

Those prices were determined after consultation with the mills. I personally spent more time in connection with this milling question, the question of milling costs, than probably anything else that we did. Is it fair to assume, as Mr. Thompson states in his evidence, that the mills did not get fair treatment, when we have on the Board two of the ablest millers in this country, Mr. Black and Mr. Matheson, and also Mr. Watts, who was representing a very large number of mills in Ontario? Is it to be assumed that they did not get fair treatment? If you will give me a little time, I will try to explain to you how we arrived at these costs. I am speaking from memory again. I think in connection with that I might say that it is very important, so far as this Committee is concerned, that you get accurate figures, and if I am not in a position to give accurate figures I will at least be able to tell you where you can get them, and I think you should get them. My recollection of the milling cost allowance to the Canadian mills is that the average agreed upon was about 85 cents per barrel plus 25 cents of profit. Now, I am not going to make this positive statement, but this information can be ascertained from the records of the Wheat Board, and I wish any one who challenges it—if it is challenged—would do that. That would be the difference between the value of wheat, the necessary quantity of wheat to make a barrel of flour, plus \$1.10—85 cents representing the agreed-upon manufacturing cost, and 25 cents per barrel representing their profit. Now, gentlemen, you will easily see, we have mills running from 50 barrels up to I don't know how many thousand barrels capacity per day. We had a uniform price agreed upon which was supposed to be fair. If, as Mr. Thompson states, he grinds wheat into flour for nothing, all I can say is that he should not be in the business, and he could not possibly be in the business under competitive conditions, because mills did grind wheat and make money under those conditions. Further, I just want to call attention to this, that somewhere in Mr. Thompson's evidence, he stated—I am subject to correction here, but if he did not some other representative of the millers stated—that they made a reasonable amount of profit under the Wheat Board. They could not do that if they were milling wheat for nothing. Now, when we were obtaining evidence as to the manufacturing cost of mills, per barrel manufacturing cost, we had statements submitted to us ranging—once again I am speaking from memory—all the way from 65 cents per barrel to over \$4 per barrel.

By Mr. McMaster:

Q. Say that again.—A. I say that when we were ascertaining information as to the milling costs per barrel, milling costs from mills, we had statements submitted to us ranging—I am speaking from memory—all the way from 65 cents per barrel to over \$4 per barrel. I am prepared to admit that the outrageously high figure would be an isolated case, and probably some small mill, but the fact is there nevertheless. The information submitted to us was of such a wide range that it was impossible to do anything with it—absolutely impossible. I think, perhaps, I had better drop that; I could keep talking about that for half-an-hour.

Q. What mill did you take as the average mill which would have to have a profit under this price fixing?—A. I would say this, Mr. McMaster, that my recollection—first of all, let me make this statement: We had in our employ Mr. Kelley, George Kelley I believe, a man of twenty years' practical milling experience—

Q. If you will pardon me interrupting you, will you try to answer my question direct, and then go on and modify it as you like?—A. Now, Mr. McMaster, I hope you will pardon me—

Q. It seems to me that we would get "furrader" so much quicker if you would just do that. I say, what mill did you take? Was it a large mill or a small mill? Was it a moderate-sized mill? Was it a mill with modern machinery or inadequate machinery? What mill did you take?—A. We took neither the large one nor the small one. We took the moderate-sized mill, such as may be found in Ontario,

[Mr. F. W. Riddell.]