

than really caught up with the other prices. However, again, I would like to make it clear that this is not an authoritative answer to the very important question that you asked.

Mr. OLSON: I have just one other point following along that line. Have you given any consideration to the relative cost of food to the other components of the costs of living and where it should be? For example, I have no doubt that this added 0.5 increase from August 1965 to August 1966—just to take one specific item of food, dairy products—is one of the important factors. Yet we find now that we have moved from a position of large surpluses in the dairy industry to an era when we are producing insufficient to meet our own domestic demands.

Is this going to be beneficial to the country in the long run, if there is not an adjustment that will bring our food prices, particularly to the producers, in line with the relative prices in the other sectors of the economy?

Professor NEUFELD: I think that my answer would depend very much on the conclusion I come to as to what really lay behind the food price increase. However, if it was in fact the case—

Mr. OLSON: I just mentioned dairies as an example.

Professor NEUFELD: I do not know anything about the prices in the dairy industry, but, if it were true that there was an element of catching up here, what would really seem to be happening is that we are seeing price increases here that will encourage more production in the agricultural sector.

Now, perhaps there has been low production, and we are seeing a price incentive arising that will correct this.

I am speculating and I feel uncomfortable because I do not have the background of information to speak with greater confidence.

Mr. OLSON: Thank you, Dr. Neufeld. The second point I want to make is just a correction or explanation of a term that you used on page 10 of your brief, and I know this has been discussed at length with some of the other members so that I am not going into it deeply. You say that "a way should be found to bring public opinion closer to the price-setting practices of all industries." Earlier in that same paragraph you also mention labour, and I presume that you would advocate that a way should be found to bring public opinion closer to the demand by labour unions and so on. However, the word "public opinion" puzzles me a little there. Are you talking about public information, or about bringing the opinion accepted by the public closer in line with these price-setting practices by industry and the demand by labour and so on.

Professor NEUFELD: What I really mean there is that I think that public opinion should be formed with the availability of more facts than it can be formed at present. The public may have an opinion about prices, but that opinion may have been formed on the basis of absence of information, and what I have in mind here is just that, if the public was aware of what was happening to prices in various industries, and, if those industries knew that the public would be instantaneously aware of them, it might change their attitude toward prices, and similarly so with wage settlements.

It may well be that I am naive, but I think that one should permit the force of informed public opinion to operate. In the absence of information that opinion cannot always be informed.

Co-Chairman Senator CROLL: You talked about being naive; are you any more naive than we are to think that that is exactly what we are doing at the present time?

Professor NEUFELD: This is why I began my remarks by saying, and I meant it sincerely, that I think this Committee serves an exceedingly useful function.