

In view of the instructions contained in the Speech from the Throne prepared by the Labour government regarding the entry of the United Kingdom into the Common Market, could the minister tell the house whether he has recently received any communication in this connection or whether he is having any discussion with the London government, or its representative, on the conditions of entry and on the implications, advantages and disadvantages for Canada and other Commonwealth countries?

Mr. Speaker: The hon. member's question is very general in nature and unacceptable in its present form.

[*English*]

NATIONAL SECURITY

INQUIRY AS TO ESTABLISHMENT OF JUDICIAL INQUIRY

On the orders of the day:

Mr. R. N. Thompson (Red Deer): My question is directed to the Prime Minister. I wonder whether the Prime Minister could inform the house when he expects to set up the special inquiry on security about which we have been so concerned?

Right Hon. L. B. Pearson (Prime Minister): At the moment, Mr. Speaker, consideration is being given to the terms of reference and the personnel of such inquiry. I hope there will be an announcement about this shortly.

AIR TRANSPORT

REPRESENTATION AT U.S. HEARING ON TRANSATLANTIC CORRIDORS

On the orders of the day:

Hon. J. A. MacLean (Queens): Mr. Speaker, I would like to direct a question to the Minister of Transport. I regret that I have not been able to give him notice of it. Perhaps he can take my question as notice if he is not now in a position to answer it. Has his department an observer present at the U.S. federal aviation agency hearings which I believe are taking place at the present time, regarding safety measures on transatlantic flights.

I ask this in light of the views of the International Federation of Air Line Pilots Associations that the minimum allowed spacing between jets on transatlantic flights is not adequate for safety.

Hon. J. W. Pickersgill (Minister of Transport): Mr. Speaker, I know that the proceedings in question are being very closely followed by the officials of my department.

The Budget—Mr. Bower

Whether an official of my department is there as an observer I shall have to inquire about. We are all deeply concerned about this matter.

May I be permitted to say that we appreciate the great public apprehension that has been caused about this matter, and we are pursuing every aspect of it just as thoroughly as we can. I am sure all hon. members realize that the Canadian air lines would be very concerned indeed if they felt they were doing anything that would endanger the safety of the passengers on transatlantic flights.

THE BUDGET

ANNUAL FINANCIAL STATEMENT OF THE MINISTER OF FINANCE

The house resumed, from Thursday, April 21, consideration of the motion of Hon. Mitchell Sharp (Minister of Finance) that Mr. Speaker do now leave the chair for the house to go into committee of ways and means.

Mr. J. O. Bower (Shelburne-Yarmouth-Clare): Mr. Speaker, I have followed with interest the presentation of the budget by the Minister of Finance and the debate which has ensued. Taking into account the varied group ideologies of this house, it seems to me just about every aspect of its impact has been explored.

It is now apparent the budget attempts to do too many things in too many different ways, and that the end product may well have a sort of gigantic cancelling out effect. The temperatures in the economically overheated areas, where the minister apparently wishes to lower the fever, probably will not respond to the too bland treatment, and areas such as Nova Scotia beset by economic chills, may slip into a deep freeze. The classic monetary policy of tight money which is being and presumably is to be applied as an anti-inflationary move does not lend itself to selective regional application. It will impinge on the frailer economic zones as a chilling frost. Fiscal policies of hold-back and stretch out of government capital expenditures and/or grants hit areas of weaker economy disproportionately hard.

The Minister of Finance offers the country a deficit budget which is inherently inflationary. But he apparently implies that because the deficit contemplated is less than that envisaged in last year's budget, the present budget is therefore corrective of the threatened inflationary spiral and the consequent acceleration of the rise in the cost of living.