

Oral Questions

the Prime Minister's attitude on the capping of pensions as far as indexing is concerned with regard to civil servants?

● (1442)

Mr. Knowles (Winnipeg North Centre): What is the Tory position on that?

Some hon. Members: Hear, hear!

Mr. Trudeau: Mr. Speaker, when we speak of compensation we talk of total compensation. This, of course, includes the fringe benefits such as pensions. On pensions, the President of the Treasury Board is conducting a study into the whole pension question as it applies to all employees and persons paid by the federal government. We expect a report on that soon. I believe the first question was asked of my colleague, the Minister of Finance, on the basis of pensions. The hon. member then asked me a question on general compensation. It was to that question I was replying.

In that area, Mr. Speaker, one must realize that the upper echelons of the public service are paid considerably less than the private sector. I refer the hon. member to the last report of the Lambert commission which indicates that the Public Service of Canada in the upper echelons is way below comparable jobs exercised in the private sectors. The hon. member asks should they come up. The hon. member knows we have implemented the recommendations in part of the Lambert commission, previously the Clyne commission, and we discussed this before the House. He can refer to that to see what action we took. He will find that there was general criticism from the other side no matter what action we took.

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GRAIN

WHEAT—DATE OF INCREASE IN DOMESTIC PRICE—POSSIBILITY OF CHANGING FORMULA FOR FIXING FLOOR PRICE

Mr. Lorne Nystrom (Yorkton-Melville): Mr. Speaker, my question is to the minister in charge of the Canadian Wheat Board. It is now some five or six months since he began promising an increase in the price of domestic wheat under the two price system. As the minister knows, the price has been steady at \$3.25 a bushel and production costs are now as high as \$3.96, according to the Department of Agriculture. When will the minister announce that increase, or is he trying to weasel out of it since he has now been talking about it for five or six months?

Hon. Otto E. Lang (Minister of Transport): Mr. Speaker, the hon. member is once again using the word "promising". What has been the case is that we have been talking about it with farm organizations and looking at the issues involved. I indicated to the House only last week that I expected a resolution and decision on the question within this month. Of course, the hon. member is misleading the House, again unintentionally I suppose, in saying that the price was fixed at \$3.25 a few years ago. The truth is in 1973 it was set for seven

[Mr. Stevens.]

years in the range of \$3.25 to \$5. For most of the period since that time, it has been well above the \$3.25 floor. Notwithstanding that, it is our intention to review the question of how inflation moved faster than expected in the period between 1974 and 1976. That is what we are now taking into account in our discussions.

Mr. Nystrom: Mr. Speaker, the floor price has indeed been set at \$3.25 since September 1973. Is the minister considering introducing any changes to the act so that this floor price will be automatically indexed to farm input costs, in other words, the cost of production?

Mr. Lang: Mr. Speaker, the hon. member is ignoring that what was entered into in 1973 was a seven year arrangement with a price between \$3.25 and \$5. It was not suggested that the floor line would necessarily be adequate in terms of return by the farmers. The key is whether that price range, given some highs as well as some lows, would be fair. Dealing with the legislation in the House and in committee, we recognized that inflation at that time had already moved rather rapidly, probably more rapidly than had been anticipated in 1973. Accordingly, we built a potential review factor into the legislation. It is that review which is now going on.

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CONSUMER AFFAIRS

RUMOUR DEPARTMENT TO BE ELIMINATED—GOVERNMENT POSITION

Hon. Herb Gray (Windsor West): Mr. Speaker, my question is to the Prime Minister. Last Thursday, in answer to a question by the hon. member for Matane, the Prime Minister confirmed that rumours reported in the press that the government intends or is contemplating eliminating the Department of Regional Economic Expansion were false. I therefore ask the Prime Minister to confirm that the rumours reported in the press over the weekend that the government intends or is even contemplating eliminating the Department of Consumer and Corporate Affairs are also false. I ask this in view of the fact that most of the work of that department is to administer statutes adopted by parliament in the interest of consumers and in fact of all Canadians who come together in the market place and the government has said it intends to rely primarily on the market place in order to enable Canadians to achieve their goals of well-being.

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, I can confirm that as far as I know there is no foundation to such a rumour or to the other rumours which accompanied that one. I should say to the House that every once in a while the government or members of the public service have an urge to reduce the number of ministries. There may be some place in the civil service where work is going on with regard to reducing the number of ministries. I can assure the hon. member there is no present policy for the government to reduce the number of ministries or, for that matter, to multiply