

parties with a view to forming the committee tomorrow in order that we can take action without delay. I also urge the minister to recommend to the House that we give the committee more than simply power to study the rise in the price of food. For too long we have established task forces, royal commissions, and so on, to study major problems; then all we have done is file away the results in the garbage can, forgotten about them and let the dust gather on them, while the people reap no benefit.

I wish now to make a few suggestions which I hope the minister will take seriously. I believe the committee should be given power, in its terms of reference, to examine the financial records of the various companies and associations which are relevant to its study. It should also have the power to examine all relevant documents.

I believe the committee should take account of all aspects of food prices and look into the activities of all companies engaged in this field. I have in mind five or six broad items, things such as the basic profits of food companies engaged in the production, processing and packaging of food. Third, the committee should look carefully into the distribution of food; this includes transportation by rail and by other means. Fourth, the committee should study the aspects of advertising and promotion; fifth, the conglomerate structures, vertical integration, chain stores, and so on. Here I refer to companies such as Garfield-Weston and all their subsidiaries.

At all levels of the food industry, what we must look for is the profit on equity investment. It is misleading when some of the chain stores say they have only made one half per cent profit, or one per cent profit, on sales. I will use one example. We find firms such as Dominion Stores saying they showed a profit of only .6 per cent on food sales in Canada. But if we look closely at the records we find that the company actually showed a profit of 11 per cent on investment in Dominion Stores across the country. These are some of the aspects of the question which the committee should study as it considers the increase in the price of food and recommends action to roll back these increases.

We must act now because this is an important issue to very many Canadians in my riding, such as those on fixed incomes and poor people on welfare, people who are unemployed and others who do not reap the benefits of our so-called affluent society.

We must act as countries such as Sweden have acted. Sweden announced recently the establishment of price controls on some basic commodities. Similarly, we must have a prices review board that has teeth, that is not afraid to investigate increases in the price of food. If the increase is not justified, parliament has a moral obligation to control the price of food, rolling the price back on behalf of the average consumer.

These are a few of the ideas that I should like the minister to comment on briefly tonight when he responds to my question.

Hon. Herb Gray (Minister of Consumer and Corporate Affairs): Mr. Speaker, the hon. member has made a number of interesting observations on the composition of and terms of reference for a parliamentary inquiry into food prices. I should remind the hon. member that the

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committee in question will not be formed by the government or the House leaders but, instead, will come into existence as a result of debate and decision in parliament. I expect we will see a notice of motion on the order paper to establish a parliamentary committee to study food prices very soon. I hope that once this motion appears on the order paper the House leaders will agree to have it called as soon as possible so a decision can be made on it shortly thereafter.

In the course of debate on the motion to establish the committee we will be able to go into the suggestions made by the hon. member this evening, as well as other suggestions that will come from all sides of the House in some further detail. There is no question that a committee on food prices is important at this time and I look forward to its early creation.

HOUSING—WHITSON GARDENS SUBDIVISION, CHELMSFORD, ONT.—ACTION TO MAINTAIN VALUE OF HOUSE NOT SUBJECT TO FORECLOSURE.

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, the situation that I raised in my question on Friday of last week was precipitated by the housing shortage in my constituency of Nickel Belt. This shortage of homes at a price our people could afford led to a great deal of land speculation and the building of homes with inferior materials and cheap workmanship, homes that were then sold by questionable methods.

Both levels of government, provincial and federal, consistently refused to pass the kind of legislation that would protect the consumer from scandals such as Whitson Gardens. But how could one expect the old line parties to pass legislation against their staunchest financial backers? In this case it happens to be a Tory bagman and former candidate for the Progressive Conservative nomination for the Nickel Belt riding in 1968, Ross Shouldice. It was his company which built the homes in Whitson Gardens and put them up for sale at an average price of \$21,000.

He then established Silhouette Developments Limited and Trasco Realty Limited to sell the houses. Some of the buyers obtained a lawyer of their own and, having their necessary down payment, bought homes. Others, coerced by Trasco Realty Limited, entered into what they thought was a home purchase but later turned out to be a rental agreement. They had been making their payments to Silhouette, which never made the first mortgage payments to the Toronto-Dominion Bank. In the meantime, Ross Shouldice had gone to Blind River, Ontario, and obtained \$49,000 in DREE grants and manpower retraining grants to open up Wholesale Homes Limited, which suddenly ceased operations after about one year.

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Why is it that when a very small minority of people rip off welfare and unemployment insurance schemes these old line rednecks label them as "freeloaders", but when shysters like Shouldice and Company can bilk the people of Canada for all they can get they are called "free enterprisers"? The way this person ripped off the society makes Moby Dick look like a minnow.

CMHC had and still has a grave responsibility to the home buyers. How is it that CMHC guaranteed loans for