

The Address—Mr. Harkness

would be loin, the percentage of ham, the percentage of shoulder and head and so forth, and worked it out from that; and the average prices in the stores on Saturday last that they would get for that pig. One of the surprising things which refutes what has been said to me in the last week, namely, that there is no competition, is the variation in the prices for the same sort of cuts. There may be some variation in quality, but I do not think there is much because Canada Packers quoted only one price for a carcass. There was no distinction between A-1 and B-1, or the light or heavy pig or the sow. The carcass was so much and that was all. In any event, I will just read a few of these figures to show a variation in price for the same cuts of the same quality. I begin with loin of pork. The lowest price was 65 cents, the highest 75 cents; leg roast, which is the ham, the lowest price was 53 cents, and the highest 75 cents; shoulder roast, the lowest price was 47 cents and the highest price 65 cents; chops, the lowest price was 74 cents and the highest price 89 cents. I will not go on with any more of these, but they give some indication of the variation.

Under these circumstances I took the prices at one large chain store, a store in which some of the prices were the lowest and some were not the lowest, but at any rate I took all their prices and I figured out what they got for the pig on the basis of it. Once more I will indicate only how I arrived at the total figure. Shoulders constitute 16 per cent of the weight of the pig, which makes 24 pounds of the 150-pound killed dressed weight. I put them in at the lowest price, 47 cents, which makes \$11.28. I did the same with all the rest of the pig, and it gave a total of \$74.16. The packer received \$57. This gave a margin to the retail butcher of \$17.16, which is a percentage margin on his cost price of just over 30 per cent.

However, if we turn to the highest prices which were charged—and I put them down to get at what was the highest price being charged for this same pork—and work it out on the same basis we get the total price received for the pig of \$87.20, or a margin to the butcher in that case of \$30.20.

What emerges from all this, Mr. Speaker, to more or less recapitulate, is that the farmer receives \$7.50 for his total overhead and labour on the sale of one pig. The packer receives \$10.50 for his services in killing the pig, refrigerating it and so forth, and the retailer receives from \$17.16 to \$30.20 or more for cutting it up and serving it to the consumer. I have left out of consideration such cuts as tenderloin which were selling for from \$1.20 to \$1.30 a pound and so forth.

[Mr. Harkness.]

An hon. Member: What about spareribs?

Mr. Harkness: No; I have spareribs, but tenderloin is not in the cutting test. It is included apparently with the loin. At any rate, I am convinced that the prices I have given so far as the retailer is concerned are actually less than is being received when you add in some of these higher cuts.

Pork chops are shown at 75 cents a pound. They are not shown on the cutting test because, of course, they come off the loin. It is quite apparent from these figures that the costs of processing and, particularly, distributing pork are away out of proportion, in relation to the return for producing it. There is something wrong with our system of distribution, undoubtedly, when we find a situation of this kind.

Looking again at this example, I suggest that the packer does not require a margin of 22.4 per cent—because that is what his \$10.50 amounts to. Surely he does not require that much for the killing and distribution of the pork. The committee on prices which met some two or three years ago, and of which I was so unfortunate as to be a member, heard a good deal of evidence on this point. We were told that over a period of twenty years packers had lost money on beef and had made it up on pork. I would suspect that they are making it up even more rapidly at the present time.

Surely this margin is not necessary. Further, I do not think the chain store requires a margin of better than 30 per cent in order to handle pork profitably. I am sure the chain store could handle it on a smaller margin and still make a good profit. We realize that the independent butcher is entitled to a greater margin because, in most instances, he gives more service. But even so I do not think he requires a profit of 52 per cent to perform the service of cutting up the carcass of pork, parcelling it and holding it for a certain time in his store.

I believe strongly that the consumer is entitled to know who is getting the money he spends for his meat and, in fact, for any of the other basic commodities he must buy in order to live. I believe if that information were in the hands of Canadian housewives, and made available to them regularly in a form by which they could readily see how much of the dollar they spend for pork or beef, or for any other commodity, goes to the producer, and how much to the processor or the retailer, public opinion would very rapidly drive down many of these prices and cut the margins.

My suggestion in that regard is that members of the staff of the bureau of statistics