

Wheat to U.S.S.R.

The Canadian Wheat Board announced on July 24 an additional sale of one million tons of wheat to the Soviet Union.

The purchase — for some 37.3 million bushels of durum wheat — brings total Canadian sales to the U.S.S.R. for the next crop year to approximately 112 million bushels or three million long tons.

Based on current export prices at Thunder Bay, Ontario, the latest order is worth about \$226 million.

Pensioner identity cards

Prime Minister Pierre Elliott Trudeau recently presented to two senior citizens the first identity cards to be issued to all old age security recipients. They were former Senator Thérèse Casgrain, an acknowledged leader in the extension of human rights to women, and Fred Wright, who was an oilfield worker from Calgary.

The cards will be sent automatically within three months to all recipients of old age security 65 years of age and over without their having to apply.

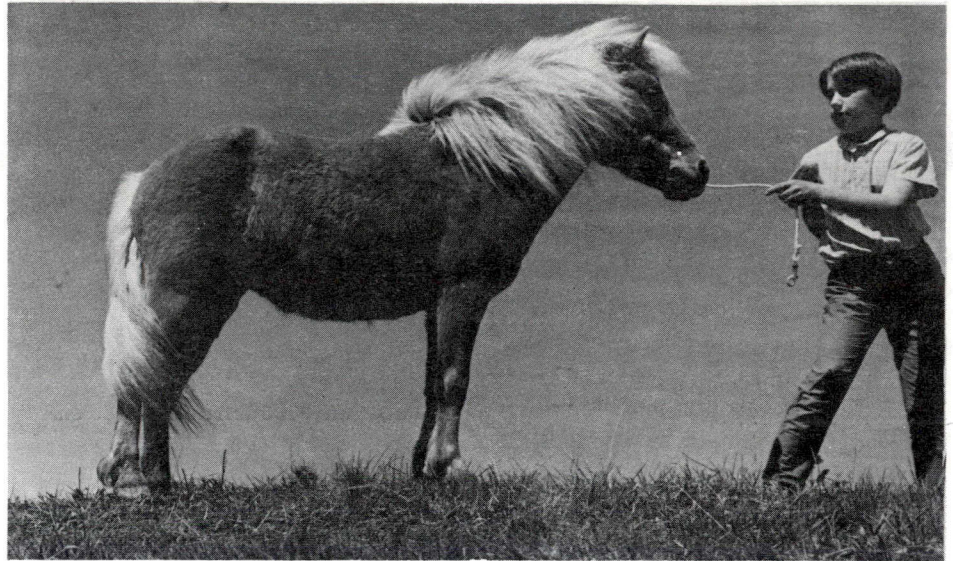
Health and Welfare Minister Marc Lalonde explained that the cards would allow the bearer to benefit from certain consumer discounts, reduced travel fares granted by local and long-distance carriers and other advantages accorded to the elderly.

Pros and cons of publicly compared food prices

Publication of food-price comparisons in a local market can lead to lower food costs in a short period and reduced price differences among competing stores, the Food Prices Review Board concluded recently in a report on an experiment in price comparisons conducted in the Ottawa-Hull area.

“The Board’s experiment suggests that in some local markets a publication of comparative food-price information over a short period may, on balance, be helpful to the consumer.”

The Board recommended that comparative food-prices information be published from time to time, over short



The work horse has disappeared from the farm, but a boy and his pony is still the perfect combination for a Canadian

summer. What the Shetland pony lacks in size he makes up for in hardiness and determination.

periods, “in some local markets by private or public groups”.

On the other hand, the Board said that the limited nature of its experiment in Ottawa-Hull did not provide a basis for recommending that government or private agencies establish programs to publish this information simultaneously in a number of markets over extended periods.

The experiment, which began last April 1, was conducted in three stages throughout which the Board surveyed the prices of 65 selected items in 26 stores in the Ottawa-Hull area. Price levels were also monitored in Winnipeg.

During the first stage, results of surveys were not made public. Prices in both areas rose steadily throughout the spring and summer.

In the second stage, from September 19 to October 23, 1974, the Board published weekly data showing relative food-price levels among the 26 stores in the Ottawa-Hull region. Prices in Ottawa-Hull dropped, but increased in Winnipeg.

In the final stage, post-publication, the general price level of food in both Ottawa-Hull and Winnipeg rose to new heights.

The Board concluded that publication of comparative price information “can have the effect of lowering food-price levels in the local market and, particularly, of lessening the differences in

price levels between competing stores in that market”.

“There is no doubt that consumers appreciate increased comparative market information,” the report states. “During the publication period, consumers became more alert to changing prices than they normally would be, even at a time of rapidly rising costs.”

Disadvantages of experiment

The Board is concerned with possible disadvantages to the consumer and the retail food industry, which could result from a widespread use of the technique over an extended period. The average profit of Canadian retailers is not excessive, which suggests that, over a period, substantial price reductions might force some retailers to reduce consumer services, and the capital needed to improve their efficiency and provide jobs.

“Similar disadvantages could also result if the technique were used over a lengthy period in an isolated market, like Ottawa-Hull. Moreover, to the degree that the small retailer or group has a more limited capacity to absorb losses, the large chains and oligopolistic tendencies in the market may be strengthened. Clearly, the publication of comparative food-price information has the potential for being a mixed blessing to the consumer.”