

*Inquiries of the Ministry*

I certainly cannot agree with my hon. friend that the increase in prices to date has reached the danger point, to use one of his rather excitable phrases, if I may say so. This question of the state of the economy, including the question of prices, is under very considerable and continuous study by the Department of Finance. I received a very long memorandum on this subject last night, and I can assure my hon. friend and the right hon. Leader of the Opposition that conditions are not nearly as bad as they have tried to let on.

**Right Hon. J. G. Diefenbaker (Leader of the Opposition):** Mr. Speaker, in view of the fact that the hon. gentleman saw fit to bring me into this may I ask him this question. Did he read the observations of the Canadian Manufacturers' Association and does he disagree with them, as he disagrees with the views of Mr. Kierans?

**Mr. Gordon:** Mr. Speaker, I do not know what the tail to that remark implies, but I am in a position to reassure my right hon. friend that conditions this year have been very good indeed and that the prospects look very good. If when the opportunity arises, when the next supply motion is before the House, he would care to make a motion to this effect, I would be very glad to debate the situation with him.

**Mr. Jack McIntosh (Swift Current-Maple Creek):** On a question of privilege—

**Mr. Douglas:** Mr. Speaker, in view of—

**Mr. Speaker:** Order. The hon. Member for Swift Current-Maple Creek has risen on a question of privilege.

**Mr. McIntosh:** Mr. Speaker, when the hon. Member for Burnaby-Coquitlam rose and asked his question you said it should be put on the order paper, but you allowed the Minister to rise and make a long-winded speech. Today we have 30 minutes in which to ask questions; many of the backbenchers have questions to ask, and this is not fair to them.

**Mr. Speaker:** I understand the purpose of the interjection very well. It was precisely for the reason of the lack of time during this half hour period that I did try to suggest that this question be put on the order paper. Perhaps it is the heat under which we are labouring, and we will now try to make more progress.

[Mr. Gordon.]

**Hon. Paul Martineau (Pontiac-Témiscamingue):** Mr. Speaker, a supplementary question to the Minister of Finance. The Minister indicated that he had received a memorandum from his officials on the rise in the consumer price index. Can he state whether that memorandum indicates that we are to expect further rises in prices, or does he himself expect or foresee such further rises?

**Mr. Gordon:** Mr. Speaker, perhaps we might leave this question until we have an opportunity to debate the subject.

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

[Later:]

**Mr. Donald MacInnis (Cape Breton South):** Mr. Speaker, I had intended to ask this supplementary question of the Minister of Finance following a question asked about the cost of living; however, in view of the fact that on another occasion the Minister replied to the hon. Member for Burnaby-Coquitlam that the increase in the cost of living means nothing to the ordinary man, will he now indicate whether he is still of this opinion, in spite of the fact that the recent cost of living increase has more than wiped out any tax benefit?

**Mr. Gordon:** Mr. Speaker, I have never said any such thing.

**Mr. MacInnis:** Mr. Speaker, on a question of privilege—

**Some hon. Members:** Order.

**Mr. MacInnis:** I fully intend on another occasion to bring forward a copy of *Hansard* to prove that the Minister of Finance did make that statement.

**Mr. Gordon:** Go ahead and do that.

## EXTERNAL AFFAIRS

## INQUIRY AS TO INCREASE IN FOREIGN AID PROGRAM

On the orders of the day:

**Mr. R. N. Thompson (Red Deer):** Mr. Speaker, my question is to the Secretary of State for External Affairs. In view of the fact that yesterday the Minister stated to the Canadian Manufacturers' Association that Canada's foreign aid program is far below that of other major countries in the world and that it should be at least double what it is now, up to approximately 1 per cent of our g.n.p., could the Minister tell us whether he was stating Government policy