

## APPENDIX

NATIONAL COUNCIL OF THE BAKING INDUSTRY  
140 Wellington Street, Ottawa, Ontario.  
Telephone 2-4761

JUNE 22, 1948.

Honourable PAUL MARTIN,  
Chairman,  
Special Committee on Prices,  
House of Commons,  
Ottawa.

Dear Sir:

Enclosed please find a copy of a report submitted by Colonel C. M. Ruttan, Director of the Ontario Bakers Association in respect to "certain direct costs" of bread by the Great Atlantic and Pacific Tea Company. Attached to this report is a summary of figures prepared by Price Waterhouse and Company, a well-known Toronto firm of Chartered Accountants. There is also attached extracts from a memorandum prepared by Mr. G. C. Morrison of Morrison-Lamothe Limited, Ottawa, which I understand was given to Mr. Dyde at the time that bread prices were under investigation by your Committee.

This information has been gathered together to substantiate the statement made by Mr. C. M. Ruttan during the inquiry on bread prices that the Great Atlantic and Pacific Tea Company was using bread as a loss leader.

Figures pertaining to A. & P.'s production cost, etc., were taken from their evidence as recorded in the Minutes of Proceedings but information relative to costs beyond the bakeries to the various points of sale in Ontario and Quebec were gathered from sources believed to be reliable and accurate.

We have no way of verifying these figures from actual A. & P. records but inasmuch as we believe that your Committee is making a sincere attempt to gather all the facts with regard to these matters we presume you will be interested in having a copy of this report in order that your accountants will have before them a statement for verification.

Please bear in mind that this survey does not as indicated include store overhead.

Yours very truly,

NATIONAL COUNCIL OF THE BAKING INDUSTRY  
R. P. SPARKS.

*Copy of a Report Submitted to The National Council of the Baking Industry  
by Colonel C. M. Ruttan, Director, Ontario Bakers Association, for  
Submission to the Special Committee on Prices, House of  
Commons, Ottawa*

In a submission to the Special Committee on Prices, on March 8, 1948 (page 857 of the minutes of the proceedings) I stated that the members of the Ontario Bakers' Association were of the opinion that a wrapped 24 ounce loaf of bread could not be produced and sold to the consumer, by the Great A. & P. Co. at 10 cents without loss.

In compliance with your Committee's instructions, I now beg to submit two lists of places (that marked "A" of places in Ontario and that marked "B" of places in Quebec) at which bread was purchased from the Great A. & P. Co.'s stores, together with the sales slips covering the purchases, and the paper bags in which the loaves were sold.