

Hon. Otto E. Lang (Minister of Justice): Mr. Speaker, I am sorry that hon. members did not understand, even from my long statement, that the only thing which is in any real way contributing to the increased costs for flour to the miller is the increased price which the Wheat Board will charge to millers, which results from the world price now being at about \$3.50, or 50 cents higher than the \$3 at which we were supporting it before. That additional 50 cents, which has nothing to do with this minor adjustment in treasury support, is what may increase in due course by a small amount the cost of wheat to millers.

Mr. Knowles (Winnipeg North Centre): A supplementary question, Mr. Speaker. Is not the higher price all the more reason for the subsidy?

Mr. Speaker: Order, please. That is argument. The question asked in those terms is not in order.

INCREASE IN COST OF FOOD—GOVERNMENT ACTION TO RECTIFY

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I direct a supplementary question to the Prime Minister. In view of the unprecedented high increase in the cost of bacon, pork products and beef products—

An hon. Member: And fish.

Mr. McGrath: I can assure the hon. member that fishermen are not getting any benefit from it—I would ask the Prime Minister what action the government proposes to take to prevent this exorbitant increase in the price of food. My question is prompted by the fact that a majority of the—

Mr. Speaker: Order, please. Perhaps the hon. member might allow the minister to reply. I do not think additional comments are necessary when he is asking a question.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I will certainly consider the question, but I will also want to consider very carefully the suggestion that fishermen are not getting anything out of the higher prices for fish. I would want to consider that.

Mr. McGrath: A supplementary question, Mr. Speaker. As the only action the government has taken thus far to cope with the increase in the price of food is setting up the Food Prices Review Board, and as the majority of the members of the House have no faith in the ability of that review board to cope with the situation, as indicated in the speech of the hon. member for Vancouver South in Calgary—I beg your pardon, in Vancouver—

Some hon. Members: Oh, oh!

Mr. McGrath: —may I ask the Prime Minister—

Mr. Speaker: Order, please. The hon. member might ask his question now.

Mr. McGrath: Mr. Speaker, there are interruptions, which make it rather difficult. May I ask the Prime Minister what new proposals the government intends to bring

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before the House, in order to bring Canadians some relief from inflation.

Mr. Trudeau: Mr. Speaker, I must disagree with the interpretation of the vote of this House that the hon. member has just made by saying that there was no agreement on the role of the Food Prices Review Board. It was set up by this House and, I repeat, we have confidence in its ability to act.

Mr. Speaker: Order, please. There are a number of members seeking the opportunity to ask supplementaries on this subject. We will return to it, but I suggest that we should complete the first round of questions. The Chair will recognize the hon. member for Timiskaming and then the hon. member for Témiscamingue.

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AGRICULTURE

HOGS—REQUEST FOR ESTABLISHMENT OF FORWARD PRICING TO OFFSET PRICE INCREASES AND ENCOURAGE PRODUCTION

Mr. Arnold Peters (Timiskaming): Mr. Speaker, may I direct a question to the Minister of Agriculture. In view of indications yesterday regarding the removal of price controls in the United States, what consideration has the Canadian government, and the Department of Agriculture in particular, given to the establishment of a forward price for the production of hogs to ensure that any limitation of production does not create the 50 cent increase that will take place in the United States and may very likely occur here, according to the industry.

Hon. E. F. Whelan (Minister of Agriculture): Mr. Speaker, one of the big things we have to worry about in food production is people suggesting that there will be food shortages, since we have to provide security for people in food production no matter what food may be involved. Also, we have to encourage production in Canada. What the United States of America has done has been to curtail production and curtail supply, and that should be a lesson for all of us.

Mr. Peters: A supplementary question, Mr. Speaker. In view of the fact that within the last year or two many hog producers in Canada have gone broke because of the inability to stabilize their prices in accordance with the cost of production, does the Stabilization Board now intend to assist in establishing a forward price that will encourage farmers to go back into production in order to avoid this possible price increase which would have a great effect on the cost of living?

● (1140)

Mr. Whelan: First of all, pork production in Canada is near an all-time high. The stabilization board is watching what is going on very closely. We are concerned to maintain this productivity, and price is the greatest incentive to productivity in Canada.