

which is likely to help all at once the consumers, the producers, the distributors, the manufacturers and the people as a whole who contribute to the economy of our country.

If we could find this solution, I think we should have done a lot to help mankind.

[English]

Mr. Jerry Pringle (Fraser Valley East): Mr. Speaker, anyone who knows the hon. member for Vancouver-Kingsway (Mrs. MacInnis) cannot in any way doubt the sincerity she has displayed on many occasions in this House in endeavouring to bring forth for solution problems which affect our less fortunate people. But I am disappointed in this motion and could not support it for the very reason that it cannot be supported by the facts. In other words, what is contained in the motion simply cannot be substantiated. The motion reads in part:

—in the opinion of this House, the government has failed to cope with the problem of steadily rising food prices—

What about steadily rising costs? Has anybody ever mentioned steadily rising costs? We hear members of the NDP promoting steadily rising costs in many areas. Increases in costs which are not matched by productivity are inflationary. The money has to come from somewhere; the consumer is the only source and consequently we must have rising prices.

• (2100)

It is unfair to select food as a target, Mr. Speaker. I have been involved in the production of food most of my life and I know how tough it is to sell to the supermarkets which of course try to buy at the lowest possible price. I know the extent of their mark-up because I know what they have paid for the product. I carry no brief for the supermarkets, Mr. Speaker; indeed, I have bruises to show from my dealings with them over the years. But I think we should be fair.

A group supported by the NDP has published some vicious material attacking the Kraft Company in Ontario. It would be difficult to substantiate their allegations which could seriously affect the income of farmers in that area. The milk board is not an appointed body but is elected by the dairymen of Ontario to establish a price for their product which is sold to companies to make cheese. This group is supported by the NDP and—

Mr. Benjamin: I rise on a point of order, Mr. Speaker.

The Acting Speaker (Mr. Laniel): Order, please. The hon. member for Regina-Lake Centre (Mr. Benjamin) on a point of order.

Mr. Benjamin: Mr. Speaker, the hon. member for Fraser Valley East (Mr. Pringle) just referred to a document which he inferred was promoted or supported by the NDP. Would he please identify that document, who put it out and what it is?

Mr. Pringle: I will be glad to do that, Mr. Speaker. It is issued by "The men and women of the National Farmers Union" and it reads:

Increasing Food Prices

Boycott all Kraft products: Don't buy products sold under the Kraft brand name.

It begins with these words:

As members of the National Farmers Union, the largest direct-membership farm policy group in Canada—

That statement would be questioned in some areas, Mr. Speaker. I think it would be a good idea if it were read at the next NDP caucus. We cannot help but become alarmed when we read statements in *Hansard* such as that made by the hon. member for Vancouver-Kingsway on May 30. At page 2711 she is reported to have said:

For example, Safeway's profits rose by 40 per cent in the first three months of this year, the profits of George Weston rose by nearly 50 per cent and the profits of Dominion Stores by 300 per cent.

Three hundred per cent of what?

An hon. Member: Over the previous year.

Mr. Pringle: This is an unfair and vicious manner in which to attack people who are doing their best to distribute wholesome food, not brown sugar kept in an open drawer as I used to keep it, or raisins, figs or dried fruits, but properly packaged wholesome food. They operate under strict regulations laid down by the Department of Agriculture.

Mr. Speaker, in the first 12 weeks of this year the profit on the sales dollar in Canada Safeway Ltd. was 2.11 cents. Last year, which was a poor one because of price wars, the profit was 1.75 cents. This company has extended its operations to Europe and Australia. They do not say that their sales increased by \$30 million, but anyone who knows about unit costs will realize that with an increase of \$30 million the slightest increase in prices will realize more profit.

I am sure the hon. member for Vancouver-Kingsway will be glad to hear that just this week the company introduced a computer system and now all items in their stores in Vancouver will be priced on a unit basis. They were asked last year to do this by the Department of Consumer and Corporate Affairs and they have complied. I refer to this particular chain because its name has been mentioned, but I am confident that what I say is true of all other chains.

These companies have been investigated again and again. I have been very glad to participate in the investigations at times because I have been unhappy about the price they paid for the products I sold them. However, after every investigation they have been given a clean sheet because the unit profit on food in Canada is so disgustingly low. Of course, when you get into millions and millions of dollars in sales it does not take very much unit profit to make what appears to be a considerable amount of money. But, Mr. Speaker, wavering of only half a cent or one cent in the other direction will mean that the same amount of money is lost. I know of chain stores which lost \$100,000 when they opened a new store before they started to make a profit.

Another point is that supermarkets have to reserve a very large amount of money because when they contract with labour they often are faced with retroactive payments. But of course they never get a retroactive price