

**Mr. Speaker:** Dropped.

Order discharged and motion withdrawn.

## ORAL QUESTION PERIOD

### THE CANADIAN ECONOMY

#### WHOLESALE PRICE INDEX INCREASE—INQUIRY AS TO NEW MEASURES TO CONTROL INFLATION

**Hon. Robert L. Stanfield (Leader of the Opposition):** Mr. Speaker, may I address a question to the Prime Minister arising out of the escalating wholesale price increase, up nearly 2 per cent for the month of February alone and up 13.6 per cent in February, 1973, compared with February, 1972. Does the Prime Minister propose to take any new measures with regard to the control of inflation or does he simply intend to let these wholesale index increases work their way through to the consumer price index without any further action on his part?

**Right Hon. P. E. Trudeau (Prime Minister):** Mr. Speaker, I have no policy statement to announce today on that matter.

#### TELECOMMUNICATION RATE INCREASES—REVIEW OF TRANSPORT COMMISSION DECISION

**Hon. Robert L. Stanfield (Leader of the Opposition):** Mr. Speaker, may I ask a more specific question that relates to the increase in rates granted to CN-CP telecommunications, in one instance as high as 50 per cent. Does the Prime Minister intend to review this decision under the powers vested in the government under the National Transportation Act?

**Mr. Trudeau:** Mr. Speaker, I will have to consult with the Minister of Communications to establish whether the decision has been received by him and what action he recommends.

**Mr. Stanfield:** In view of the fact the Canadian Transport Commission presumably is related to the Department of Transport and the Minister of Transport, may I ask the Prime Minister whether he will consult with the Minister of Finance, the Minister of Communications and the Minister of Transport to see who has the responsibility in this matter and whether any action is going to be taken?

#### REQUEST FOR ASSURANCE TIGHT MONEY POLICY WILL NOT BE ADOPTED AND MEETING WITH PREMIERS TO DISCUSS PRICE CONTROLS

**Mr. James A. McGrath (St. John's East):** Mr. Speaker, may I direct a supplementary question to the Prime Minister. In view of the warnings expressed in the report of the governor of the Bank of Canada, can the Prime Minister assure the House that the government will not resort to the type of tight money policy that has created the unac-

### Oral Questions

ceptably high level of unemployment we now have? Also, because of the expectation of increased prices, as expressed by the governor of the bank, will the Prime Minister agree to meet with the premiers of the provinces to discuss ways and means of holding down prices?

**Right Hon. P. E. Trudeau (Prime Minister):** Mr. Speaker, on the first question, I will ensure that the representations of the hon. member are communicated to the governor of the bank. On the second question, I would answer that the meeting of federal and provincial first ministers is being scheduled now and the items for discussion are being negotiated between the parties.

**Mr. McGrath:** My question was not for the governor of the Bank of Canada but for the Prime Minister. I ask the Prime Minister if he will reassure the House and the country, especially because of the failure of the government's regional development policy to operate in the framework of a tight money policy and because of the importance of this question, that notwithstanding the warnings of the governor of the Bank of Canada the government will not resort to a tight money policy?

**Mr. Trudeau:** Mr. Speaker, I am sure the hon. member appreciates that the governor of the bank has the primary responsibility for establishing monetary policy—

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

**Mr. Hees:** Not so, Pierre.

**Mr. Trudeau:** —and the recommendation of the hon. member has been noted.

**Mr. Hees:** The governor is responsible to the government, and you know it.

\* \* \*

### CONSUMER AFFAIRS

#### ALLEGED FAILURE OF MAC'S MILK LIMITED TO PASS ALONG TAX CUTS TO CONSUMERS—MONITORING MECHANISM

**Mr. Terry Grier (Toronto-Lakeshore):** Mr. Speaker, my question is for the Minister of Consumer and Corporate Affairs. Has the minister's department now investigated the alleged refusal by Mac's Milk Limited to pass on tax cut savings to consumers? Will he report to the House on the findings of this investigation?

**Hon. Herb Gray (Minister of Consumer and Corporate Affairs):** Mr. Speaker, I have not yet received a complete report from my officials on the matter, but I noted that the report in one of the Toronto daily newspapers on which this question was based yesterday indicated that an official of the chain in question said that the directive to its stores had been countermanded. I will check to see if this is correct. After all, one would not want to see the Easter Bunny hampered in carrying out his appointed rounds.