

*Inquiries of the Ministry*

the lines suggested by the hon. member which could be taken usefully by the federal government.

**Mr. Hees:** The Prime Minister gave me the following answer to a similar question which I posed on January 23:

That is a very constructive suggestion, Mr. Speaker. I will take it into consideration if it becomes apparent that a meeting would be useful.

That was four and a half months ago and the cost of living and inflation have gone up considerably and at an accelerated rate since that time. Unless something is apparent of which the rest of the House is not aware, I suggest that the Prime Minister call such a meeting.

**Mr. Speaker:** Order, please. I wonder whether the hon. member would not agree that the supplementary question directed to the Prime Minister appears to be argumentative. Perhaps the hon. member might like to rephrase his question which I realize concerns a very serious matter.

**Mr. Hees:** Yes, Mr. Speaker. As the Prime Minister was kind enough to say some four and a half months ago that this suggestion was a very constructive one, does he not consider that the time has now arrived for him to take the chance of a rebuff and in the interests of the national economy and the country as a whole to call these gentlemen together and put it to them in a straightforward way, behind closed doors, away from press and radio, and see if he cannot persuade them?

**Mr. Trudeau:** I merely want to refresh the hon. member's memory by pointing out that his suggestion, which I found to be constructive, was followed up by meetings I had with the main spokesmen for the two main labour unions in Canada. These meetings were held, I believe, in late February or early March. Therefore they were held fairly soon after I told the hon. member that I would consider such meetings. They were held.

**Mr. Hees:** Publicly?

**Mr. Trudeau:** Publicly.

## INFLATION—PROPOSAL TO PROVINCES OF TAX ON WAGE GAINS IN EXCESS OF GUIDELINES

**Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands):** Mr. Speaker, arising out of the Prime Minister's statement that the Minister of Finance will be commencing meetings

[Mr. Trudeau.]

tomorrow with the provincial Ministers of Finance, I want to ask the Prime Minister whether the Minister of Finance on behalf of the Canadian government intends to place before the provincial Ministers of Finance a proposal for imposing a federal tax on wage gains in excess of the guidelines set by the Prices and Incomes Commission of something between 5 per cent and 6 per cent per year?

**Right Hon. P. E. Trudeau (Prime Minister):** Mr. Speaker, I do not think I can seriously be expected to answer a question in the House at this time relating to what would be a budgetary measure.

**Mr. Douglas (Nanaimo-Cowichan-The Islands):** Mr. Speaker, I am not asking the Prime Minister regarding a budgetary matter. I am asking the Prime Minister whether the government of Canada intends to place before the provincial governments a proposal for a tax on any wage gains in excess of the guidelines set by the Prices and Incomes Commission, whether the Canadian government is proposing such a move, and whether it is going to be discussed with the provincial governments?

**Mr. Trudeau:** Mr. Speaker, I am not sure to what extent the meetings to be held tomorrow will be in camera. I believe they will be in camera, and I believe the practice is that federal proposals, provincial proposals and the reactions thereto are made the subject of a communiqué at the end of the day. If so, this would be the case after the meetings in Winnipeg.

## INFLATION—DISCUSSION WITH PROVINCES OF IMPOSITION OF WAGE AND PRICE CONTROLS

**Mr. G. W. Baldwin (Peace River):** Mr. Speaker, I would like to ask the Prime Minister whether the government intends to hold discussions with the provincial governments, having in mind the constitutional problems involved, to secure by way of delegated authority or otherwise any scheme for imposing wage and price controls, either solely on the part of the federal government or jointly with the provincial governments?

**Right Hon. P. E. Trudeau (Prime Minister):** I can only answer in hypothetical terms, Mr. Speaker. If it were our intention to have wage and price controls we would obviously be discussing with the provinces the best ways to go about it.