I could go on to talk about what I think is a somewhat patronizing attitude displayed in the first report toward shoppers. Shop carefully, she says. Are we to assume that Canadians are not shopping carefully? If they are shopping carefully, the prices of the commodities they are shopping for carefully are going up at the same rate as the commodities that they might be shopping for carelessly. To be told to shop carefully is cold comfort to the Canadian consumers at this time.

The support of this party is for the idea of a Prices Review Board that will do a job, for a board that must be made operational. Our comments and position with regard to the present personnel and the pace at which the board operates, I think I have made clear, are conditional and considerably qualified. At this point I am not interested in getting sidetracked into personalities. I would not be disappointed if Mrs Plumptre were replaced by a more vigorous and authoritative chairman, but this will not solve the real problem. The real problem is: Is this House—and I address myself to Conservatives as well as to the Liberal benches—now prepared to give this mechanism, approved by the House, established by the government, the powers it needs to enforce its investigations?

Why are these powers so important? Why is it that it is necessary for the board to implement its decisions rather than leave them to the government? I am sure I do not have to say to any member of the opposition that the assurances that have been received in the past from government benches do not leave one too comfortable in the belief that when a specific recommendation is made action will be taken. The Prime Minister said on August 13: "We will consider making illegal or unwarranted under law what now can be done but which is considered to be profiteering and which might be difficult to get at under our existing legislation". Translated, I think that means that if a recommendation came forward the government would consider implementing it. That assurance is not sufficient. But if in fact the government is willing to move to consider implementing recommendations of the board, why not do the thing properly and give the board the powers to implement its own recommendations? Give the board teeth. Give it the power to insist on rollbacks where necessary. It seems to me that would be not only the sensible but the swiftest way of dealing with the problem.

The hon. member for Don Valley (Mr. Gillies) talked the other day about breaking inflationary expectations. I cannot think of anything that would break those expectations more quickly and more satisfactorily than this board, and I hope they will do so very quickly. Examples of the consumer being unfairly treated in the marketplace should be sufficient to enable it to implement powers given it by this parliament to rollback or cancel increases, and would demonstrate that henceforth this agency of the government was willing, able and ready to protect the Canadian consumer.

I now turn to another factor in rising costs generally which needs to be illuminated rather more than was the case in committee or subsequently. I refer to profits and profit levels. When the supermarket representatives came before us they dealt mostly with their profit performance during the fiscal years 1972 and prior. These fiscal years ended some time in March or April of the year in question. When we looked at the profit performances once they were translated in terms of equity, we saw that the healthy supermarkets were earning profits on equity ranging between 10 and 12 or 12½ per cent. They contended, I think correctly, that those levels of profit were not out of line with what was earned in other sectors of the Canadian economy.

It is only really since the summer of 1972, and particularly during the year 1973, that there has been a very substantial acceleration in food prices. It therefore seems to me significant to look, so far as we can find figures, at profit performances during this period. For example, Dominion Stores, at its recent annual meeting, announced that its net profit had increased in the first three months of this fiscal year, 1973-74, from the 18 cents a share of the previous year to 34 cents a share, an increase of almost 100 per cent. The chairman of the board said: "Well, the performance the year before was a very bad one and therefore with this increase we are catching up". I say not true. I remind hon. members that in 1973, the year ending March 1973, Dominion Stores earned a profit of 11 per cent on equity—10.9 per cent, to be precise, and in 1972, 11.2 per cent. It was in the fiscal year 1971, two years ago, that the so-called bad year occurred, and that was when the supermarkets were engaging in a price war.

When one looks at the food industry generally and not just supermarkets, one notes, for example, that for the year ending December 30, 1972 the net income of Burns Foods rose to $3.6 million from $2.9 million the previous year, an increase of 25 per cent. For the six months ending July 1, 1973 there was another jump of 24.4 per cent. The figures for the Becker Milk Company indicate a return on equity after taxes for the year 1972 of 20.4 per cent. Canada Packers showed a gratifying jump in net income over the identical period a year earlier of over $4 million, an increase of 40 per cent. The rate of return for the most recent year was 10.95 per cent, and during the 13 weeks ending June 30 this year the net income jumped by another 35 per cent.

● (1620)

Canada Safeway had a net income jump from $15 million in 1971 to $21 million in 1972, with a rate of return, as I said, of 12.6 per cent. I have already talked about Dominion Stores, and Dominion Dairies for the six month period ending June 30, 1973 showed net income up by 59 per cent. General Foods Limited, in the year ending March 31, 1972, showed a net income jump from $9.2 million to $10.3 million, a rate of return on investment on the other hand of 14 per cent. M. Loeb Limited for the 16 weeks ending May 19 of this year showed a jump in profitability of over 122 per cent. Maple Leaf Mills, in spite of a fractional drop in sales last year, showed company profits had climbed by 81 per cent. Quaker Oats showed a 12.6 per cent return on equity last year, and Schneider's Limited for the fiscal year ending October 28, 1972 showed a rate of return on investment of 10 per cent. Silverwood Industries for the 12 months ending March 23, 1973 had a jump in net profits of 775 per cent over the same period a year earlier. They probably have an explanation for that, but it is still a pretty healthy rate of increase. Western Stockyards Limited, and I do not know much about stockyards, showed a rate of return on equity of 22.9 per cent. Steinberg's Limit-