ered by the new body and not by the Canadian Transport Commission?

#### [Translation]

Hon. Gérard Pelletier (Minister of Communications): Mr. Speaker, I cannot unfortunately predict accurately when the legislation may be introduced in the House. It will depend entirely on the time taken by the House to deal with the bills on the order paper.

As for the possibility that a new regulatory body would consider Bell Canada's Application B, it is obviously related to an eventual early integration of the telecommunications committee of the CTC with the CRTC.

#### [English]

Mr. Grier: My question arises precisely from some of the reasons given in the minister's reply. Would it be the intention of the government or of the hon. gentleman's department to defer consideration of Bell's application B until such time as the government and the House have disposed of the matter of the new regulatory body?

#### [Translation]

Mr. Pelletier (Hochelaga): Mr. Speaker, as I do not know exactly how much time we will need to implement the reform announced in the green paper, I cannot tell the hon. member that we intend to put it off until Bell Canada's Application B has been considered, as consideration of that application cannot be put off indefinitely.

• (1140)

[English]

#### **VETERANS AFFAIRS**

#### DISABILITY PENSIONS—ACTION TO ELIMINATE BACKLOG OF APPLICATIONS

Mr. Jack Marshall (Humber-St. George's-St. Barbe): Mr. Speaker, my question is directed to the Minister of Veterans Affairs. Now that the disability pension increases have been approved, and in view of the vast number of representations being made appealing for action on applications for disability pensions, would the minister advise what progress is being made to clean up the large number of applications that are backlogged, particularly those by older veterans which should be treated on a priority basis?

Hon. Daniel J. MacDonald (Minister of Veterans Affairs): Mr. Speaker, it is of interest to note that production for the past six months has increased by 75 per cent over the same period last year. The average number of decisions written was 316 each month in 1971, 464 for each month in 1972, and so far in 1973, 762.

Mr. Marshall: In spite of the progress that is being made, in view of the fact that older veterans are passing away before they can take advantage of their applications having been approved, would the minister reinforce the Canadian Pension Commission and also the medical staff in order to clean up this backlog, which is urgently required at the present time?

#### Oral Questions

Mr. MacDonald (Cardigan): Mr. Speaker, we now have a policy whereby older veterans and those in immediate need receive first attention. But we do have a little problem in regard to controlling death.

### AIR TRANSPORT

DATE OF RESUMPTION OF NEGOTIATIONS WITH UNITED STATES

Hon. Marcel Lambert (Edmonton West): Mr. Speaker, my question is for the Secretary of State for External Affairs. Would the hon. gentleman advise the House when it is proposed to resume the bilateral air negotiations with the United States? Would he also advise whether his colleague, the Minister of Transport, has indicated that these must wait until the government has come to a decision regarding the applications of Air Canada and CP Air for the connection between Canada and Milan?

Hon. Mitchell Sharp (Secretary of State for External Affairs): Mr. Speaker, negotiations with the United States will resume on July 16.

Mr. Speaker: The hon. member for Compton.

Mr. Lambert (Edmonton West): What about the second point? Is that tied in?

[Translation]

## SOCIAL SECURITY

# FAMILY ALLOWANCES—INQUIRY RESPECTING INCREASE—DISPUTE WITH QUEBEC

Mr. Henry Latulippe (Compton): Mr. Speaker, I should like to direct a question to the Minister of National Health and Welfare.

Can he tell us what progress has been made with the provisions on family allowances? Can Canadians expect to receive the promised increase, and if so, when?

Hon. Marc Lalonde (Minister of National Health and Welfare): Mr. Speaker, if parliament approves the bill which will be tabled in the next two weeks and if this bill is passed before the end of the year, the family allowances increase should come into effect on January 1, 1974, as proposed by the government.

Mr. Latulippe: Would the hon. minister also say whether the dispute between the federal government and the provinces, particularly Quebec, has finally been settled and what are the government's provisions for family allowances in this respect?

Mr. Lalonde: Mr. Speaker, as far as I know there was never any dispute, to use the hon. member's expression, between the federal government and the provinces. It was simply a matter of reaching a clear agreement of the final procedures to be completed with regard to the flexibility formula proposed by the federal government, but the fed-