

Oral Questions

just foreign aid, which will close the widening gap between rich and poor in the world?

Hon. John N. Turner (Minister of Finance): The Prime Minister and the Secretary of State for External Affairs have both been directing their attention to commodity pricing and the realignment of world trade. Within the International Monetary Fund itself, and the World Bank, its sister institution, we have been concerning ourselves with subsidy accounts at low interest rates to the third world, with third window financing through the World Bank, and so on. Whether these endeavours should be linked in one comprehensive policy is another matter. But we are moving in the same direction.

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NATIONAL DEFENCE

REPLACEMENT FOR ARGUS—CONSIDERATION OF BOEING
AND LOCKHEED PROPOSALS—PAYMENT FOR CONTRACT
DEFINITION

Mr. Allan B. McKinnon (Victoria): Mr. Speaker, may I direct my question to the Minister of National Defence? On April 15, some three weeks ago, the minister issued a statement indicating that the program for replacement of the Argus was proceeding according to plan; the contract definition stage had been completed and recommendations were to be made to cabinet. On May 1, the minister completely reversed his position and stated: "We may still find the answer in either the Boeing or the Lockheed proposal; we may, but we want to make certain that we widen the search." It appears the minister has turned an orderly replacement program into an utter shambles. Can he tell the House whether he still intends to have the acquisition contract for the Argus replacement signed before August 2?

Hon. James Richardson (Minister of National Defence): We are continuing to examine the bids and proposals put forward by Boeing and by Lockheed, but as I indicated to the standing committee we intend to consider other proposals as well.

Mr. McKinnon: The decision to pay between \$10 and \$11 million to two United States firms for contract definition purposes can only be rationalized if the government has in fact firmly decided to buy one or the other of the two planes. If a decision has still to be made, does the minister not agree that the \$10 or \$11 million may have been totally wasted?

Mr. Richardson: No, Mr. Speaker. I would say that when we are spending several hundreds of millions of dollars, that kind of expenditure which could help us to do the right thing, constitutes money well spent.

[Mr. Roche.]

THE CANADIAN ECONOMY

INFLATION—EFFECT OF DEVALUATION OF DOLLAR

Mr. James Gillies (Don Valley): My question is for the Minister of Finance, Mr. Speaker. Since the minister has told us he has had an opportunity to become well-briefed on the Canadian economy since his return, may I ask him to tell us how much impact on domestic inflation the precipitous devaluation of the Canadian dollar is having at the present time?

Hon. John N. Turner (Minister of Finance): I could not pinpoint it exactly.

Mr. Gillies: Could one consider that since it has failed to control domestic inflation the policy of the Canadian government at present is to compensate by letting the dollar float down, regardless of what level it might reach and regardless of the effect on other countries of the world?

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BROADCASTING

ALLEGED STATEMENT BY MR. JUNEAU STATIONS NOT
CONTRIBUTING TO COMMUNITY WOULD HAVE DIFFICULTY
RENEWING LICENCES—GOVERNMENT POSITION

Mr. Gordon Ritchie (Dauphin): A question for the Minister of Communications, Mr. Speaker, arising out of a statement by Mr. Juneau as head of the CRTC that broadcasters who do not make a so-called reasonable contribution to their communities would have trouble at licence renewal time. May I ask whether the government endorses this policy and has it laid down guidelines which the CRTC might use when defining "reasonable contribution"?

[Translation]

Hon. Gérard Pelletier (Minister of Communications): Mr. Speaker, I am not informed of this statement made by the chairman of the CRTC, but if the hon. member wants to refer to the Broadcasting Act, he will realize that the CRTC was specifically created to establish the kind of standards that the hon. member does not seem to like.

ROUTINE PROCEEDINGS

[Translation]

HEALTH, WELFARE AND SOCIAL AFFAIRS

Fourth report of Standing Committee on Health, Welfare and Social Affairs in both official languages—Mr. Isabelle.

[Editor's Note: For text of above report, see today's Votes and Proceedings.]