

*Inquiries of the Ministry*

**Hon. Herb Gray (Minister without Portfolio):** Mr. Speaker, the question would appear to come primarily within the responsibility of the Minister of Consumer and Corporate Affairs. He was here a moment ago. I understand he will be prepared to deal with it.

**Mr. Stanfield:** Mr. Speaker, I do not want to be argumentative, but how is one supposed to get an answer relating to government policy when the ministers seem to be so difficult to find?

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

**Mr. Stanfield:** Mr. Speaker, I have a supplementary question for the reappearing Minister of Consumer and Corporate Affairs. In view of the indicated intention of some 250 corporations to increase their prices substantially in 1970, what is the position of the government? Is the government now prepared to define what restraint consists of so that corporations and others will know what the government expects of them in complying with a policy of restraint?

**Hon. Ron Basford (Minister of Consumer and Corporate Affairs):** Mr. Speaker, as I explained before in the House, the Prices and Incomes Commission is trying to negotiate with private interests or economic groups a definition of what is acceptable restraint or constraint. I am hopeful—and I am sure the Leader of the Opposition joins me in this—that the work of the commission on this project will succeed.

**Mr. Stanfield:** Mr. Speaker, may I ask whether the position of the government is that announced by the minister the other day, that any increase in price constitutes a violation of restraints, or does the government support the position taken by the Prices and Incomes Commission that increases up to 5 per cent in the case of wages and 2½ per cent in the case of prices would appear to be a reasonable ceiling?

**Mr. Basford:** Well, Mr. Speaker, I have read the speech of the chairman of the commission, which was made in Regina. The figures the Leader of the Opposition quotes were mentioned in that speech as only one proposal the commission was discussing. I think it was made clear in the speech that that was a negotiating position. My position simply is I would hope that those making price and income decisions would sit down as quickly as possible with the commission to work out what would be acceptable restraint.

[Mr. Stanfield.]

**Mr. Stanfield:** Mr. Speaker, I have a supplementary question in an effort to make sure there is no misunderstanding. The government, in fact, has no specific policy.

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

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

**Mr. Speaker:** Order, please.

**Mr. T. C. Douglas (Nanaimo-Cowichan-The Islands):** Mr. Speaker, may I direct a question to the Prime Minister. In view of the speech made by the chairman of the Prices and Incomes Commission, has the government decided that under certain conditions it proposes to introduce legislation to provide that there will be a ceiling of 5 per cent on wage increases and 2½ per cent on price increases per annum? Has this decision been reached, and under what conditions does the government propose to proceed with such a program of restraint?

**Right Hon. P. E. Trudeau (Prime Minister):** Mr. Speaker, the government's position has not changed since a few weeks ago when I answered that the government closes no door on any procedure to combat inflation, I mentioned the defects in the approach suggested by the leader of the New Democratic Party, but I have not excluded any alternative open to the government which we will consider and use if necessary.

**Mr. Douglas (Nanaimo-Cowichan-The Islands):** Mr. Speaker, in view of the fact that the speech by the chairman of the Prices and Incomes Commission dealt solely with a ceiling on prices and wages, is the government directing the Commission to study, or is the government itself making a study, of the question of restraints upon other forms of income such as corporation profits, dividends, interest and rents, or is any study of restraints being restricted entirely to salaries, wages and prices?

**Mr. Trudeau:** Mr. Speaker, the constitutional difficulties are as great whether we are dealing with wages or with rents.

**Mr. Max Saltsman (Waterloo):** In view of the constitutional difficulties which always seem to arise when the question of prices or incomes control is brought up, can the Prime Minister indicate whether he is meeting with the provinces in order to bring about some changes in the constitution along this line?