

Government Administrative Policies

mission is now doing in an effort to show that it is having an effect on inflation in Canada and is improving our price stability picture. As the House knows, the commission held a national conference on price stability in February from which certain criteria emerged in respect of price increases under which price increases had to be clearly less than cost increases. The commission set in motion the whole machinery of price review panels to ensure that business leaders in Canada were observing the pricing criteria agreed to. At the present time 40 reviews are being carried out by the Prices and Incomes Commission. These cover a whole range of items such as bread, milk, processed foods, edible oils, rubber tires, cement, tin containers, air fares, freight rates, copper, construction costs, coffee, razor blades, fine papers and others.

One result of this work is in respect of, for example, a very basic commodity such as copper. As a result of the work of the Prices and Incomes Commission, with the support the government has given, the price of Canadian copper—a very basic commodity in our economy—is now 59 cents a pound. As a result of that action alone, and that small part of the program, the Canadian fabricator has saved at least \$30 million a year. This is a saving to the Canadian economy, and ultimately to the Canadian consumer, of \$30 million. In the case of aluminum, while our export price has been increasing the commission has persuaded the company to keep its Canadian price down. This has meant a savings to the Canadian consumer of 1,500,000 per annum. Another matter of concern and interest to housewives is the work done in respect of glass containers. One company announced an increase for 1970, and as a result of the commission's work some of this increase was rolled back, at a saving to the Canadian consumer of \$400,000 a year.

Those are just three rather small instances of the work of the prices review panels and of the Prices and Incomes Commission. I could discuss other aspects of its work which have been agreed to and supported by provincial governments. There was a document released only yesterday with regard to its retail price surveillance program. It states that the Prices and Incomes Commission now is operating a system of regular checks which effectively monitor the largest stores in the retail trade in Canada. The retail monitoring system used has already resulted in the roll-back of some price increases. But, most important, it has resulted in manufacturers,

processors, supermarkets, department and variety stores being much more aware that any price increase which is to be passed along to the consumer must clearly be within the guidelines. We had an encouraging price index for the month of May. While, obviously, the Prices and Incomes Commission cannot claim all the credit for that, I submit its activities are making an important contribution in restraining price and profit levels.

The commission is aware that many Canadian firms are absorbing at least part of the cost increases in order to meet the commission's criteria and restrain price increases. The commission is aware of such instances in the food processing industry and in a variety of other fields such as milk, luggage, dye-stuffs, stoves, washing machines, glass containers, certain chemicals, steel products, copper and aluminum—which I have mentioned—and others. So the program is having an effect. The impact of the program, as with any sort of prices and incomes program, cannot be measured by statistics alone, reviews, studies or price increases. The real success of the program should be evaluated in terms of price increases which have not taken place or which have been smaller than they would have been without the criteria. Its success is that Canadian industry appears to be accepting and applying the price restraint criteria to their pricing policies for 1970, and this should in turn be reflected in a slowdown in the rate of price increases. There has been a slowdown on profits in the first quarter, resulting partly from the work of the commission.

● (8:20 p.m.)

I could detail the work of the commission with regard to professional fees, which are always debated in the House, and the commitment it has received from the Canadian Medical Association, the Canadian Dental Association, the legal profession, professional engineers, architects and chartered accountants. I have here a document relating to what the provinces have done as a result of the federal-provincial conference, following the conference on price stability, with regard to revising their rents under the landlord and tenant acts. Some provinces have indicated, as a result of the meeting in Winnipeg the other day, that they will review what they have already done.

However, in spite of what the commission does on the price side, no matter what commitments it gets from business to restrain