

Editorial

ON FOREIGN SERVICE

Congratulations are in order to Avro Aircraft Ltd. on its receipt of an order for 53 CF-100's for the Belgian Air Force. This is a well-deserved testimonial to a fine airplane and its Orenda engines from not just one, but two foreign powers: Belgium, which selected the airplanes as the best of its kind available for the purpose in which it is to be employed; and the U.S., which is footing most of the \$43,000,000 bill. Because of delays in getting the CF-100's radar equipment cleared for export to a foreign power, this order was a long time in the works. This means that the Belgian Air Force had plenty of time to give full consideration to all other types of competitive airplanes. That even after this unusually lengthy scrutiny, Belgium still stuck by its choice, is doubly flattering to the CF-100. This latest order for Canadian-made fighters strengthens Canada's position as one of the world's leading exporters of military aircraft. That the type involved should be a Canadian designed and developed machine powered by Canadian designed and developed engines, makes this order all the more significant.

PENSION FUND

There is sound basis for the report that when people in the aircraft industry meet and exchange notes nowadays, they start off by wryly asking each other . . . "What does the handwriting on *your* wall say?"

And if there is some disagreement about what this handwriting on various walls actually does say, it is understandable that this should be so. In Canada, the industry was just beginning to absorb the news that an armament revolution — one that would have far-ranging effects on the composition and products of the aircraft industry — was well under way, when the electorate set off another revolution.

Clouded Over: Up till the time of the governmental upset, the overall picture of future trends was reasonably clear, though not quite so clear was how Canadian air defences would be modified to go along with these trends. The former government had accepted the premise that there would be about a ten year gap between the current crop of manned interceptors in service, and a reliable and effective 100% missile anti-aircraft (or anti-missile) defence system. This gap would have to be filled by an advanced aircraft that would be just about the ultimate in manned interceptors.

It was known in general terms that this last manned interceptor would eventually be succeeded by guided missilery, but the questions as to who would develop the missiles and who would make them, were still largely unanswered.

But complications have been added. Now in the driver's seat is a Government pledged contradictorily to (a) raise old age pensions, and (b) reduce taxes. There are only two ways this can be done, and these are to make savings in Government administrative costs by eliminating waste and inefficiency, or actually to cut expenditures.

It seems improbable that even with the complete elimination of waste and inefficiency could savings of the necessary amounts be made. This leaves as the only course, a cut in expenditures.

Close Look: It is known that the defence program, as the country's biggest single item of spending, is under particularly close scrutiny. This is where the savings and, if necessary, the cuts will be made.

The programs that are in the most precarious position are those which have been the objects of some dissension. For instance, the CF-105 program has its detractors . . . and the Air Force didn't exactly support the purchase of the HMCS Bonaventure and its associated flying equipment. The opponents of both of these programs will be suggesting to the Government that substantial savings could be made if. . .

Defence Minister George Pearkes, it is understood, has been closely studying the new look in British defences with an eye to casting Canadian defences in the same economical mold. But it should be noted that even the British system, though it is designed to meet a somewhat different set of defence requirements (what would be regarded as strictly local defence on this continent), recognizes that there is a need for at least one more generation of manned fighters.

This is a serious business. Let us hope that as the new Government reviews the defence program, it does so with a view to improving our defences, and not just with the political aim uppermost in mind of fulfilling a campaign promise. If the bombs begin to fall, what price then, old age pensions?