

Oral Questions

Since the food chain stores have traditionally stressed cash payment and since they are greatly concerned with the price of foods at this time, would the Minister tell the House whether he is conducting a thorough study on the use of credit cards and its effect on foodstuffs prices?

Hon. André Ouellet (Minister of Consumer and Corporate Affairs): Yes, Mr. Speaker, a study is being conducted within my department, especially in respect of the use of credit cards.

Mr. Stanfield: Mr. Speaker, I have a supplementary. Considering the concern expressed by the Canadian Grocery Distributors Institute and the Retailers' Council to the effect that the extensive use of credit cards would bring about a spiralling of food prices and since this practice is rapidly increasing, why did not the minister ask the people concerned to stop this practice, at least temporarily, until completion of these in depth studies?

Mr. Ouellet: Mr. Speaker, I did not because we are in a free enterprise society where every individual may use the type of payment he feels proper and there is no question of limiting the people's freedom of action.

[English]

Mr. Stanfield: One further supplementary. Has the minister raised or does he intend to raise this matter with his provincial counterparts, particularly in view of the effect widespread use of this practice might have on the price of food across the board, that is on the prices paid for food by people who continue to pay cash?

[Translation]

Mr. Ouellet: It is an excellent suggestion, Mr. Speaker. I shall certainly follow it up.

[English]

EFFECT OF USE OF CREDIT CARDS—SUGGESTED INVESTIGATION BY FOOD PRICES REVIEW BOARD

Mr. James A. McGrath (St. John's East): Mr. Speaker, I have a supplementary question for the Minister of Consumer and Corporate Affairs. In view of the impact the use of credit cards could have on food prices in Canada, will the minister ask the Food Prices Review Board to look into this matter on an urgent basis so that we can get some indication of exactly how serious the impact could be?

[Translation]

Hon. André Ouellet (Minister of Consumer and Corporate Affairs): Mr. Speaker, I wish the hon. member could provide me with proper evidence warranting the conclusion that credit cards have greatly contributed to the rise in food prices. If he could, I should be very pleased to refer this information to the Plumptre board for review.

[English]

SUBSIDY ON POWDERED MILK—PROPOSED APPLICATION TO EVAPORATED MILK

Mr. James A. McGrath (St. John's East): Mr. Speaker, it is precisely to get evidence that I asked the minister if he would refer this subject to the Food Prices Review Board which could ascertain if there is evidence. In the

absence of the Minister of Agriculture, I will direct my supplementary question to the Minister of Finance who has shared responsibility. Will the government give immediate consideration to a recommendation contained in a report released by the Food Prices Review Board today on food prices in the province of Newfoundland? They recommend that the powdered milk subsidy be applied immediately to evaporated milk. Will the government give immediate consideration to that as that recommendation of the board is something that can be done immediately?

Hon. John N. Turner (Minister of Finance): Yes, Mr. Speaker. I will look at that report right away.

FLUID MILK—SUGGESTED RE-INTRODUCTION OF SUBSIDY

Mr. John Rodriguez (Nickel Belt): Mr. Speaker, my question is directed to the Prime Minister. The latest consumer price index indicates a very substantial increase of 3.7 per cent in the price of fluid milk from September 1974 to October 1974. Will the government re-introduce the subsidy on fluid milk?

Right Hon. P. E. Trudeau (Prime Minister): Mr. Speaker, this question has been answered before. The answer is still the same.

BREAD—SUGGESTED INVESTIGATION OF PRICE INCREASES

Mr. John Rodriguez (Nickel Belt): A supplementary, Mr. Speaker. This question is addressed to the Minister of Consumer and Corporate Affairs. In view of the revelation in the latest consumer price index that bread prices have increased by 7.1 per cent since September of this year and noting that Maple Leaf Mills, one of Canada's largest mills, enjoyed a profit increase of 40 per cent in the first nine months of 1974 while sales in the same period increased by only 23 per cent, would the minister order an investigation into bread prices from March of 1974 to the present in order to determine whether the consumer is again being ripped off?

[Translation]

Hon. André Ouellet (Minister of Consumer and Corporate Affairs): Mr. Speaker, the Food Prices Review Board has precisely been established to carry out this type of work. I am sure it is aware of the statistics quoted by the hon. member, and that it will look into this with the same drive it demonstrates generally in fulfilling its assignments.

[English]

Mr. Rodriguez: A further supplementary directed to the Prime Minister. Will the right hon. gentleman admit that the lack of investigations and subsidies is due directly to the fact that the government now sits in a majority position?