

Inquiries of the Ministry

practice of loss leader selling in the cigarette field and in other fields. The commission has announced that it will hold hearings beginning in early May for the purpose of receiving information and submissions. I have sent a copy of Mr. Falstraalt's telegram to me to the commission so that the commission may advise the retail tobacco association as to the time and place of its hearings in the Montreal district, since I gather from the telegram that the association would wish to appear before the commission.

The purpose of the inquiry is to try to determine the prevalence and effects of the practice and to recommend suitable amendments if necessary to the Combines Investigation Act.

LOSS LEADERS—HOLDING OF COMMISSION HEARINGS

On the orders of the day:

Mrs. Ellen L. Fairclough (Hamilton West): Mr. Speaker, I should like to direct a question to the Minister of Justice. Can the minister inform the house at what points in Canada it is proposed to hold hearings under the restrictive trade practices commission on the subject of loss leader selling?

Hon. Stuart S. Garson (Minister of Justice): Mr. Speaker, I cannot do so in detail but I can find out from the commission and inform the house tomorrow, if indeed the commission itself has as yet decided.

INCOME TAX

DEDUCTIBILITY OF QUEBEC PROVINCIAL TAX

On the orders of the day:

Mr. Leon Balcer (Three Rivers): I should like to direct a question to the Prime Minister. When can we expect the government to take a position on the question of the deductibility of the Quebec provincial income tax, and when can we expect that position to be made public?

Right Hon. L. S. St. Laurent (Prime Minister): I think I should take the two parts as forming one question, and answer that government policy on fiscal matters is normally announced by the Minister of Finance (Mr. Abbott) in his budget speech, which this year, as has already been announced, is to be made on the evening of April 6. It can be expected the government's position in relation to the matter referred to in this question will be made public in that speech.

[Mr. Garson.]

ARMED FORCES

REPORTED REMOVAL OF UNITS AND SCHOOLS FROM CAMP BORDEN

On the orders of the day:

Hon. W. Earl Rowe (Dufferin-Simcoe): Will the Minister of National Defence, Mr. Speaker, give assurance that the current report that a substantial portion of the armed units and schools are to be moved from Camp Borden to the eastern part of Canada is not correct?

Hon. Brooke Claxton (Minister of National Defence): There is nothing in the report.

NARCOTICS

SUGGESTED SOURCE OF SUPPLY IN ITALY

On the orders of the day:

Mr. Harold E. Winch (Vancouver East): Has the attention of the Minister of Justice been drawn to a report in the *Globe and Mail* under date of March 23, 1954, to the effect that Sergeant Price of the R.C.M.P. said that he thinks Charles Luciano is the supplier of most of the illegal narcotics entering Canada by the west coast?

If so, can the minister inform this house if the R.C.M.P. has evidence to back up this statement, and if so will the Department of Justice be taking the matter up with the appropriate authorities in an endeavour to bring this vicious trade to a halt?

Hon. Stuart S. Garson (Minister of Justice): Mr. Speaker, I wish to thank the hon. member for having given me notice of this question. In reply I would say that my attention has been drawn to articles which have appeared in the press which give the impression that a member of the R.C.M.P. narcotic drugs squad in Vancouver has given it as his opinion that Charles "Lucky" Luciano is responsible for the supplying of drugs now being smuggled into that city. I am advised that the member quoted merely referred the newspaper reporter to a report published by the sub-committee on narcotics of the judiciary committee of the California legislature in 1952 in which it is stated that Luciano has established headquarters in Italy from which he was supplying narcotic drugs to New York and San Francisco. The R.C.M. Police member did not express a personal opinion.

Luciano has been prominently mentioned in many newspaper headlines during the last few years which linked his name with the international drug traffic. His name has also been mentioned frequently by witnesses appearing before various vice commissions and committees in the United States.