

Oral Questions

Mr. Mazankowski: My colleague claims it is 28 per cent. I am wondering if the minister has consulted with his cabinet colleagues with a view to undertaking a similar cost study analysis or an investigation into the dramatic increases in the cost of farm machinery over the last couple of years. Perhaps he might also look into the cost of chemicals and fertilizer.

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, I would suggest that the hon. member read "News and Features", Agriculture Canada publication No. 1632, which contains a very good article on farm machinery, cost of fertilizer, et cetera. I think the figures there are more accurate than the figures to which the hon. member referred.

Mr. Mazankowski: Am I to take it from the minister's answer that he is satisfied with the pricing structure of farm machinery in this country and that he will not do anything, notwithstanding the fact that the United States considers the issue important enough to launch an investigation? When will the minister start looking after farmers rather than machinery companies?

Some hon. Members: Oh, oh!

Mr. Speaker: Order, please. The hon. member for Selkirk.

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INDUSTRY**SAUNDERS AIRCRAFT—REASON FOR DELAY IN DECISION ON PAIT GRANT**

Mr. Dean Whiteway (Selkirk): Mr. Speaker, my question is to the Minister of Industry, Trade and Commerce. Last week while he was away talking about STOL aircraft in the land of the rising sun, in Gimli the sun has almost set on Saunders Aircraft. Would the minister indicate to the House if he intends to make a decision on the PAIT application by Saunders and to express to the House exactly why that application has not been decided after two years of sitting on it?

Hon. Alastair Gillespie (Minister of Industry, Trade and Commerce): Mr. Speaker, we have not yet received evidence that the particular processes introduced by that company meet the requirements of the program for the advancement of industrial technology.

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UNEMPLOYMENT INSURANCE**POSSIBILITY OF INCREASE IN PREMIUMS—GOVERNMENT INTENTIONS WITH REGARD TO FUNDING INCOME MAINTENANCE PROGRAMS**

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I would like to direct a question to the Minister of Manpower and Immigration, and it is related to unemployment insurance. In view of the fact that the minister has modestly estimated that budgetary revisions in the Unemployment Insurance Act will result in a 20 per cent

[Mr. Mazankowski.]

increase in premium payments for employees and employers, and since this negation of the 1971 act was carried out as an expenditure restraint, for which it is now apparent that employees and employers will pay, will the minister please inform this House if this innovation was intended as an additional payroll tax?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, I will be commenting on this matter in detail when the bill is presented for second reading, and that will be shortly.

Mr. Alexander: It seems to me that the minister is prepared to advise the press of the thinking of the government in this regard, and I hope the press will give us the benefit of his views. Regardless of what the minister said, the proposed increase in employer and employee contributions to the UIC is nothing but a regressive payroll tax. Would the minister now inform the House if it is becoming government policy to fund income security and maintenance programs through these measures rather than through the so-called progressive Income Tax Act? Will the minister give me a reply to that statement, or do we have to wait again in order to determine what the minister is thinking by way of his speech either on the budget or on the introduction of the bill itself?

Mr. Andras: The principle of the sharing of costs by the employer and the employee premiums on the one hand and government cost on the other hand was established in the 1971 amendments. The proposed amendment which was made known to the House in the speech of my colleague the Minister of Finance on budget night indicates a change in the level of the threshold, but not a change in the principle.

As to the hon. member's comment about speaking to the press, that is not totally correct. I responded to one or two questions; I did not make a statement.

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FINANCE**MINISTER'S ESTIMATE IN NOVEMBER BUDGET OF NUMBER OF HOUSING STARTS—INQUIRY AS TO ACCURACY IN VIEW OF ECONOMIC CONDITIONS**

Mr. Stan Darling (Parry Sound-Muskoka): Mr. Speaker, I wish to direct a question to the Minister of Finance. The minister did not indicate to the House any forecasts for housing sector activity in 1975 in his budget speech. Can the minister tell the House whether he is satisfied that his estimate of 200,000 starts given in his November budget is still accurate, considering the economic conditions of the time?

● (1450)

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I did express some reservations about the change in the economic situation. A most up to date appraisal of the housing situation was adequately covered in the House yesterday by my colleague the Minister of State for Urban Affairs.