

what recommendations have been implemented as a result of the food strategy talks that took place some 12 months ago?

Hon. Warren Allmand (Minister of Consumer and Corporate Affairs): Mr. Speaker, progress is being made. It is slow, but it is steady. Changes have been made as a result of the three conferences which took place in the food strategy area. Some changes have been announced recently, including new guidelines for the National Farm Products Marketing Council and some appointments have been made to some marketing boards. Decisions are being implemented as it is appropriate to do so.

● (1415)

Mr. Wise: I have a supplementary for the same minister. Surely the minister should know that the continuing high levels of inflation, high interest rates and the 83-cent dollar, all products of this government, are adversely affecting the food price issue and food price increases. The minister said some kind of action would be taken. He has denied the return of wage and price controls. Is he referring to food price controls, or just what action does the minister have in mind?

Mr. Allmand: Mr. Speaker, the government is considering further action with respect to food prices. Once it has made its decision, it will announce it in the House.

Mr. Wise: I put this question yesterday to the Minister of Agriculture and received no response whatsoever. I now ask the minister, can he give me one simple example?

Mr. Allmand: That would be rather foolish, Mr. Speaker. When the decision on policy is made, it will be announced in its entirety.

GOVERNMENT ACTION TO HOLD DOWN FOOD PRICE INCREASES

Mr. James A. McGrath (St. John's East): Mr. Speaker, my question is also for the Minister of Consumer and Corporate Affairs. In a speech yesterday in Winnipeg, the minister expressed his concern over the fact that food prices in the next few months will increase anywhere from 12 to 14 per cent. I would like the minister to express his concern in some tangible way. Perhaps he can tell us why he agreed to the removal of the subsidy on domestically consumed wheat in Canada which meant an immediate 15 per cent increase in the price of a loaf of bread.

What co-ordinating activity is he taking within his department, given the responsibility that is his under the statute to make sure that various government activities which could have an impact on food prices are co-ordinated within the context of some kind of strategy? Perhaps the minister would like to address himself to that.

Hon. Warren Allmand (Minister of Consumer and Corporate Affairs): Yes, Mr. Speaker. As was stated on several occasions in this House, we agreed to remove the subsidy on bread because it was a subsidy which went to all levels of the

population. We wanted to make sure that our scarce sources of public money went to those who needed it most. We increased the guaranteed income supplement to old age pensioners and we introduced the tax credit for children. That will put the money where it is most needed. That was one of our policies to deal with this situation.

Mr. McGrath: Perhaps the minister will take the House into his confidence and tell us why he expects food prices to rise from 12 to 14 per cent in the next few months. If he has already, as he said in his speech yesterday, expressed his concern to cabinet about this and expects action to be taken, why cannot that action be taken now before food prices go up even further?

Mr. Allmand: Mr. Speaker, the predictions for this entire year are between 9 per cent and 10 per cent over the year. However, the forecasts that were given to us by different sources are that in the next five or six months food prices are likely to increase between 12 and 14 per cent. In other words, as the year goes on there will be a levelling off in the rate of increase. I and many ministers have shown our concern. The cabinet has been considering for the last couple of weeks several measures which will deal with this problem.

Mr. McGrath: Perhaps the minister will tell the House who in the House is responsible for co-ordinating food policy or food strategy. Is it the Minister of Agriculture, the Minister of Consumer and Corporate Affairs, or some other minister we do not know about? We know about the DM-10 study which the minister likes to forget about. Will he tell us who has the ultimate responsibility for this question which is causing so much concern to the people in this country?

Mr. Allmand: Mr. Speaker, there are several interdepartmental committees and committees of officials dealing with food policy. The five principal departments involved have been agriculture, fisheries, consumer affairs, trade and commerce, and health and welfare. The Minister of Agriculture and I have been acting as co-chairmen in this area.

MEASURES TO PREVENT PROFITEERING IN LUMBER INDUSTRY

Mr. Cyril Symes (Sault Ste. Marie): Mr. Speaker, I have a number of questions for the Minister of Consumer and Corporate Affairs. Since the wholesale price of rough spruce plywood rose from \$185 per 1,000 board feet in January, 1978, to \$245 in January, 1979, two by fours in the same period went from \$195 to \$265, and the wood products industry had an 87 per cent profit increase last year, will the minister report what action he is taking to stop this profiteering and thereby protect home builders and consumers generally?

Hon. Warren Allmand (Minister of Consumer and Corporate Affairs): Mr. Speaker, that question was asked last week. I responded that I would refer the matter to the director of investigations under the Combines Investigation Act, to see whether there was any infraction under that act, and that I would explore other possibilities as well. I cannot accept as