

ucts, ranging from 7 to 15 per cent. In January, 1975, there are indications of further price increases, with more to come in February. So that prior to the Estey inquiry the companies raised prices, and have continued to raise prices following the conclusion of that inquiry in October, 1974.

Meanwhile the profits of the companies have risen at a fantastic rate. In 1973 Stelco profits were \$87,684,000, an increase of 31 per cent over the 1972 figure of \$67,089,000. Dofasco's profits were \$52,541,000, an increase of 45.5 per cent over the 1972 figure of \$36,127,000. Algoma's profits in 1973 were \$28,556,000, an increase of 55 per cent over the 1972 figure of \$18,441,000.

So 1973 for all three companies was a banner year, and in 1974 profits likewise rose astronomically. In the first nine months of 1974 Stelco's profits increased 31.3 per cent over the same period in the previous year. As for Algoma Steel, during the first nine months of 1974 its profits registered an increase of 121 per cent over the same period in the previous year. We can see that as prices have gone up, so have profits.

What concerns me is that the terms of reference of the Estey inquiry were so limited that the judges' conclusions are suspect. First of all, the terms of reference were so limited that he could only examine price increases from May to October, and thus ignored the price increases I have listed from January to May of 1974, and likewise since October of 1974. The judge noted the problem of price leadership, but again this was beyond his terms of reference.

The fact is that 80 per cent of the industry's raw steel capacity is controlled by only three companies. Estey observed that the steel industry does not have real competition but follows the practice of price leadership by Stelco. I wonder why there was not a full inquiry into this oligopolistic practice.

In addition the judge made no reference—because it was not within his terms of reference to do so—to requiring individual companies to establish a standard method of calculating individual gross profit margins so that the inquiry could make valid comparisons. I think the most important and significant point the judge made is as follows:

—any future price increases should be linked directly to cost increases, otherwise the profit margins which customarily obtain in the industry will be exceeded—

The Acting Speaker (Mrs. Morin): Order, please. The time allotted the hon. gentleman has expired.

[*Translation*]

Mr. Gaston Clermont (Parliamentary Secretary to Minister of Industry, Trade and Commerce): Madam Speaker, as the hon. minister stated in the House on November 26, 1974, the mandate was very broad. The government was most anxious to get a quick estimation of the profit margins of the steel industry. An extension of the mandate would have lengthened the inquiry, thus delaying governmental action which might have been necessary.

Adjournment Debate

[*English*]

Perhaps Judge Estey's conclusion has been somewhat misinterpreted. He did not state that future price increases not related to costs will be profiteering. He did state:

The steel producers have now achieved a general price structure that is producing profit margins at or approaching levels equal to previous high plateaus in the industry's recent history. Future increases in prices should, to avoid driving earnings to levels beyond those attained by the industry in past periods of prosperity in the steel business, be closely attuned to actual cost increases, otherwise profit margins will exceed those which customarily obtain in the industry.

WEIGHTS AND MEASURES—SUGGESTED AID TO SCHOOLS IN CONVERTING TO METRIC SYSTEM

Mr. Howard Johnston (Okanagan-Kootenay): Madam Speaker, I raised a question on December 19 regarding the program to implement the metric system throughout this country. I should like to compliment the Minister of Industry, Trade and Commerce (Mr. Gillespie) on the variety of steps that have been taken, and on the amount and clarity of the material being prepared to explain this changeover and program to the Canadian people.

There has been considerable interest in the program in the constituency I represent, but there is one aspect which I think is being overlooked. I have in mind the educational institutions and their cost of eventual conversion to the metric system. I am wondering about the failure to obtain co-operation between the Department of Industry, Trade and Commerce and the Secretary of State's department which looks after educational support programs of the federal government, programs which are applied and extended in a variety of fields in this country. Co-operation here could be very useful.

It is one thing to tell the major industries that their profits will increase, that their sales will be better and that they will be in a more favourable trading position compared with other countries in the world if they change over, but you cannot hold out this sort of incentive to school boards in provinces across this country.

Because of inflation school boards are fighting very rapidly rising budgets without the resources to maintain the standards of education they have been able to maintain up to now. I should like to know whether conversations have taken place with ministers of education in various provinces regarding the timetables proposed for implementation of the metric system. If there is not a larger share of the cost assumed by the federal government the implementation of this program will be uneven across this country and, I am afraid, uneven within the various school districts in each province.

The metrication program is a national one, but education is a provincial concern. There is precedent for federal co-operation in the field of education, whether it be in vocational training or in the bilingualism and biculturalism program. It is unfortunate that the Department of Industry, Trade and Commerce should be saddled with this whole thing at the present time, but if the program is to continue in this way I think the minister must be prepared to sit down with the provinces and consider a support program for the implementation of metrication in the educational systems of this country.