

cents. The average wholesale price for Canada was 35 cents. Absolute comparison cannot be made of these figures because the average wholesale price for Canada is based on a specific class of butter, but the general comparison holds good. For instance, the average price which the investigation showed as received by the cold storage companies for cheese was 18.9 cents. The average wholesale prices for 1916, as worked out from the prices ruling daily throughout the year by the proper officers of the labor department, were as follow: Butter, creamery, Montreal, 35 cents; cheese, western, colored, Montreal, 19.8 cents; eggs, fresh, Montreal, 39.5 cents; beef, hind quarters, 14.6 cents; pork, 14.7 cents; salt pork, 16.8 cents; mutton, 14.6 cents; ham, 21.2 cents; bacon, 23.7 cents. The wide difference between the wholesale and the cold storage prices of eggs is due to the fact that the average wholesale price is calculated from the price of fresh eggs during each month throughout the year.

"The average price of mutton is lower than that showed by the cold storage companies because lamb is included with the mutton in their reports. The foregoing figures cannot form the basis of an absolute comparison because the price of specified lines is recorded in the average wholesale prices, and the price of all qualities of each commodity is shown in the average prices worked out from the cold storage reports. Comparison can be made, however, in a general way. It is in the profit per pound or per dozen that the public is chiefly interested. That margin, if reasonable, will be cheerfully paid; if unreasonable, its exaction, aside from all question as to the morality of food profiteering in time of war, is by the law pronounced criminal. A reasonable margin is as due the cold storage operator as it is due the farmer, the wholesaler or the retailer. It is the price which Canada pays for the preservation of her food supplies (a) for distribution from her large centres of production to her population in general and her urban population in particular, and (b) for export, so that she may compete with her excess supply, as a food purveyor, with other countries. It is the reward which Canada allows to those who perform for her the service of so conserving her food supply as to enable the use of the whole and the return of a fair yield in money therefor. Within it is included the price paid by the farmer for storing his excess production until the time of greater scarcity. He pays so that the fruits of his labor may be rendered an article of commerce and become a reliable source of revenue.

"The consumer pays to stimulate production so that he may be able to procure sufficient of the particular commodity at all seasons, at a nearly as possible stableized price, and so that gluts and famines may alike be avoided. Have the margins exacted by the cold storage operators been unreasonable? There are two ways of discovering this: First, by applying the test of the averages of other years; second, by specific and expert examination of the records of actual operations. Both methods have been pursued, but it must be admitted that although much has been done the latter method has not been followed out as yet to the full extent desirable. The work is still proceeding. The accompanying table of margins shows the average prices and the proportion of the total quantities sold by cold storage companies for the years 1913 to 1916, and for home consumption."

Commenting on this table, the commissioner says: "It is desirable that the precise meaning attached to the word 'margin' in this report should be very carefully noted. It represents gross, not net, profit on the commodity from the time it is laid down, all costs and expenses paid, in the storage warehouse. The questionnaires sent out to

the various companies to secure specific information on margins demanded sworn testimony as to (a) the quantity of each commodity purchased during the year; (b) the cost of such laid down in warehouses including freight and unloading charges; and (c) the total quantity sold during the year and the total amount for which sold. The average cost prices and average selling prices were computed. The difference between these is the margin referred to. The margin represents, therefore, the cost of storing, losses, interest on investment, overhead charges, any other expenses incurred by the cold storage company from the time the commodity enters the warehouse until

TABLE II.—Margins, With Average Prices and Proportion of Total Quantities Sold by Cold Storage Companies, 1913-1916, and for Home Consumption.

	Average cost per pound or doz.	Average Selling Price per pound or doz.	Percentage of Total Amount sold as shown for export	Percentage of Total Amount sold as shown for Home Consumption	Margin on Total	Margin on Export	Margin on Home Consumption
<b>Butter—</b>			%				
1913....	25.38	27.12	less 1	90	1.74		
1914....	25.0	27.0	1	80	2.00		
1915....	27.37	29.95	5	80	2.58	1.47	2.44
1916....	30.83	32.73	12	70	1.9	0.57	2.39
<b>Cheese—</b>							
1913....	12.78	13.21	85	12	0.43	0.24	1.61
1914....	12.78	13.33	81	15	1.15	0.83	2.57
1915....	14.46	14.89	81	14	0.39	0.08	1.73
1916....	18.11	18.89	77	20	0.78	0.39	2.53
<b>Eggs—</b>							
1913....	22.58	24.93	less 1	63	2.35		
1914....	23.96	26.46	4 3/4	70	2.5	4.64	2.36
1915....	22.31	25.98	18	60	3.67	5.73	3.19
1916....	26.05	30.36	23	60	4.31	7.55	3.79
<b>Beef—</b>							
1913....	8.96	10.02	2 1/2	85	1.06	less 2.25	
1914....	10.68	11.62	5	90	0.94	" 0.29	
1915....	9.68	10.23	6	60	0.55	" 0.48	
1916....	10.75	11.45	8	60	0.70	" 0.78	
<b>Pork—</b>							
1913....	12.5	14.47	2	80	1.97	0.14	2.12
1914....	12.09	13.45	20	70	1.36	0.83	1.58
1915....	12.22	13.65	20	70	1.43	1.14	1.51
<b>P. P. 1916....</b>	14.84	15.67					
<b>P. &amp; S. P. 1916....</b>	15.43	16.85	26	60	1.85	2.37	2.13
<b>Bacon—</b>							
1913....	14.75	17.08	34	55	2.33	less 0.36	3.15
1914....	13.56	16.04	60	30	2.48	2.17	2.34
1915....	14.10	16.57	87	12	2.47	2.69	1.46
1916....	15.76	20.34	90	8	4.58	4.49	3.97
<b>Ham—</b>							
1913....	14.43	19.29	less 1	84	4.86		
1914....	14.84	17.85	12	80	3.01	0.85	2.9
1915....	14.42	17.37	25	70	2.95	1.6	2.62
1916....	19.10	21.32	15	70	2.12	less 2.39	3.72
<b>Mutton &amp; Lamb—</b>							
1913....	11.97	13.35	less 1	95	1.38		
1914....	13.08	14.29	" 1	95	1.21		
1915....	14.48	15.42	" 1	80	0.94		
1916....	16.80	17.41	" 1	90	0.61		

it reaches the persons to whom they sell and the cold storage company's profit. It is the total charge imposed on the food from the time it enters the cold storage house until it passes into the hands of grocers or wholesale dealers. It will be observed that the margin on butter since 1913 has increased two cents per pound, on cheese 0.35 cents per pound, on eggs 0.96 cents per dozen. On beef it has decreased 0.12 cents, on bacon it has increased 2.25 cents, on ham it has decreased 0.76 cents. The export of butter has increased during the same period from less than 1 per cent. of the total cold storage sales to 12 per cent. Although the proportion of cheese exported as compared with the total quantity sold by cold storage

(Continued on page 44.)