

ORAL QUESTION PERIOD

[English]

MANPOWER

LOCAL INITIATIVES PROGRAM—BASIS OF ALLOCATION OF GRANTS TO CONSTITUENCIES

Mr. Lincoln M. Alexander (Hamilton West): Mr. Speaker, I should like to address a question to the Minister of Manpower and Immigration. It arises as a result of the very discouraging revelation that there is an unsavoury practice going on in the minister's department which resulted in 1972-73 LIP distributions amounting to \$106 million going to Liberals and about \$59 million going to Conservatives. In the first instance, this is blatant partisanship and, second, it indicates that there is no unemployment in the Conservative ridings. In order to clear up the answer of the minister indicating that moneys were sent to ridings but not necessarily spent in those ridings, in order to clear up this matter of some concern to all members of the House, can he tell us whether the cheques for the jobs involved in the LIP program go to the constituencies with high unemployment?

Hon. Robert K. Andras (Minister of Manpower and Immigration): Mr. Speaker, the grants are paid to the sponsors and of course the grants are paid in the form of a cheque. Those cheques are mailed to the sponsor's mailing address in one constituency or another. That is the location and that is the basis on which the calculation of actual distribution between regions and between constituencies is identified.

Mr. Alexander: Mr. Speaker, the explanation given by the minister certainly is not satisfactory by a long shot. In view of the minister's November 8 statement in the House that the allocation of LIP funds would be based on so-called "pockets of unemployment", and in light of his recent statement that "the prime factor" in the allocation of grants is the "assessment of unemployment rates", would the minister explain why the moneys granted were not granted to persons living in areas of high unemployment as exhibited by the ridings of the Minister of State for Urban Affairs and the President of the Treasury Board? Money went into those ridings but for some reason or other disappeared into other areas. What is the answer?

Mr. Andras: Mr. Speaker, as I pointed out the other day, the hon. member is continuing to confuse two fiscal periods. He is talking about a statement I made in November which would apply to 1973-74 local initiatives project allocation, whereas his prior reference was to the period 1972-73, the details of which were tabled the other day.

Mr. Alexander: In view of the fact the government is having an over-all review of social security programs which will probably result in a permanent job creation program, and in order to get away from this unsavoury practice and questionable methods of the minister, will he assure the House that any such program will be implemented by legislation so that members of the House can keep their eyes on it?

Mr. Andras: Mr. Speaker, if and when the details of the community employment program are decided upon, of

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course they will be presented to the House for consideration in one form or another.

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● (1440)

CONSUMER AFFAIRS

REQUEST THAT GOVERNMENT TAKE ACTION TO CUT PROFIT MARGINS OF MAJOR FOOD RETAILERS

Mrs. Grace MacInnis (Vancouver Kingsway): Mr. Speaker, may I address a question to the Minister of Consumer and Corporate Affairs. In view of the recent high profits of the major food retailers, and as a means of reducing food prices, will the government consider following the example of the British prices commission by ordering the major food retailers to cut their profit margins by 10 per cent?

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, we do not have a general system of price controls as they have in the United Kingdom, which they have carried over from the previous Conservative government, the failure of which has led to that government being out of office.

Some hon. Members: Oh, oh!

Mr. Gray: My hon. friend refers to the adoption of such a policy. All alternatives, obviously, will continue to be available for consideration by the government.

Mrs. MacInnis (Vancouver Kingsway): Mr. Speaker, I was not talking about a general system of price controls. I was talking about a selective measure ordering the major food chains to cut back their profit margins by 10 per cent. Would the minister please attempt to answer that question?

Mr. Gray: Mr. Speaker, may I point out that the measure the hon. lady refers to was taken within the context of a general system of controls put into effect by the previous Conservative government in the United Kingdom. As I said, this is something that can be taken under consideration.

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FINANCE

SUGGESTED EXCESS PROFITS TAX ON MAJOR FOOD RETAILERS

Mrs. Grace MacInnis (Vancouver Kingsway): Mr. Speaker, as the Minister of Consumer and Corporate Affairs lacks the flexibility to consider the question in a selective way, I shall direct my supplementary question to the Minister of Finance. Alternatively, because of the apparent unwillingness of the Minister of Consumer and Corporate Affairs to consider the possibility of the measure I suggested, will the government consider the imposition of an excess profits tax on the major food chains?

Hon. John N. Turner (Minister of Finance): Mr. Speaker, the government is reviewing a number of possi-