Trans-Canada Highway Act

That it is expedient to introduce a measure to amend the Trans-Canada Highway Act to provide that the aggregate of all expenditures under sections 4, 5 and 6 of the act may be increased to a maximum of three hundred and fifty million dollars.

At six o'clock the committee took recess.

## AFTER RECESS

The committee resumed at 8 p.m.

Mr. Pickersgill: Mr. Chairman, at the outset of my remarks I wish to reassure you that during the course of what I have to say I do not intend to use that naughty word "Duplessis" which seems to depress some of the hon, gentlemen over there to such a degree. I had hoped and, in fact, I mentioned to him at six o'clock that the hon. member for Assiniboia would be here when I spoke this evening because I wanted to take the opportunity of debunking the ridiculous statement he made this afternoon to the effect that there was any difference between the fundamental position we took when we were in office and the position we take now with respect to the trans-Canada highway.

It was the St. Laurent government that started the trans-Canada highway in 1949, and practically all of the work that was done on the highway until about a year ago was authorized by the St. Laurent government and I congratulate the present Minister of Public Works for having kept up the good work that we started. While his estimates are showing the inflation that is customary in the estimates of hon. gentlemen opposite over anything that we ever undertook to expend and while it is interesting to see that the minister is not much better at estimating than some of his colleagues are, we believe the money is being spent in a very good cause. I certainly would be the last one to complain about it because I imagine there could be very few ridings in this country that are deriving more direct and immediate benefit from the work on the trans-Canada highway that is proceeding at the present time-not so much this winter as last because of climatic conditions—than the riding I have the honour to represent and there is certainly no part of Canada where it is more needed.

There is one observation of a general character I shall make about this resolution and it applies equally to all forms of sharing between federal and provincial authorities except one. The hospitalization legislation does have a different and more equitable provision. This 50-50 sharing formula in programs of this kind works a hardship on those

provinces with lower taxable capacity. It is very easy for a rich province like Ontario or like the minister's province to match dollar for dollar. It is much more difficult for the four Atlantic provinces. I am not suggesting that what I am about to say is anything more than my own view on the subject which I commend as much to my hon. friends on this side as to hon. gentlemen opposite but I believe all of us should see if it would not be possible to devise a formula, if these cost-sharing arrangements are to go on, that would have a more equitable result as between the provinces; a formula based to some degree on the same kind of principle as the tax equalization plan.

While of course we are pleased that the government of Saskatchewan had been able to build the trans-Canada highway across that province and while we are equally pleased that Manitoba has completed all of its share except, I understand, the by-pass around Winnipeg—

Mr. Green: Brandon is not quite finished either.

Mr. Pickersgill: I understand it is practically finished. While we are pleased about Saskatchewan and Manitoba and pleased that Alberta is practically finished, too, it will be apparent to almost anyone that there are two reasons why that is so. One is that the cost of road building on the average is so much lower in those provinces than in some others and the other reason is that, relatively speaking, over most of the past few years, as the statistics show, those provinces have had a pretty good taxable capacity, and there has not been the same difficulty that has been experienced in the Atlantic provinces in getting on with this work and in meeting the kind of program that the minister, like his predecessor, would desire to see.

I do not intend to repeat what was said by my friends, the hon. members for Grand Falls-White Bay-Labrador and Humber-St. George's about the special difficulties encountered in Newfoundland. I shall only comment that this experience has not been confined to Newfoundland. About a year ago I happened to be in the gallery of the Nova Scotia legislature when the road estimates were being discussed. I heard the provincial minister of that department who belongs to the same party as the Minister of Public Works say that they simply could not afford to do what they would like to do on the trans-Canada highway because they could make the same amount of money go much further