

large quantities of such plants as are suitable for the cheapest production of cattle products. I don't know any land superior to Canada in that regard. Other countries can grow plants that we cannot produce with success at all, but I don't know any that can produce under the influence of its climate and soil, plants that will yield larger quantities of cattle products per acre with a larger margin of profit to the people who produce them. Our water supply is fairly reliable in nearly all parts of the Dominion. These resources enable us to grow fodder plants economically, and with the added resource of available and cheap building materials, they enable us to add to the growing of the plants, the feeding of domestic animals with profit. I need only mention that the provinces that lie eastward of Lake Huron are perhaps better off than the prairie provinces of the Dominion, in possessing plenty of building materials easily available for the shelter of cattle during the period of the year when they must be housed in some comfortable way. Then we have a resource in available labour, which is improving in quality every year. It needs much further improvement. The labour of the Canadian farmers has been certainly characterized by diligence and every kind of forceful persistence under difficulties; but it has not been of that order until recently in most sections that enabled the people to turn out fine food products. It was largely concerned with the production of grain, fodder and primitive products, by means of labour which was not of a high quality in regard to the experience required to turn out fine food products well and cheap. You will allow me to use one illustration in order to get the minds of the members of the Committee in sympathy with my own in viewing this matter. I would not be using a disparaging word about myself in saying that the available labour I have, is of a very poor quality as applied to the work of blacksmithing. I would turn a great deal of coal, waste iron, and make clumsy shoes. I have no available labour of high quality, for that class of work; but that does not mean that I cannot do other things very well. The farmers in the past have had ability of high order for the work they had to do; but not of good quality, or high order for such work as they have to do now and will have to do in the future.

The labour has been of such a nature that the cost has been comparatively low in proportion to the price of the products, mainly because in the production of the things which we have been selling and exporting, we have applied a great deal of horse power and have used labour-saving machinery. Thus, we reduced the cost, so far as the labour element was concerned, that entered into the cost of our products.

PROFIT BETWEEN COST OF PRODUCTS AND SELLING PRICES.

Now, I come to the point that bears directly on the subject of my address to you this morning,—the exportation of fine food products from Canada. No matter how well the farmers may do their work, and no matter how excellent the quality of products they may have for disposal, the profits after all will depend on two things, the cost of those products to themselves, and the prices which they can obtain for those products from the markets to which they are sent. I think the farmers of Canada are in the way of reducing the cost of their products as low as they can be brought. I think our farmers are applying as much of labour-saving skill by the use of the best of methods to the making of what they have to sell, as any farmers are. I think, however, there is still a great loss of possible profit to the farmers of Canada, and also to the men who handle the farmers' products, by the obstructions, obstacles, and difficulties that stand between the producer and consumer in the interchange of commodities,—that stand between the cost of the product to the farmer and the price paid by the ultimate consuming buyer, that unreasonably reduce the profits or wages of the producer, and at the same time unnecessarily increase the price to the consumer.

LAW OF SUPPLY AND DEMAND.

It may be said there is no use inviting the farmers to go on producing more butter or more cheese, or more beef, or more mutton, or more bacon, or more eggs, or more fruit, unless there is a market for those things, not merely at some price, but at a price