

two announcements were made by the government, one on August 13 and one on September 4, involving public expenditures of the nature of \$320 million and requiring the legislation enacted this week in the House. Therefore I want to say to the hon. gentleman that the government has already responded to the factual situation reflected in this report by Statistics Canada a month after the fact.

**Some hon. Members:** Hear, hear!

**Mr. Turner (Ottawa-Carleton):** We have presented measures to the House that get to the essential problem of inflation, which is the world-wide imbalance between the forces of demand and supply.

**Mr. Speaker:** Order, please. The minister may wish to keep some of his ammunition for some of the supplementaries.

**Mr. Stanfield:** The trouble, Mr. Speaker, is that he has no ammunition.

**Some hon. Members:** Hear, hear!

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

**Mr. Drury:** Come on, Bob: we want more of these questions.

**Some hon. Members:** Hear, hear!

**Mr. Stanfield:** Listen to them howl, Mr. Speaker. Now that the minister has indicated that he has no new proposals to present to the House today I would like to ask him whether, in view of the increase in the bank rate and the very alarming figures on the cost of living, he is reviewing his announced decision that he has no intention of introducing an early budget? Will he now bring a budget before the House with a full review of the situation, or are we to assume that the current rate of inflation and the current level of bank interest rates were foreseen by the minister at the time of his February budget and everything is going according to what was predicted by him?

**Mr. Turner (Ottawa-Carleton):** Mr. Speaker, the hon. gentleman may express himself to be surprised by the figures published today.

**An hon. Member:** You are not?

**Mr. Turner (Ottawa-Carleton):** No, the government is not surprised.

**Mr. Crouse:** Then tell us about next month.

**Mr. Turner (Ottawa-Carleton):** Those facts which are crystallized in statistics today were evident to the Canadian people and the government early in August. We reacted on August 13 and September 4. As a matter of fact, the government had already launched its counter-attack a month or so ago against the inflation represented by the figures released today.

**Some hon. Members:** Hear, hear!

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

### Oral Questions

**Mr. Stanfield:** Mr. Speaker, since everyone agrees that the measures announced by the government constitute nothing more than a popgun approach, I would like to ask the Minister of Finance whether, in view of the outlook for wage negotiations based upon the expectation of continuing rises in prices and reflected now in rising prices and the continuing spiral, he has any measures to announce today other than the increase in the rate of interest designed obviously to produce slack in the economy?

**Mr. Turner (Ottawa-Carleton):** Mr. Speaker, there is no slack in the economy, an economy that has been growing for the first six months of this year at an annual rate of 9.4 per cent. Further, I want to say to the hon. gentleman that his questions reflecting the publication of statistics today, are about four weeks out of date. The government has already reacted.

### FOOD PRICE INCREASES—SUGGESTED IMPOSITION OF EXCESS PROFITS TAX ON CORPORATIONS

**Mr. David Lewis (York South):** Mr. Speaker, I want to address a supplementary question to the Minister of Finance and another one, if you will give me the chance, to the Prime Minister. In view of the fact there is an immense increase in profits particularly in the area of the food industries, increases of 200 per cent and over 100 per cent in many cases, is he giving consideration to imposing an excess profits tax to make it unpalatable for corporations to gouge Canadian consumers?

● (1440)

**Hon. John N. Turner (Minister of Finance):** Mr. Speaker, I want to say to the hon. member that we are analysing the profit margins of the food industry. I want to say to him also that I recall his own words in the debate in the House last week that an excess profits tax, while it might give some satisfaction in terms of equity and justice, will not solve the problem of inflation. I am looking very seriously at all the options available to the government.

### FOOD PRICES REVIEW BOARD—SUGGESTED EXTENSION OF JURISDICTION TO COVER ALL PRICES WITH POWER TO ROLL BACK UNJUSTIFIED INCREASES

**Mr. David Lewis (York South):** Mr. Speaker, I hope that the serious study by the Minister of Finance—and I accept his word that he is doing it—will induce the Prime Minister to answer my question affirmatively. In view of the fact that the very huge increase in profits in many areas, not only in food but in other areas, indicates clearly a deliberate situation where corporations are taking advantage of the present crisis which they have themselves partly produced at the expense of the consumer, is the Prime Minister now prepared to introduce legislation to give the Prices Review Board jurisdiction over all prices instead of merely food prices and also authority to roll back unjustifiable price increases?