

Price policy; automobiles and trucks

23. The Minister of Finance said that the Wartime Prices and Trade Board had also reported upon the price position regarding passenger cars and trucks.

The Board proposed to permit price increases of ten percent on the former and seven percent on the latter. Before doing so, however, the Board wished to have government direction.

In this connection, a letter and memorandum from the Chairman of the Board were read:

It was alleged by the three manufacturers that they would not continue to produce cars in Canada at present prices. The Board felt that a case for relief had been made. The present price levels were some fifteen percent above those obtaining in the basic period. It was estimated that, with the increases proposed, the three companies involved would make something less than standard profits.

24. The Cabinet, after considerable discussion, agreed that the question stand over for decision at the next meeting.

A. D. P. Heeney,
Secretary to the Cabinet.

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