

HOUSE OF COMMONS

Friday, May 16, 1969

The house met at 11 a.m.

ROUTINE PROCEEDINGS

LABOUR, MANPOWER AND IMMIGRATION

Sixth report of standing committee on Labour, Manpower and Immigration—Mr. Caccia.

ORAL QUESTION PERIOD

THE CANADIAN ECONOMY

RESPONSE BY GOVERNMENT TO INFLATIONARY PRESSURES

Hon. Robert L. Stanfield (Leader of the Opposition): Mr. Speaker, may I direct a question to the Prime Minister. Since the consumer price index rose by 1.9 per cent in the first four months of this year, is the government still working on assumptions made at the time of the budget that the inflationary factor during this fiscal year would be 3.5 per cent? Is the government still basing its plans on that forecast of inflationary factors, or has it revised its plans?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I really could not answer as to the 3.5 per cent. I know we have not changed our general assumptions. In any event, this is the kind of question the Minister of Finance will be discussing in his forthcoming budget speech.

Mr. Stanfield: A supplementary question, Mr. Speaker. I am sure this matter is of interest to parliament and the country. Is the view of the government still, as expressed earlier in the year, that inflationary pressures in Canada have begun to ease, or has the government revised its attitude as to the urgency of inflation?

Mr. Trudeau: Mr. Speaker, one of the things we have thought about most is the necessity of curbing inflation. I commented on this question last week. Those comments did

not imply that we are not still concerned about inflation and that we are not bringing to bear policies and measures intended to curb it.

Mr. Stanfield: A further supplementary question, Mr. Speaker. Is it still the view of the government that inflationary pressures this year, as compared with those of last year, have begun to ease?

Mr. Trudeau: Well, Mr. Speaker when we said they had eased, I suppose they had eased. Of course whether they have eased is a matter of fact. It is our impression that the pressures have eased, and must continue to ease. Whether those pressures are less now than they were then is something I do not wish to speculate about.

THE BUDGET

ANNOUNCEMENT OF PRESENTATION OF BUDGETARY PROPOSALS

Right Hon. J. G. Diefenbaker (Prince Albert): A supplementary question, Mr. Speaker. Since the Prime Minister always chooses his words very carefully and since he said a moment ago that the Minister of Finance would be making a budget speech, does that mean we are to have another budget?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, we said that time would be set aside in June for the budget debate. That means there will be a budget debate.

Mr. Diefenbaker: Will there be a budget?

INDUSTRY

AUTOMOBILES—ALLEGED REVENUE LOSS THROUGH CANADA-U.S. AGREEMENT—PARITY PRICES

Mr. J. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have a question for the Minister of Finance. Since he is not in the house may I direct it to the Prime Minister. Does the government intend to recover by any means the \$80 million lost in customs duties to the automobile industry as a result of a recent order-in-council?