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THE PRICES OF FOOD IN CANADA

By W. J. Hanna, K.C.

Food Controller for Canada.

As Food Controller, I cannot change the fact of the world shortage. I cannot, by decree, overcome the tremendous deficiency of wheat in the Allied countries or supply the war demand from empty granaries. But I can, and I will, do all in my power to prevent speculation, to ensure equitable distribution of essential food supplies and to limit middlemen's profits to a reasonable compensation for necessary services. My office is now engaged in a general plan of licensing, which will enable us to regulate the trade in food commodities at all stages between the producer and the consumer. No hardship will be imposed upon the legitimate dealer, but we shall force out the speculator and the parasite. The interests of the consumer shall be protected in every possible way. Already we have licensed the milling and packing industries and have gained effective control over the refining and distribution of sugar. As a result, the price of sugar in Canada did not run up to 20 cents per pound as it did in New York City before the United States Food Administration was in a position to regulate the charge to dealers and to the public. We are now applying the license system—with the power of regulation which that system gives us—to wholesale dealers in fish, fruit and vegetables, to the grocery trade and to manufacturers of package cereals. We are prepared to regulate profits, wherever necessary. In the case of the packing houses this already has been done. We have worked out a plan for regulating the cost of milk distribution by limiting the spread between producer and consumer. We have secured control, also, by our export license system in conjunction with a similar system in the United States, over all supplies of exportable food and feeding stuff and are prepared to use that control in the interests of our own people and the Allies. Above all, we are working, along with the Departments of Agriculture and all other available agencies, to secure an increased supply of food products, because only greater production can provide the full measure of relief from the pressing food problems of to-day.

It is important that the people should understand the fundamental causes of present high prices of food commodities. The world demand for food has suddenly undergone a tremendous increase, while the world supply—or that portion of the world supply which is accessible and available to meet the enlarged world demand—has been reduced with equal suddenness. Surplus stocks have been exhausted and greatly curtailed production forces are endeavouring to meet abnormal consumption requirements. Under peace conditions, when the balance of demand and supply is disturbed, either a rise in prices curtails consumption and stimulates production, or a fall in prices encourages increased consumption while restricting production. But during war time, such readjustment is difficult, if not impossible. The consumption demand of the soldiers cannot be much reduced. High and rising prices do curtail civilian consumption and stimulate production, but the production agencies are limited and, even