

Oral Questions

● (1120)

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, I pointed out to the hon. gentleman yesterday that the present agreements with the provinces run until April of 1977, which is nearly six months away, and that at the beginning of 1977, in the first months of that year, it obviously will be important, both for the purpose of debate in this House and for the purpose of discussions with the provinces, to talk about the progress of the anti-inflation program at that point and the considerations we would have in mind with respect to extension of those particular agreements. It seems to me to be a lot more sensible to talk to them about the impact of the program as it will have been experienced up to early 1977 on the then current facts rather than setting out the analysis now and talking about that in six months time.

So it is for that reason I pointed out to the hon. gentleman that the discussions will commence early next year. They should be carried on on the basis of the experience up until that time. Of course, the period of extension would be confined by the period of time which has been authorized by this parliament, which at the present date is for another two years.

GOVERNMENT COURSE OF ACTION IN DISCUSSIONS WITH
PROVINCES ON EXTENSION OF PROGRAM

Mr. Sinclair Stevens (York-Simcoe): I wonder if I may put another question to the Minister of Finance with regard to his last answer. Assuming that in his discussions with the provinces such matters as compensation levels, productivity and profit will be dealt with, would the minister indicate if it is the intention of the government actually to put its position before this House and the provinces, or is it simply going to go into some kind of random discourse, asking others for their views as to what should be included in the agreement? Will the minister state a firm government position, for example, on the questions of profits, productivity and compensation levels?

Hon. Donald S. Macdonald (Minister of Finance): Naturally, Mr. Speaker.

An hon. Member: What would you expect?

BASIS ON WHICH GOVERNMENT JUSTIFIES PROGRAM

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, I would like to put my final supplementary to the Prime Minister. In his random remarks yesterday and in his rationalization of the anti-inflation program he spent some time trying to justify the program on the basis that in his view the CPI had gone down, and that it was not only because of the farm gate prices having declined substantially. Is the Prime Minister aware that the chief factor causing food prices in this country to go down is that the beef farmers have literally been murdered by the price of their product going down 20 per cent in the past year, and is this the only way the government feels it can justify its anti-inflation program?

[Mr. Stevens.]

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, it seems to me that the hon. member is making a representation, not asking a question.

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THE CANADIAN ECONOMY

AMOUNT OF WAGE INCREASE FOR UNORGANIZED WORKERS

Mr. David Orlikow (Winnipeg North): Mr. Speaker, I should like to direct a question to the Minister of Finance arising out of some of the statements made by the Prime Minister yesterday. I should like to ask the minister whether studies have been made by his department or any other government department or agency to ascertain whether the more than 60 per cent of the labour force which is still unorganized in this country has received wage or salary increases in the past year, and if such studies have been made, can he indicate whether the information shows the size of these increases and whether they were above or below the increase in the cost of living in the past year?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, with regard to those under the anti-inflation program the Anti-Inflation Board has been analyzing the rate of increases, and indeed, in its report, which will be made available to the House within a matter of weeks, I expect that the board will probably have something to say about that.

With respect to a more extensive analysis of labour groups which are not covered by the mandatory controls, I would have to say that the board obviously has not. I do not know whether my colleague the Minister of Labour could advise in this regard as to whether his department, in its general survey of labour income, could respond to the question put by the hon. gentleman.

POSSIBILITY PERMISSIBLE MINIMUM WAGE INCREASE MADE
MANDATORY

Mr. David Orlikow (Winnipeg North): Many of the people who are not organized work for small employers who are not covered by the regulations of the Anti-Inflation Board. In view of the feelings of many people that the anti-inflation program is not being applied fairly, is the government giving consideration to making the minimum increase of \$600 a year, which is permitted under the anti-inflation legislation, mandatory in order that employees in the lowest income levels, most of whom do not belong to unions and have no bargaining power, can be helped to cope with the increased cost of living this past year?

Hon. Donald S. Macdonald (Minister of Finance): Mr. Speaker, in a very substantial sense a great deal of the work force the hon. gentleman referred to is not under the jurisdiction of the parliament of Canada. With regard to the parliament of Canada, he is asking if it is our intention to increase the minimum wage to \$3.50 an hour. I can say that is not the intention at this time.