

These alternatives include a compulsory fairplay system which would  
match the direct to packer system for cost while providing for  
improved independence in price discovery.

The packing industry has consolidated in recent years through plant  
closings. Fifteen plants have been closed since 1975, since  
the last stable plant opened. The four corporate packing chains,  
with 50% of the plants, have over 50% of industry capacity. Half  
of Canada's large scale plants are in Alberta. Canada Packers  
is represented in all regions. Burns and Butter (now consolidated  
with Gainers) are located in three provinces, and Inver Continental  
in two Western provinces. Packers also act as wholesalers (50%  
of volume). Only in Montreal is there important independent  
wholesale activity. (65% of total wholesale volume), half of which  
is handled by independent brokers.

Concentration is also characterized near distribution at the retail  
level. The five major chains, Dominion, Loblaws, Canada Safeway,  
Provigo and Steinhilber dominate Canada's major urban centers. Both  
Loblaws (Westons) and Provigo extend their influence through operation  
of extensive wholesale facilities, provided for autonomous and  
related groups of stores. These companies have significant capacity  
to impact pricing through a concentrated packing industry.  
Research has shown various inequities in the price producer  
receive, inadequacy in the information they receive, and unnecessary  
costs in the marketing system.

### c) Income Shares

Pricing data show that the farmer share of the retail dollar is at  
about 70% (about 10% higher than in the U.S.). The wholesalers share  
about 10% and the retailers share about 20% through retail chains.  
An analysis of industry income flows which more fully takes processing  
into account, shows producers at about 40%, Packer-wholesalers at  
about 35% and retailers at about 25%. Total producer investment