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## Cold Storage Report Hints Government Control

COMMISSIONER O'CONNOR, *Investigator, Says Food Controller Hanna is the Man for Action—Companies' Control of Domestic and Export Trade—Figures as to "Margin" and a Note as to What "Margin" is—Extracts from the Official Report.*

HAVING completed his investigation into the cold storage business in Canada, Mr. W. F. O'Connor, the commissioner, places the burden of action upon Hon. W. J. Hanna, the food controller. In his report, Mr. O'Connor says:—

"Now that a food controller has been appointed and very close co-operation established between that official and this branch of this department, I consider myself relieved from the making of any suggestions as to the amelioration of conditions as I may find and disclose them, deeming that the function of action concerning food prices and food conditions, as distinguished from that of investigation, is now his to perform, and that any recommendations of mine, even though valueless, or because so, might prove embarrassing. He will be furnished with a copy of this report, and all data secured on the investigation or to be secured will be (as he has requested, and as you as minister have directed) will be at his disposal."

In several parts of the report the commissioner hints at government control. In one place he says: "The fact that the food sold from cold storage for export is in the hands of a very few companies is sufficiently evident. This situation is may be possible to turn to use. In the event of necessity of national control of exports, export prices or export buying, the concentration of the major part of the trade in foodstuffs in the hands of a few companies will greatly facilitate such control. As to the advisability or otherwise of state action of this kind, it is a matter of policy and beyond the sphere of the present inquiry. It would come about, if at all, as a war measure, and in case of its being considered the course and fate of 'big business,' such as referred to, during the war should be studied and known." In another part of the report he says: "No specific data is given upon the point of storage costs, because it is believed that a special investigation is required into the value of the by-products of meat, and that some compulsorily applicable cost accounting system of storage and other costs on specific commodities should be established. The present storage charges are such as are arbitrarily fixed by the different companies and levied against their commodities. The existing intricate system of storage charging can best be investigated at the same time, and possibly a legal scale of charges can thereafter be established. The project of providing such an expert examination is under way." And again elsewhere: "In view of any possible effort on the part of the State to con-

trol export trade or export prices, it might be well to note that because such a large proportion of these commodities passes through only two or three warehouses governmental control or supervision would not be difficult to bring into effect."

In a little homily on business profits and patriotism, Mr. O'Connor says: "Wandering not from the text, and taking conditions as they are, the simple and potent fact is that the large cold storage companies which operate in the different sections of Canada, having or securing the capital to control and the organizations to distribute the country's food products, have set themselves to the doing of it, and with success. This control does not in all cases approximate the absolute. With respect to certain lines it does. Canada's export trade of cold storage products is practically limited to four or five large meat companies and three or four large export houses which export cheese and dairy products. This export trade, which has attained to such immense proportions since the war, has greatly increased the capital and solidified the organization of the companies which have been so fortunate as to have had it come, or to have contrived to bring it their way. When the opportunity offered they were ready for it, and whether or not they have administered a practical monopoly of their country's foodstuffs in time of war in such manner as in the judgment of their country they had ought, there is due to them at least a meed of admiration on account of the efficiency with which they have performed what they set out to do. Their reward has been that which, doubtless, they anticipated—a large and increased revenue with substantial profits. In the face of a tremendous and consistent export demand the matter of the prices payable by them to their vendors was one practically immaterial, and seems to have been so regarded. The unfortunate domestic consumer, though living in a land of plenty, was thus constituted a competitive buyer as against a hungry world, whose fields and farms produced not enough or not at all; the export prices reacted upon domestic prices and raised them, notch by notch, until Canadian foodstuffs for home consumption were selling, as they yet are, at prices ordinarily associated with periods of famine. It is proper that the Canadian consumer's contribution towards the upbuilding of Canada's immense export trade, so rendered, should be recognized. Up to the present the laurels have gone to the purveyors. The food consumer has suffered as a re-