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JAS. J. SALMOND  
Managing Director

FRED. W. FIELD  
Editor

A. E. JENNINGS  
Advertising Manager

## No Food Trust Operates in Canada

*THAT is the Finding of Commissioner O'Connor—Neither Has There Been Destruction of Fit Food—There is Nothing Like Combination Among Cold Storage Companies Here, But Lively Competition Instead.*

THE following are the introductory remarks of Mr. W. F. O'Connor, K.C., acting commissioner, regarding the cost of living, as they appear in his report on the cold storage situation. A lengthy summary of the report was printed in these columns last week:—

"The primary object of the investigation concerning which I now report was to discover whether there existed within Canada as among those engaged in the business of cold storage, any illegal combination, undue accumulation or overcharging, in contravention of order-in-council No. 2777 of November 10, 1916; but noting very early in the course of the investigation that much valuable information of a character collateral to its main purpose and not entirely unrelated to it, could be conveniently obtained and recorded along with the necessary data as to business arrangements, stocks, costs and prices, the scope of the investigation was extended to include such other matter. As a result, it is possible to make this report one concerning cold storage conditions in Canada, rather than as it would otherwise have been, one concerning the costs and prices of cold storage commodities in Canada. The matters of costs and prices will necessarily receive the larger share of attention notwithstanding.

"The popular conception, if one may judge from articles and correspondence in the newspaper press and from discussions heard in smoking cars and in social clubs, is that there is a 'food trust' consisting of the various cold storage companies, banded more or less loosely together with the common object of creating an artificial scarcity by means of the accumulation of excessive quantities of foodstuffs so that prices may be enhanced to the great profit of the 'trust' and the great detriment of the public. Weird stories are heard of tremendous quantities of food, good and bad, that have been devoted to destruction, to lessen the supply or because they had been held until unfit for consumption. My inquiries enable me to pronounce with emphasis that there is no such 'trust' and I have failed to discover any instance of the destruction of fit food. Broken and bad eggs are, of course, destroyed, and many millions of eggs will yield many thousands of broken and bad eggs. Injured and unfit food of all kinds is from time to time, and quite properly, in all businesses, destroyed. The law so compels. The most dangerous error is one based upon truth. Supplies have been properly destroyed. A story of their guilty destruction makes easy headway. Again there is nothing like combination among the various com-

panies. There is very lively competition instead. A few of the cold storage companies, however, have attained such dimensions, and have so centralized the business in certain lines that as respects particular commodities particular companies are able to exercise a practical monopoly, especially of export business. The following pages will make this fact very plainly appear. In some instances this practical monopoly has been fairly and justly administered. In others, concerning which I shall have to specify report, it has not.

"As to the matter of over-accumulation, all the evidence is against it. The popular conception is unquestionably wrong. It is surely not open to contradiction that the reasonableness of the amount of stock in trade carried by a person, firm or company engaged in business depends upon the volume of business transacted, by which I mean the 'turnover.' Immense amounts of produce are bought and carried by the various cold storage companies, as of course. But as immense amounts are sold by them. The sales of some of the larger companies, many of them for export, amount to millions of dollars per month. When one hears of a company having on hand, say, a million dollars worth of bacon this seems a preposterous holding until one discovers that it represents only sufficient for a fortnight's sales. Canada's exports of foodstuffs have expanded immensely since the beginning of the war. Practically all the meats, and a very large proportion of the eggs, butter and cheese exported goes through the cold storage houses. The greater stocks carried are necessarily carried. They are not carried for long. They are merely passing through. It would be an idle and a foolish operation, with the world clamoring for food and bidding high for it, if hard-headed business men, able to sell and take fair profits, were to hold their stocks, forego the opportunity of selling, buying and selling again, and gamble upon the chance of further advances. In any event, Canadian cold storage companies have not done so, as the facts and figures hereinafter set forth will show. What profits have been made are the result of repeated turnovers. For the six months last past I have maintained a close and persistent scrutiny over the operations of these companies. Without exception they report to me monthly, with items, their stock on hand, their receipts, their costs, their sales, their prices realized and the quantities sold for export and for home consumption respectively. In the beginning, the necessary information, covering a four-year period, year by year, 1913 to 1916, inclusive, was obtained under oath. The monthly