

*Inquiries of the Ministry***THE CANADIAN ECONOMY****INFLATION—CONSTITUTIONAL POWER OF GOVERNMENT TO INTRODUCE PRICE AND WAGE CONTROLS**

**Mr. G. W. Baldwin (Peace River):** I should like to ask the Acting Prime Minister a question in light of the growing danger of inflation and the doubts with respect to what the government's policy is. Has the government sought legal advice—I am not asking what the advice is—as to the jurisdiction of the Federal government with regard to the imposition of wage and price controls?

**Hon. Mitchell Sharp (Acting Prime Minister):** Yes, Mr. Speaker. As I indicated the other day in the House it is our view that in the kind of circumstances which would justify wage and price controls we would have jurisdiction.

**Mr. Baldwin:** Has the government discussed with the provincial governments the question of whether they would delegate their rights and co-operate with the federal government? I am asking for information purposes.

**Mr. Sharp:** No, Mr. Speaker. I believe the Prices and Incomes Commission at one time discussed with the provinces whether they wished to exercise restraint or to impose controls under their jurisdiction, but as I recall it the response was negative.

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**INDUSTRY****PAUL MANEY LABORATORIES—ACTION TO PREVENT SALE TO FOREIGN INTERESTS**

**Mr. Max Saltzman (Waterloo):** I wish to direct my question to the Minister of Industry, Trade and Commerce, if I can get his attention. Is he in a position today to reply to the question I asked him on Friday regarding the Paul Maney Laboratories and the extent to which his department is providing some assistance in order to prevent the company being sold to foreign interests?

**Hon. Jean-Luc Pepin (Minister of Industry, Trade and Commerce):** Mr. Speaker, two points only. The company has recently submitted an application for a PIDA loan which is being processed as rapidly as possible. I also understand that a United States based company in Canada is considering making an offer to purchase this company.

**Mr. Saltzman:** Would the minister indicate whether it is his intention to ensure that this company remains in Canadian hands as one of the few remaining Canadian drug companies not under foreign ownership?

**Mr. Pepin:** Mr. Speaker, inasmuch as the programs of my department can be used for that purpose, yes, but there are other things that cannot be corrected by programs of the Department of Industry, Trade and Commerce, however good they are.

[Mr. Jamieson.]

[Translation]

**AGRICULTURE****DAIRYING—REVIEW OF POLICY**

**Mr. Adrien Lambert (Bellechasse):** Mr. Speaker, I have a question I wish to direct to the Minister of Agriculture.

Following the announcement on March 30, 1971, of a new policy with regard to the dairy industry for the current year, the minister suggested that improvements could be brought up during the forthcoming months. Is he now in a position to tell us whether such improvements with respect to prices, will be made for the benefit of industrial milk producers?

[English]

**Hon. H. A. Olson (Minister of Agriculture):** Mr. Speaker, I am not in a position to announce any changes, but I am in a position to report that improvements in the dairy situation, both in Canada and in international markets have been going on very satisfactorily.

[Translation]

**Mr. Lambert (Bellechasse):** I have a supplementary question, Mr. Speaker.

I accept the minister's answer but this is what I want to know: How soon will the industrial milk producers benefit from it?

[English]

**Mr. Olson:** Yes, Mr. Speaker. The date is not particularly important because any immediate improvement could be realized at the level of the holdback. Whether or not a change is made during the next few weeks or at some later time, this improvement will accrue to the producers anyway.

**SUPPLY OF MILK FOR MANUFACTURE OF CHEESE**

**Mr. R. E. McKinley (Huron):** I have a supplementary question for the Minister of Agriculture, Mr. Speaker. Is the minister aware that the supply of milk for the manufacture of cheese is drying up fast, and is the minister going to do anything about it?

**Mr. Speaker:** I have the impression that this question was asked a few days ago but I am not sure whether it was replied to by the hon. minister. It is my impression that it was, but if it was not the minister could reply to the hon. member for Huron.

**Hon. H. A. Olson (Minister of Agriculture):** Very briefly, Mr. Speaker, may I say that neither the minister nor the dairy commission has control over the allocation of milk to cheese factories or other processors.

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**EXTERNAL AFFAIRS****U.S.S.R.—CANADA PROTOCOL ON CONSULTATION—REPRESENTATIONS BY PRIME MINISTER ON RUSSIAN FISHING PRACTICES**

**Mr. Lloyd R. Crouse (South Shore):** Mr. Speaker, I wish to direct my question to the Acting Prime Minister.