

Oral Questions

of inflation which would obviously result thereafter in greater unemployment and perhaps a further recession. I believe the position has to be understood against the background of a fear of resurgence of inflation in all industrialized countries if growth is permitted to go beyond reasonable bounds.

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FINANCE**POSSIBILITY BUDGET REFLECTS COMMITMENT TO LOWER RATE OF GROWTH**

Mr. Max Saltsman (Waterloo-Cambridge): I should like to direct my supplementary to the Minister of Finance and ask him to what extent his May budget was influenced by this agreement Canada has made with the OECD countries and whether his budget does reflect that commitment to lower growth and less concern about unemployment?

Hon. Donald S. Macdonald (Minister of Finance): It was certainly not influenced by an OECD agreement which was reached about three weeks afterwards. Nevertheless, the position stated by the Secretary of State for External Affairs seems to be a reasonable one and one which, I should have thought, would have commended itself to the hon. member. While we should be seeking growth to meet our employment requirements in Canada we would be the losers if we allowed it at the expense of unrestrained inflation. To that extent, the position stated by my colleague is the position taken in the budget.

PROVISIONS RELATING TO CAPITAL COST ALLOWANCES AND LEASING—EFFECT ON CANADIAN FILM INDUSTRY

Mr. John Roberts (St. Paul's): Mr. Speaker, my question is for the Minister of Finance—it is one of great concern to film-makers in Canada. In the budget of May 25, the hon. gentleman announced a new rule against tax sheltering related to capital cost allowances and leasing; it is feared that this will militate against the production of Canadian films. May I ask whether it is intended that the rule apply to films produced in Canada?

Hon. Donald S. Macdonald (Minister of Finance): Subject to confirmation I would say it really applies to movable equipment only in Canada, that is to say, to chattels rather than to the films themselves. But I would have to confirm this through closer examination.

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LABOUR CONDITIONS**DATE OF TABLING REPORT ON RAILWAY PENSIONS**

Mr. Leonard C. Jones (Moncton): Mr. Speaker, my question is for the Minister of Labour but in his absence I will address it to the Prime Minister. When will the long-awaited report on railway pensions be tabled, and in any event, when will steps be taken to alleviate the distress of railway pensioners covered by inadequate pension plans?

[Mr. MacEachen.]

Hon. P. E. Trudeau (Prime Minister): The hon. member is asking me when a report will be tabled. I will inquire.

An hon. Member: You have been doing that for two years.

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AIR TRANSPORT**DELAY IN PROCESSING APPLICATIONS FOR PRIVATE PILOTS' AND AIRCRAFT LICENCES—GOVERNMENT ACTION**

Mr. R. E. McKinley (Huron-Middlesex): My question is addressed to the Minister of Transport. Many hon. members have received complaints because of the heavy backlog in the processing of applications for licences for private aircraft and pilots dealt with by the Toronto District office. Can the minister offer us any hope that there might be a "catch-up" operation in the processing of these applications so that people wanting these licences will not have to wait two months or more as is now the case?

Hon. Otto E. Lang (Minister of Transport): I am afraid I cannot extend a great deal of hope at the present time. The labour dispute is not yet settled in a final way and there is a danger of falling further behind, let alone being able to provide for a catch-up operation. Nevertheless, some steps are being taken to deal with the situation.

RENEWAL OF PILOT'S LICENCES IN VIEW OF POSSIBLE STRIKE OF AIRCRAFT SAFETY INSPECTORS

Mr. Dan McKenzie (Winnipeg South Centre): In the light of the planned strike by the aircraft safety inspectors group, is the minister proposing any extension whatsoever of expired pilots' licences once the strike commences and, if so, for how long? Further, will he be conducting proper medical examinations before any of these licences are renewed?

Hon. Otto E. Lang (Minister of Transport): The question is clearly hypothetical but I would refer the hon. member to our past practice.

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TRANSPORT**FREIGHT RATES—METHOD OF MAINTAINING BENEFIT OF CROW RATE FOR RAPESEED**

Mr. Gordon Towers (Red Deer): Mr. Speaker, my question is for the Minister of Transport. It arises from the many statements made by the minister in charge of the Wheat Board in this House as well as in Western Canada about discrepancies between freight rates for rapeseed, rapeseed products, feed grains and beef. I refer in particular to one occasion upon which the minister, in answer to a question, said: "I would fight to try to preserve the benefit of the Crow rate in some other way . . ." "Would the minister tell us what he meant by "some other way"?"