

stick. Whatever risks you may be disposed to run, they will take cover and protect themselves. They will render an honest account to you on principles which are clearly defined. But they will take no risks on your account. They will pay you the lowest possible price to which you will agree, and that is your look-out; and they will sell at highest possible price, and that is their look-out. Everything that goes into their hands has to pass through a certain channel of jobbers and traders, and each one adds or takes his slice of profit. Hence the difference between the amount received by you as producer, and the prices which have to be paid by the British consumer. How this works out will be more readily understood when I tell you that during the war, when the British government laid down Australian mutton on the London docks at 5½ pence per pound, by the time it reached us we had to pay one shilling and ten pence per pound. The difference was swallowed up in the trade profits of the middlemen.

#### Loss of Millions to You

I propose dealing particularly with the export of apples to the United Kingdom, so that you may have a clear idea of a reasonable situation. A situation which has resulted in a loss to you of millions of dollars individually, and therefore to this country, during the last twenty years; and a situation which should long since have ceased to exist. And I want you to bear in mind that the principles governing the overseas apple trade are applicable, in a more or less degree, to all the natural products which this country sends overseas.

Now I wish you to note these astonishing figures:

Apples exported to  
Great Britain be-  
tween 1900 and 1919 23,000,000 bbls.

Value placed by the  
exporters on these  
shipments . . . . \$66,000,000.

I think that it is a fair calculation to say that one-third of this represented the exporter's or trader's profit in Canada, and that, therefore, the farmers may have received \$45,000,000, or an average of \$2 a barrel during these years. I am sure I am not understating your receipts, at any rate. You know that your apples are sold by auction to the wholesale trader on arrival in Great Britain.

Now bear in mind that all fruit is retailed in Great Britain by the pound. During the great part of this period, between 1900 and 1919, I was in London, and studied the situation carefully, so I know whereof I speak. The figures I am going to give you are staggering. If you should be incredulous I shall not be surprised. I could scarcely credit the result of the calculations myself, until I had the figures checked by an experienced accountant. These apples for which you received \$45,000,000 were actually retailed to the British consumer within six months for the enormous sum of \$550,000,000. I am taking it for granted, as I have a right to do, that the apples which you exported reached overseas. The vast difference between the exported product and the amount which was paid by the British consumer represents the accumulated profit of the British traders through whose hands the apples passed. This is what is termed "the cost of distribution."

#### Equally Staggering Facts

During the winter of 1918 choice Canadian apples were selling in London at 4 shillings (\$1, per pound. This information reached me from members of my own family. The statement was confirmed by a press cable despatch about the same time stating that Sir Robert Borden had to