

*Inquiries of the Ministry***MANPOWER****LOCAL INITIATIVES PROGRAM—CRITERIA TO BE USED IN ESTABLISHING PRIORITIES FOR PROJECT APPROVAL—FUND DISTRIBUTION—APPLICATION EVALUATION**

Mr. Alexander: Mr. Speaker, I should like to direct a question to the Minister of Finance regarding the government's pursuit of a policy with respect to restraints in terms of a contingency plan for wage and price controls. Although the Prime Minister said on Tuesday that the government has made no approaches for the application of a plan of wage and price controls, has the government decided to present a specific contingency plan to labour and management as well as to the provinces for their consideration?

Hon. E. J. Benson (Minister of Finance): Mr. Speaker, the answer is no, and I should like to welcome the new leader of the opposition.

Some hon. Members: Oh, oh!

Mr. Monteith: That's pretty weak, Ben.

Mr. Muir: That is as big a joke as your bill, Ben.

WAGE AND PRICE CONTROLS—ACCEPTANCE OF CRITERIA ADVANCED BY UNION RESEARCH DIRECTOR—PRESENTATION OF PLAN TO LABOUR BY MINISTER

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, since the Minister of Labour has apparently been holding discussions with the CLC and CNTU which seem to want to co-operate if five conditions are met, does the government accept the five criteria for a fair incomes policy that were stated recently by the research director of the Canadian Brotherhood of Railway, Transport and General Workers?

Hon. Bryce Mackasey (Minister of Labour): Mr. Speaker, in answer to the industrial relations critic of the official opposition, let me say that I have been holding meetings with the labour movement, as I ought to as Minister of Labour, on a periodic basis over the last four months. The subjects of such discussions are confidential with respect to the trade union movement. As the Minister of Finance indicated, at no time has the basic subject matter of any of these meetings been the implementation of a specific plan of price and wage controls.

• (2:20 p.m.)

Mr. Alexander: I thank the Minister of Labour for his answer. I am not talking about an approach with respect to the application. In these discussions with labour, has the minister brought up the question of a contingency plan for wage and price controls and, if so, what has been the answer of labour, particularly when it is now noted that they are prepared to co-operate if certain conditions are met?

Mr. Mackasey: Mr. Speaker, I think the hon. member is quite unintentionally attributing to one particular person who is attached to the labour movement a role that is properly fulfilled by the Canadian Labour Congress. If he feels that he can interpret the Canadian Labour Congress' approach in the whole matter of wage and price control, then he knows more than the Minister of Labour. We have never discussed specific wage and price controls in our meetings. I am not at liberty to divulge precisely what we do discuss at these meetings.

Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands): I wish to direct a question to the Minister of Manpower and Immigration arising out of the data he filed yesterday respecting the LIP program. As there is a real possibility that the number of applications under the LIP program may exceed the financial resources available, what criteria are being set out to establish priorities for approving these programs? Is it to be on a first come, first served basis or are there other criteria? What are the criteria which the department will use?

Hon. Otto E. Lang (Minister of Manpower and Immigration): Mr. Speaker, many of the criteria were set out yesterday. The objective will be to attempt to approve those applications which produce the best possible project results and also are most directed to putting people into jobs who are presently unemployed and seeking work. This will be a guideline. Applications will be considered and approved progressively so there will be approvals before all the applications are in. Therefore time is a matter of importance. In the initial stages, the most clearly desirable projects will be approved most quickly, and as the competition for the money becomes more apparent the more difficult decisions will be taken.

Mr. Douglas: As I am sure the minister desires, and certainly the House desires, to see that the \$100 million is distributed fairly so that all areas in Canada get their fair share of the amount of money available, has the minister made any breakdown as to the amounts that will be distributed on the basis of provinces or on the basis of regions so there will be no suspicion that any area is being treated unfairly or any area is being given special consideration?

Mr. Lang: Mr. Speaker, the general guidelines were indicated at the time of the announcement of the over-all program by the government. The allocations with regard to the Local Initiatives Program are not completely rigid by any means, particularly because these can be used to balance some of the imbalances that develop in the other programs. Therefore decisions will be made from time to time. The over-all objective, of course, is to relate the programs as far as possible to the actual people unemployed and seeking work.

Mr. Douglas: Since applications by community organizations will be made directly to the local or regional Manpower offices and applications by municipalities will be made to the provincial governments, may I ask the minister whether the provincial governments will evaluate and pass on these applications or will they merely be postmen and pass them on to the Department of Manpower which will make the final decision whether or not the projects are acceptable?

Mr. Lang: Mr. Speaker, the final decision on projects to be approved is to be made by the Department of Manpower. Procedures have been set up for that purpose. The provinces, however, will certainly be able to indicate