

Oral Questions

ment to make, the government is taking any measures to mitigate the consequential increase in the cost of living other than the establishment of a committee of the House on food prices.

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I will be able to go into that problem in more detail on an appropriate occasion. I have studied these wholesale price rises and also the industrial price index. One has accelerated a bit and the other has decelerated. They are still at higher levels than I would like to see and may well work their way through the retail index. I might say to the hon. gentleman that in the United States the wholesale price index of food rose at an annual rate of 14 per cent despite a price and wage control imposition during the period. This is a problem that needs solution in a number of ways, but I would not want to invite any suggestion in the House that I have in any way changed my mind either as to the inevitability or the appropriateness of price and wage controls to meet that situation.

Mr. Stanfield: Mr. Speaker, I appreciate what the minister said about the United States but we have to accept our own responsibilities. I was not asking about food prices. However, since food prices have been mentioned I would ask the Minister of Consumer and Corporate Affairs whether, in view of the 5.1 per cent increase in the wholesale food index last month, the government has met or is meeting with representatives of the food industry in order to devise methods that might be implemented immediately to reduce the impact of this increase upon the retail prices of food, or is the minister simply going to leave this to the committee?

• (1110)

Mr. Gray: I have not as yet contemplated the holding of such meetings. The Prime Minister has already pointed out the work on contingency planning which the government has been undertaking with respect to controls. Hopefully, the committee will begin meetings soon, and this subject can be gone into in depth in that forum.

Mr. Stanfield: In view of the extraordinarily complacent attitude of the two ministers toward this problem—

Mr. Speaker: Order, please. The Leader of the Opposition has the floor, of course, for the purpose of asking a question.

Mr. Stanfield: May I ask the minister whether he has yet had an opportunity to study the studies concerning food prices made by the Prices and Incomes Commission, with which he was not familiar when I asked him a question on the subject last week? May I ask him what studies have been done, and whether this work will be available to the committee of the House of Commons inquiring into the question of food prices?

Mr. Gray: I am not yet in a position to give further information to the Leader of the Opposition on this matter.

An hon. Member: What a sense of urgency!

[Mr. Stanfield.]

Mr. Baldwin: You had better plan for another contingency.

[Later:]

INCIDENCE OF TAXATION AS ELEMENT IN INFLATION

Mr. G. W. Baldwin (Peace River): Mr. Speaker, I have a supplementary question I should like to direct to the Minister of Finance. In light of the information propounded in the questions of the Leader of the Opposition and the fact that the government does not appear to have taken much notice of the studies referred to by my leader, will he take into account in his budget presentation the principle enunciated by the Leader of the Opposition and supported by the Economic Council of Canada, that the very high incidence of taxation in this country is an important element in inflation?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, I always take very seriously what the Leader of the Opposition says because of the high position he occupies in this House.

Mr. Muir: You will soon have that same position, John.

Some hon. Members: Oh, oh!

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POLLUTION

OIL SPILL, ALERT BAY, B.C.—STEPS TO COPE WITH SITUATION

Mr. T. S. Barnett (Comox-Alberni): Mr. Speaker, I have a question for the Minister of Transport arising out of what is reported to be the largest oil spill yet on the coast of British Columbia, at Haddington Reef, near Alert Bay, involving the bulk carrier *Irish Stardust*. Would the minister tell us what is the extent of the pollution threat, and inform us of what steps his department is taking to cope with an emergency which appears to be one of disastrous proportions?

Hon. Jean Marchand (Minister of Transport): The accident to which the hon. member has referred is, indeed, truly a serious one, though I am not sure that it is the most serious one to date. We do not yet have all the facts at our disposal; we learned about the occurrence yesterday afternoon at approximately 1.45, if my memory is correct. The Department of Transport and the Department of the Environment are both presently looking into it. The hon. member knows that the ship is now in harbour, in fact, in drydock. The damage has already been done but it is not increasing at the moment. I am waiting for a comprehensive report so I can tell the House exactly what happened and to what extent property and beaches have been damaged.

Mr. Barnett: May I ask the Minister of National Defence whether he can inform us which elements of the forces at his disposal are assisting officials of the Department of Transport to cope with this situation?