

can be placed on the European markets at a cost enabling them successfully to compete with the productions of even the nearest sources of supply.

Extract  
from  
speech of  
Sir Lyon  
Playfair.

298. Sir Lyon Playfair, speaking at Leeds in December, 1837, said: "If our landlords and farmers want to know the names of the three persons who have knocked out the bottom of our old agricultural system, I can tell them. Their names are Wheatstone, Sir Henry Bessemer, and Dr. Joule. The first, by telegraphy, has changed the whole system by which exchanges are made; the second, by his improvements in steel, has altered profoundly the transportation of commodities by sea and by land; and the third, by his discoveries of the mechanical equivalent of heat, has led to great economy of coal in compound engines. By these changes the United States, Canada, India and Russia have their corn crops brought to our doors."

Decrease  
in freight  
rates.

299. Not many years ago the freight from New York to Liverpool was from 12 cents to 15 cents a bushel, while now it is from 5 cents to 7 cents, and owing to extreme competition the inland freights have undergone even greater reduction; and similar reductions have taken place all over the world. "The effect of these changes has been to destroy local markets and to consolidate all into one market—the world.\*" "The actual wheat market is universal, the prices of this commodity are governed by the supply, and the international requirements, and it is to the development of the ways of communication that this phenomenon is attributable.†" It would seem therefore that it is no longer possible for any one country to control the supply, and therefore the markets, as was the case formerly, but that that country which can furnish the cheapest labour,

\* Sir Lyon Playfair. † M. François Bernard.