

Dominion-Provincial Relations

DOMINION-PROVINCIAL RELATIONS—TAX
SHARING ARRANGEMENTS

concern in various prairie centres, of which, of course, Medicine Hat is one of the more important, respecting the future of the so-called "milk run" of Trans-Canada Air Lines.

My question is, will the minister give the members of this house from the west his assurance that no steps will be taken leading to any deterioration of the present intercity service before full representations from the newly formed prairie region air committee and other interested organizations in Alberta, Saskatchewan and Manitoba have been heard and studied by him?

Hon. Leon Balcer (Minister of Transport): Mr. Speaker, both my predecessor and I have indicated on a number of occasions that full and careful study will be given to the question of the future of what is known as the T.C.A. prairie milk run. This problem has arisen because of T.C.A. plans for elimination of all D.C.3's from its fleet and the high cost of construction of the secondary prairie airports to Viscount standards, as compared with a relatively low traffic volume on the route.

T.C.A. has been asked to review this problem and report to me on it, and I can give the assurance that this report, when received, will be the subject of very careful consideration by the air transport board, the Department of Transport and myself in accordance with the provisions of the Aeronautics Act, and that any representations received will be carefully studied. If it appears necessary and desirable in dealing with the case, a public hearing may be decided upon.

COMBINES

BRITISH-COLUMBIA—REPORTED USE OF EGGS
AS LOSS LEADER

On the orders of the day:

Hon. E. D. Fulton (Minister of Justice): Mr. Speaker, on January 25 the hon. member for Kootenay West asked me a question, as reported at pages 1398 and 1399 of *Hansard*, about the use of eggs as loss leaders in British Columbia.

I would like to inform the house that there have been no complaints in this regard brought to my attention, and if the hon. member has any evidence indicating an offence under the Combines Investigation Act, if he will bring it to the attention of the director of investigation and research the director will consider it carefully to determine whether an inquiry is warranted.

SUPPLY

Hon. Donald M. Fleming (Minister of Finance) moved that the house go into committee of supply.

Mr. Lucien Cardin (Richelieu-Vercheres): Mr. Speaker, it would be entertaining and amusing, if it were not so serious, to study in detail the extent to which the Prime Minister and the members of the government have gone to make the people of Canada believe that the Conservatives are whistling the same tune today that they whistled so melodiously in 1957. One can barely recall—the picture is fading very rapidly—the self-assurance and even the overconfidence of the Prime Minister when he marched across the country all but submerged in the solutions he professed to have to all the problems, national and international. Among other things he led Canadians to believe that he had found the formula to increase social legislation, reduce taxes and balance the budget. Of course no one would suffer from unemployment, not while the Prime Minister was administering the affairs of Canada.

His predictions also contained a very vivid description of the Conservative vision of utopian Canada where full employment would be the order of the day, where our economy would be stabilized and tight money unheard of, where our national defence would be adequately provided for and our trade deficits would be brought into balance. This was the type of tune whistled in 1957 by the Conservatives.

The tune began to change immediately on their taking office. Instead of the self-assured, confident Billy Graham the Canadians had listened to, the Canadian people found that they had elected a very surprised Prime Minister leading an unprepared and bewildered government in the uncompromising intricacies of government administration without any notion whatever as to how they were going to implement any of the promises they had made, let alone how they were going to achieve anything remotely resembling the utopian vision of Canada under a Conservative administration.

The government's first tactic was then to appear to be busy and to be accomplishing things, and a great deal of publicity was given to the Prime Minister's travels abroad and around the world; and the government's statement with respect to a 15 per cent diversion of trade from the United States to the United Kingdom was made on the basis of sensationalism rather than on the basis of the wisdom and soundness of the action involved.

The description by the Minister of Finance of the commonwealth trade conference, which he claimed was a colossal success, can be justified only in terms of propaganda, because that particular trade conference will forever