

Oral Questions

this is an indication of his expectation of controlling inflation? I should like to ask the Minister of Justice this question. How many representatives of the baking firms has he been meeting with and what was the nature of the verbal or other agreement that was made concerning the maintenance of the present price of bread during the next few months?

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, I have had discussions both before and after the decision of several days ago. Also I went very carefully over the price increases which had occurred before that time. I was able to draw the conclusion from those discussions, and indeed I had the firm statement of representatives, that the price of wheat having gone from \$1.95½ in the early part of July to the level of \$3.17 by which time the major bookings were made for the month of September, that that fact, along with other cost factors resulted in the increase in the price of bread which has been recorded of about six cents, and if the price of wheat did not further increase, that should obviate a further price increase in bread for six months to a year. This was not, of course, in the nature of any iron-clad agreement—

Some hon. Members: Oh, oh!

Mr. Lang: —but rather a statement about ordinary pricing practices. Of course, in every way possible, as in the case of all other pricing matters, this is subject to review by the Prices Review Board if inappropriate price increases occur.

Mr. Diefenbaker: Mr. Speaker, I shall read what the minister said yesterday. This appears at page 6249 of *Hansard*. He said:

Mr. Speaker, we had discussions with representatives of the industry ...

And so on.

... They also indicated that if the price of wheat were stabilized there ought not to be a further increase in the price of bread for six months or a year.

Is that correct? Is it correct that all that took place then was this: In their judgment without there being any binding arrangement, if certain things happened then there ought not to be an increase. Is that correct?

Mr. Lang: Mr. Speaker, the words the right hon. gentleman quoted accurately portray what did take place. The baking industry was not saying that if all sorts of things happened it would co-operate. They would not be in that position. We were speaking particularly about what had been done in relation to their recent price increase. I am not here to defend the justice or otherwise of the six-cent increase, but I do know that approximately three cents of it could have been attributed properly to the increase in the world price of wheat, and the portion of it that was allowed to be reflected in the price being paid by the millers, and that no additional price increase in relation to this product should be required because of the stabilization of the price of wheat.

In addition to that I was told that the price increase of six cents had included the usual cost increases up to that date, which I think were normal, and that as a result no

further price increases should be required for up to six months or 12 months.

Mr. Diefenbaker: Mr. Speaker—

Mr. Speaker: The Chair will recognize the right hon. gentleman for a moment, and then I suggest that the Chair attempt to conclude the first round of questioning by going to the hon. member for Nanaimo-Cowichan-The Islands, the hon. member for Témiscamingue and then return to questions by the hon. member for St. John's East and others.

Mr. Diefenbaker: Mr. Speaker, I thought there were only two languages in this House, but now I find a third one.

Mr. Speaker: The right hon. gentleman will be recognized, but the hon. member for Saskatoon-Biggar has risen on a point of order.

Mr. Gleave: Mr. Speaker, in view of the lengthy statements by the minister and the lack of clarity of those statements, would it be in order to revert to motions so that he can put before this House in some detail the policy he has not been able to define up until now.

Some hon. Members: Hear, hear!

Some hon. Members: Agreed.

Mr. Speaker: The right hon. member for Prince Albert.

Mr. Diefenbaker: Mr. Speaker, if I understand the minister correctly there was no agreement but simply a declaration of the intention of the possibility that there would not be an increase if, if and if. The last portion of his statement yesterday is the most revealing. He said:

I would count on the Prices Review Board to ensure that this is so.

What would the Prices Review Board do? How would it understand the minister explaining the incomprehensible in a way which cannot be understood?

Mr. Speaker: Order. Perhaps the question should be brief and the answer should be brief. It seems to me, in fairness to all hon. members, that we should try to get on more quickly. I apologize to the right hon. gentleman for interrupting him. I tried not to interrupt him or the minister who gave a lengthy explanation. I would hope that we could complete the first round of questions before the end of the question period.

Mr. Diefenbaker: Mr. Speaker, you will notice that the minister went on to explain about the pricing, the "ifs" and the work of this government in respect of prices. All this has no reference to the questions I asked. May I summarize it this way? Am I correct in suggesting the minister talked with some millers who told him that if certain eventualities took place, which we do not know are going to take place, then in that case while there would be no undertaking—

Mr. Speaker: I wonder whether we might try to bring the matter to a conclusion. Perhaps the right hon. gentle-