

Continued from page 11

The price of farm-produced foods increased by \$2.8 million between 1961 and 1970. The corporations received 64 percent of that increase. For a typical 25 cent loaf of bread filled with non-nutritious chemical additives, 23 cents goes to the corporations.

Ever notice a decline in the number of dairy farmers? A quart of milk costing 33 cents has 16 cents going to those so-called middle men.

For every dollar spent on a chunk of tough fatty beef be prepared to throw away 43 cents.

Using the corporations own standards of performance, while not agreeing with them, the more profits that are made, the better the company. The rationale for this is supposedly to provide incentive for people to invest in the company. It is usually forgotten that the wealthy privileged minority, who just happen to control these companies, do most of the investing.

The most accurate measure of profitability is to compare "capital employed" with profits created. (Capital employed is equivalent to a company's total assets minus its current liabilities).

The profitability of Canada's food and beverages industry as reported by Statistics Canada for the fourth quarter of 1971 was 7.87 percent. Profitability for the total manufacturing sector of the report was only 6.69 percent. Seven out of the other 13 manufacturing sectors of the report were lower than food and beverages.

If you would believe, the food industry is more profitable than the petroleum and coal industry. Food is more profitable than chemical, electrical, paper or even metal mines.

This could probably explain how the fortunes of Garfield Weston or James Richardson were made. (Mr. Richardson is currently Minister of National Defence. Richardson's Pioneer Grain Company just happens to rent huge inland grain terminals at Moose Jaw and Saskatoon, Saskatchewan from Otto Lang, Minister in charge of the Canadian Wheat Board. The top seven floors of the Richardson Building in Winnipeg in return are rented to the federal government's own Air Canada)

Of course the previous mentioned statistics incorporate under the title of beverages such companies as Seagrams, which contributes to the world various forms of intoxicants. Sea-

grams' owners, the Bronfman brothers, also have their hands dipped into movies. The Montreal Expos baseball club and the Montreal Canadiens hockey club.

Let's make the picture a little clearer by taking a look at a few well-known companies operating in Canada. The list below shows the return on capital employed for the year ending in 1971.

Canada Packers	5.63 percent
Canada Safeway	8.73 percent
General Foods	10.30 percent
Oshawa Group (IGA)	5.03 percent
Steinberg's	4.78 percent

weighted average 6.99 percent

Between 1968 and 1971, the five companies reaped a total profit of \$173.2 million. This represents a 23.3 percent increase in profits for that period.

Canada Packers	68-72, 24.7 percent increase from \$8.1 to 10.1 million
Canada Safeway	68-71, 25.3 percent increase from \$12.0 to 15.0 million
General Foods	68-72, 36.2 percent increase from \$6.8 to 9.2 million
Oshawa Group	68-72, 29.6 percent increase from \$4.8 to 6.2 million
Steinberg's	68-71, 47.8 percent increase from \$6.4 to 9.5 million

Food prices — the good old Consumer Price Index — rose in the period between 1968 and 1971 by 7.7 percent.

Inflation is beaten cried the prime minister.

Oh but verily, can you detect the muffled sound of self-satisfied chuckling coming from the plush board room?

It is interesting to note that Canada Safeway Ltd and General Foods (Canada) Ltd. are both wholly owned subsidiaries of American corporations. It is also interesting to note that of the \$12.2 billion used by foreign corporations to expand in Canada between 1960 and 1967, 44 percent was provided by government through capital consumption allowances and a further 4.3 percent through deletion allowances.

Don't you wish that the government was as generous to you with your tax money? But then we aren't able to buy the political parties who run the government through campaign contributions.



Above and below: Shoppers at the food store in the married students Co-op. Canadian consumers continue to be plagued by rising prices and sometimes lack of choice.

