

Oral Questions

federal-provincial ministers to which I just referred. What is clear in the minds of the premiers, from our meeting last Monday is that the government is determined to make the guidelines stick, and they will stick.

ANTI-INFLATION PROGRAM—APPLICATION TO MARKETING
BOARDS

Mr. James A. McGrath (St. John's East): Mr. Speaker, may I direct a supplementary question to the Prime Minister concerning consultations with the provinces? My question arises from references in the white paper to the effect that marketing boards will be discussed with provincial governments, to ensure that their operations are consistent with the guidelines. As the chairman and vice-chairman of the proposed anti-inflation review board indicated that they intend to investigate marketing boards, has the government held these discussions with the provinces and, if so, is there agreement to put marketing boards within the general price guidelines outlined by the white paper?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, the answer is yes. It is clear that marketing boards, in their pricing practices, are expected to follow our general guidelines. On the question of whether this was discussed in detail with the provinces, the answer is no. That, again, will be discussed at the meeting next week.

ANTI-INFLATION PROGRAM—APPLICATION OF PRICE
GUIDELINES TO FARMERS

Mr. James A. McGrath (St. John's East): Mr. Speaker, in view of the Prime Minister's reply, may I ask the Minister of Finance the following question: Will the profit margins of farmers selling to marketing boards be allowed to increase, or will farmers have to prove per unit cost increases before being allowed to raise their prices?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, as the white paper says, the price of farm produce at the farm gate will not be subject to the guidelines.

ANTI-INFLATION PROGRAM—SUGGESTED MANDATORY
PROVISION FOR COMPANIES TO GIVE PRIOR NOTICE OF PRICE
INCREASES

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, may I direct my question to the Minister of Finance? Since the new chairman of the proposed anti-inflation review board indicated that the board will not systematically monitor all price increases but will monitor them selectively, and since the bill introduced yesterday contains no provision calling on the 1,500 companies selected for special control action to inform the board of price increases before prices are increased, is the government considering introducing such an amendment to the legislation at the appropriate stage, in order to make it mandatory at least for those 1,500 companies to give the board advance notice of and justification for proposed price increases?

[Mr. Trudeau.]

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, there would be the practical consideration as to whether we want to deluge the anti-inflation review board with literally thousands of price changes, as this would occur.

Mr. Broadbent: Would it occur with everything?

Mr. Macdonald (Rosedale): It would occur over a period of time. I put it to the hon. member that we import many thousands of different items into Canada, and I do not think the hon. gentleman, the NDP or anybody else has ever pretended that, through any magic formula, you can stop all prices from increasing.

Mr. Orlikow: You think you can, and that is the problem.

Mr. Macdonald (Rosedale): The hon. gentleman has so much to say; perhaps he should open his ears a little, instead of his mouth.

An hon. Member: Touchy, touchy.

Mr. Macdonald (Rosedale): However, I would point out to the hon. member that there is a power under the statute to make regulations in this regard. I think we will want to give some attention to whether this will be a useful proposal, and if an amendment will be required.

ANTI-INFLATION PROGRAM—REASON FOR FAILURE TO APPLY
PRICE FREEZE

Mr. Edward Broadbent (Oshawa-Whitby): Where I come from, Mr. Speaker, that is known as having it both ways. I wish to ask the minister if the idea to put a freeze on these 1,500 corporations, most of which are non-competitive, was considered by the government. This idea was proposed by an expatriate Canadian, Professor Galbraith. When dealing with monopolies, you put the freeze on and make them justify price increases. Can the minister briefly explain to the House why that approach was rejected, quite apart from the problem of imported goods with which I agree entirely.

Mr. Speaker: Order, please. In anticipation of the measure that will be before the House today, I have permitted questions on the general guidelines, particularly with regard to the reaction of the provinces and considerations of a general nature. However, I do not think we should go so far as to anticipate individual sections of the bill or questions that really are more germane to the debate on the actual measure itself. This debate will begin in about an hour's time. I do not want to cut down the area of questioning unduly, but I ask the hon. member to remind himself that we will be embarking on a debate on the actual measure. Perhaps that kind of question about that particular area might be more germane to that kind of provision.

ANTI-INFLATION PROGRAM—METHOD OF ENFORCING PRICE
REDUCTIONS AS PRODUCTION COSTS REDUCED

Mr. Edward Broadbent (Oshawa-Whitby): Mr. Speaker, I have one final question. It is not with reference to the