

*Oral Questions*

Tier II report and direct a further question to the Deputy Prime Minister. Surely he would agree that the 500 men and women from the private sector and the labour sector who participated in this review are fair-minded men and women of considerable judgment.

I ask the minister whether, in response to the very serious charges made, he is not at least prepared to admit that the principal recommendations in the report have been treated somewhat lightly and that by agreeing in principle, or in part, and then going on to say that steps are already in place to achieve the goal sought by the recommendations, the government has jeopardized the services of people of some distinction in the two sectors concerned?

**Hon. Allan J. MacEachen (Deputy Prime Minister and President of the Privy Council):** Mr. Speaker, I readily agree with the hon. member that the 500 persons who took part in the examination of the 23 sectoral studies were serious and that they made a very good contribution. Their recommendations were considered and the government has made a careful response to each of them.

I believe that if the hon. member examines the situation, he will find that in many instances recommendations or views put forward by the Overview Committee were accepted by the government either in whole or in part. In other instances it was found that ideas put forward by the committee were already in effect or were capable of implementation through current programs. I, personally, do not find any basis for complaint against the government for making a careful and serious response to the Overview Committee. We believe the recommendations were important but we believe the consultative process is equally important.

We shall do everything possible to remove any misunderstanding which may have accounted for some of the reports which have been made to the House today, because I believe only a misunderstanding could be the basis for the kind of criticism we have heard.

**Mr. Forrestall:** Surely the members of the Overview Committee were aware, for example, of the existence of the document "Energy Strategy for Canada—A Policy for Self-Reliance" when they recommended that a national energy policy be developed by the federal government in consultation with the provinces and the industry concerned. Surely the minister will accept that the ladies and gentlemen connected with those sectors of our economy were fully aware of that document and yet, believing it was not sufficient to meet present Canadian requirements, put forward recommendations calling for the development of an energy policy.

Why would the government shoot it down? Why does the government persist in terming it a misunderstanding, if it accepts the proposition that the Overview Committee is composed of well-informed men and women and that its opinions are important?

**Mr. MacEachen:** I have never attempted in my answers to escape from the fact that in certain instances there is a

[Mr. Forrestall.]

difference of opinion between the views of the Overview Committee and the view of the government. The Overview Committee stated its belief that the government ought to develop what it called an energy policy. We have countered and replied by saying that there are in place the elements of an energy policy as set out in "Energy Strategy for Canada—A Policy for Self-Reliance."

We have also pointed out that in certain areas of the proposals made by the Overview Committee, there are strong differences of opinion among the provinces as to which policies ought to be followed, for example, with regard to pricing, and that it is not possible in certain instances for the government to move forward with the unanimous support of the provinces. Only yesterday we noted how difficult it was for members of the opposition to put together an energy policy on pricing as we heard from western and eastern members who were taking somewhat different views.

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**CORPORATE AFFAIRS****REQUEST THAT LARGE CORPORATIONS BE PREVENTED FROM PROFITEERING**

**Mr. Lorne Nystrom (Yorkton-Melville):** Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs. An hour ago Statistics Canada reported that industrial corporate profits in the final quarter of last year, 1978, went up by an astounding 39 per cent, based on increased sales of only 13.6 per cent.

In light of the fact that the cost of living went up by 8.9 per cent and that the average wage increase was only about 6 per cent, and bearing in mind the desire of the Prime Minister that all Canadians restrain their incomes, I should like to ask the minister whether he will now urge the large corporations of this country to rescind price increases which result in large, usury-type profits?

**Hon. Warren Allmand (Minister of Consumer and Corporate Affairs):** I do not know what report the hon. member is referring to, but I received a report at noon put out by the Anti-Inflation Board, entitled "A Study of Profits and Profit Margins in the Food Industry." It does not say what the hon. member says. It is an update of the report the AIB made last fall. It says that over-all food processing industry sample profit margins remained unchanged at 3.3 per cent for the nine-month period ending September, 1978.

With respect to food distribution, it says the profit margin for the first nine months of 1978 averaged 1.30 per cent, up from 1.21 per cent in 1977. This compares to 1.67 per cent over the period 1971-1977. There are increases, but not of the kind mentioned by the hon. member. Further to his question, we do intend to hold meetings with people in the food industry to discuss some of these problems.

**Mr. Nystrom:** At one time the minister used to say he would look into things. Now, he cannot even hear. My question