecessary and inefficient middlemen and to make still richer the big middleman and his corporation. I do not say this is just. I only point out that it is true and that so long as it is true the food controller cannot "cut prices," or "wipe out the middleman," or "sell goods at cost."

The Food Controller knows, for example, that cod steaks can be sold at a profit by certain large retail organizations in Toronto at fourteen cents a pound. It would seem to be in the immediate interests of the Toronto householder to direct that fourteen cents be the maximum retail price for cod steaks in Toronto. But indirectly such an order would ruin the very man it aimed to benefit. For such legislation, directed against one class of trade, could not consistently be denied against other classes of trade. It would force out of the business not only the ordinary dealers in cod steaks but, to be consistent—all small dealers. The small milk dealer must then be asked to operate on as small a "spread" as the large milk concerns—a thing he cannot do owing to his smaller volume of turnover. The ordinary butcher would then have to give way to the department store butcher, the modest bakery to the large bread factory, and the little grocer to the big one.

There has not been, and there will not be, an instant's hesitation to bring to bear all the powers of the Food Controller against any producer or middleman whom we find in our present investigations to be making an undue charge for his services—an unfair "spread." Unquestionably, as I said before, there are too many middlemen.

Without a doubt, by fixing maximum prices so that only the big concerns could

operate, we could force thousands of middlemen out of their offices and stores, and, theoretically, into factories and on to farms. But such a transformation could not be quickly effected without appalling confusion. Shops and offices would be idle. The men who depended for their income on renting shops or selling goods to retailers, or delivering goods or collecting bills or renting telephones—and the armies of people who wait on these in turn would be deprived of their revenue. Rents and taxes would go unpaid. The value of real estate would collapse. The credit structure of the whole community would be violently shaken. A wasteful way of living might thus be corrected—but at what a price!

The first duty of the Food Controller, let me remind you, is not to cut prices, eliminate middlemen, "sell at cost," or correct in a day economic evils which an unthrifty and luxurious use has allowed, even encouraged, to grow up, but to protect Canada, the Canadian troops, and our share of the wall of the Empire, against disaster through famine!—I use the word without any exaggeration. I can do this only by decreasing consumption and, as far as possible, increasing production. Against the other price-raising factors, against competitive buying by foreign governments, against unequal distribution of resources, against speculators, greedy middlemen and wasters, the public will be vigilantly protected.

But with wages better than ever and unemployment unknown, with the purchasing power of a dollar in the food market very little lower than its purchasing power in the labour market, the middle and well-to-do classes of Canadians are still buying luxuries, really cheap food would for the present be a disastrous invitation to these classes—the really poor need no exhortation from me to economize—to squander our scant provisions and defeat the very objects for which the Food Controller was appointed.

Let those who see only their own immediate interests, in the price of, say, eggs, those who find their motors a burden, or their margin for amusements interfered with owing to the price of butter, those who seek public favour by crying out against middlemen, those who—by the way—decline to co-operate with the Food Controller because he cannot lend his office for the promotion of this or that propaganda, study for a moment the complexity of connection and cross-connection in the economic fabric. Let them observe not just the first, but the second and third effects of the legislation they ask.