

SUGGESTED RECONSIDERATION OF IMPOSITION OF
GASOLINE TAX—GOVERNMENT MEASURE TO SLOW INCREASE
IN COST OF LIVING

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I have a question for the Minister of Finance. The increase in the cost of living last month of 1½ per cent was the largest single increase in over three years. Since the ten cent a gallon excise tax is a tax at the wholesale level and the \$1.50 increase in the price per barrel of oil is at the wellhead, which means that the consumer will probably pay an increase of 18 cents a gallon which will add another 2 per cent to the cost of living, will the minister reconsider his proposal to impose this price increase on the Canadian public?

Mr. Speaker: Order, please. With due respect, that is the third time the minister has been asked to reconsider his budgetary proposals. I think we have to get on to a new question.

Mr. Orlikow: Will the minister tell us what, if anything, he intends to do, if not to stop the increase in the cost of living, to at least slow down the rate at which it is increasing.

Hon. John N. Turner (Minister of Finance): Mr. Speaker, the hon. member ought to analyse the figures as they were announced this morning. I said that three-fifths of that increase was directly attributable to food prices. Food prices jumped by 3.3 per cent which is more than six times the average increase since the beginning of the year, primarily because of fast rising prices for beef, pork, fresh fruit and vegetables. The non-food price index moved up by .08 per cent maintaining almost the same rate of change experienced during the past six months. So the abrupt change in the trend announced this morning is directly attributable to rising food prices.

Mr. Orlikow: The President of the Manitoba Pool Elevators said last week that the increase in the price of oil will show up, not only in the price of gasoline used by farmers but in increased prices for fertilizers and everything else farmers use to produce the food Canadians need. This being the case, the increase in food prices to which the minister has just alluded will be even sharper next year unless the minister rescinds the proposed increase in the price of oil. I ask the minister to give consideration to these factors.

Mr. Turner (Ottawa-Carleton): The hon. gentleman ought to be completely accurate in what he is saying. In moving the base price for oil to \$8 a barrel from \$6.50 we are still paying only two-thirds of the world price. It is quite clear, too, that the 10 per cent excise tax on gas does not apply to farm production.

Oral Questions

[Translation]

SOCIAL SECURITY

SUGGESTED DISCOUNT ON MILK PRICE TO IMPROVE LIVING
STANDARD OF POOR FAMILIES

Mr. Adrien Lambert (Bellechasse): Mr. Speaker, I have a question for the hon. Minister of National Health and Welfare.

Since everyone, including the government, is looking for formulas to fight inflation and to help families pull through this difficult period, would the Minister consider recommending to his colleagues of the cabinet a consumer discount of 10 cents or 8 cents a liter for fluid milk in order to enable the larger families who consume the most milk to increase their income without it being necessary for this increase to be made through a wage increase so as to prevent prices from increasing while still helping those families?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, the policy of the government is to promote an increase in the income of its citizens, either through higher wages, or through higher transfer payments for those of low income, rather than by a series of subsidies for specific purposes.

Mr. Lambert (Bellechasse): Mr. Speaker, I have a supplementary question.

Since such an action was well received when it was first established in 1972 by the government and as representations are still being made today, can the minister tell the House if he himself is receiving representation on this matter from consumer or producer organizations?

Mr. Lalonde: I have received a certain number of representations, Mr. Speaker, but my answer is the same as the one I gave to the hon. member, namely that we are more interested in providing an increase in the income of underprivileged people in particular rather than in giving subsidies to the whole population, including those who do not need it or who can well afford to pay the costs of the services and goods they consume.

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[English]

EXTERNAL AFFAIRS

ALLEGEDLY CONFLICTING STATEMENTS CONCERNING
INVITATION TO HOLD UNITED NATIONS CONFERENCE ON
CRIMINOLOGY IN TORONTO—GOVERNMENT POSITION

Hon. Robert L. Stanfield (Leader of the Opposition): A question to the Acting Prime Minister respecting the 1975 United Nations Conference on Criminology. It arises from the statement made by the Prime Minister in the House on July 4 that a minister of the Ontario government personally extended an invitation for the holding of the conference in Toronto, and the Prime Minister's words in the House yesterday—"Mr. Grossman of the Ontario government stuck his head out and invited this conference to come to Canada in the first place." Does the Acting Prime Minister deny that approval was given to the Solicitor General of Canada in January of 1970 to be the host of the 1975 UN