

*Oral Questions*

introduce in the case of an emergency concerning inflation. In view of the fact prices increased by over 9 per cent during 1973 and no contingency plan was activated, will the Prime Minister inform the House what rate of price increase constitutes an emergency by the government's definition so that people will have a better idea whether or not they should turf out the government?

**Right Hon. P. E. Trudeau (Prime Minister):** Mr. Speaker, when the consequences of bringing in the emergency plan are less serious than the consequences of the inflation, that will be the turning point.

**Some hon. Members:** Oh, oh!

**Some hon. Members:** Hear, hear!

**Mr. Stanfield:** Speaking about serious consequences, is it the view of the government that, with the erosion of the value of small savings in this country of nearly 10 per cent in one year, this is not an emergency, omitting altogether any reference to the fact there has been 20 per cent inflation or one-fifth erosion since the Prime Minister said that inflation in this country was licked?

**Mr. Trudeau:** Mr. Speaker, obviously it is a serious situation. That is why the government has done so many things to combat inflation.

**Some hon. Members:** Oh, oh!

**Some hon. Members:** Hear, hear!

**Mr. Trudeau:** I would merely point out that those countries which attempted formal wage and price controls, such as the United States and the United Kingdom, have a worse rate of inflation and, therefore, more serious consequences with regard to the value of the savings of the little people than has been the case in Canada.

**Some hon. Members:** Oh, oh!

**Mr. Stanfield:** If the Prime Minister is suggesting that his incomes policy has not been a failure, he had better consult people like the secretariat of OECD.

**Mr. Trudeau:** I am sorry, whom did you say I should consult?

**Mr. Stanfield:** People like the secretariat of OECD and others better informed apparently than the people who are advising him.

**Mr. Hees:** You are doing a lousy job.

**Mr. Stanfield:** Let me put to the Prime Minister a very simple question that he ought to be able to understand and appreciate. In view of the claimed success and some apparent success of the elimination of the sales tax on children's clothing in having a beneficial effect on prices, would the Prime Minister do something to help the little guy in this country by taking off the federal sales taxes on all clothing?

**Mr. Trudeau:** Mr. Speaker, this specific suggestion is certainly one that will be considered, and if an announcement is to be made it will be made in plenty of time. But I

[Mr. Stanfield.]

certainly would not agree with the Leader of the Opposition when he implores us to do something, as though what we have done not only to help the elderly people but to take people off the income tax rolls and by indexing the income tax rolls in a way which he himself has applauded is not good, and that this is not doing something.

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**FOOD PRICES****INCREASE IN PRICE OF EGGS—REQUEST FOR PROHIBITION OF DUMPING IN UNITED STATES—JUSTIFIABLE PRICE LEVEL**

**Mrs. Grace MacInnis (Vancouver Kingsway):** Mr. Speaker, I should like to direct a question to the Minister of Consumer and Corporate Affairs. In view of the fact the price of eggs in Canada has gone up substantially during the last year, and in view of the fact eggs are being dumped in the United States at a lower price than that charged Canadians, would the minister inform the House whether the government is prepared to prohibit this practice of dumping?

**Hon. Herb Gray (Minister of Consumer and Corporate Affairs):** Mr. Speaker, we have taken note of this information and are studying the matter on an active and urgent basis. We hope to be able to state our position shortly.

**Mrs. MacInnis (Vancouver Kingsway):** Mr. Speaker, I have a supplementary question for the Minister of Agriculture. Can the minister inform the House what price level for eggs is justifiable at the present time and would be fair to both consumer and producer?

**Hon. E. F. Whelan (Minister of Agriculture):** Mr. Speaker, the price that would be fair to the egg producers of Canada is one that would give them a decent standard of living for their economic input. That is what the board is trying to accomplish.

**Mrs. MacInnis (Vancouver Kingsway):** Mr. Speaker, I wonder whether the minister would like to take a gamble and name that price?

**Mr. Whelan:** Mr. Speaker, the input costs have to be measured. The producers have to have a decent margin over their input costs. This is what the Canadian Egg Marketing Board is trying to give them at the present time.

**INCREASE IN EGG PRICES—GOVERNMENT POSITION ON MARKETING SYSTEM—SUGGESTED INVESTIGATION BY FOOD PRICES REVIEW BOARD**

**Mr. James A. McGrath (St. John's East):** Mr. Speaker, I have a supplementary question for the Minister of Consumer and Corporate Affairs. In view of the fact the Canadian Egg Marketing Board receives its licence and authority from the government of Canada, and in view of the fact the report of the Food Prices Review Board indicates that the Egg Marketing Board has been a substantial factor in contributing to inflation by an unrealistic increase in the price of eggs, is the minister satisfied with the system of egg marketing in Canada and, if not, does he