

## Realignment in government

The report of the Royal Commission on the Economic Union and Development Prospects for Canada, released on September 5, calls for a fundamental realignment of the role of the state in broad areas of Canada's social, economic and political affairs.

The Royal Commission was established on November 5, 1982 and the chairman, Donald Stovel Macdonald, and 12 other commissioners were appointed by January, 1983.

In the report, the commissioners maintain that "this is a time for reassessment, for the search for new directions, for the application of analysis unencumbered by automatic acceptance of yesterday's assumptions". They maintain that the report is "directed to a redefinition of the links between government and society, to improving the quality of [Canada's] performance in selected policy areas, and to reform of those central institutions of Parliament and federalism in which reside our capacity to manage our collective affairs in national and provincial politics as a democratic people".

## Major proposals

Highlights of the recommendations in the Royal Commission report are:

- Canada should negotiate a free-trade arrangement with the United States that would remove all tariffs over ten years;
- Most federal social assistance programs should be replaced with an income supplement scheme that, with provincial supplements, would guarantee a family of four an income of \$13 000 a year (Families earning more than \$35 000 would not receive supplements);
- Unemployment insurance benefits should be cut and other changes should be made which would amount to savings of \$4 billion that would be channelled into a new program to help displaced workers;
- A program to subsidize wages of teenagers finding jobs for the first time and older workers re-entering the labour force after a long absence should be implemented;
- Wage and price controls should be imposed temporarily to fight inflation;
- The Senate should be elected by a system of proportional representation;
- A permanent House of Commons committee on economic policy should hold pre-budget hearings;
- The Constitution should be amended to allow federal-provincial agreements that would be binding on future governments; and
- Federal education payments should be made directly to students, not to schools or provincial governments.

## Record sale of Dash 8s to US airline



Charles Bryant

*De Havilland nets record sale for its Dash 8 commuter aircraft.*

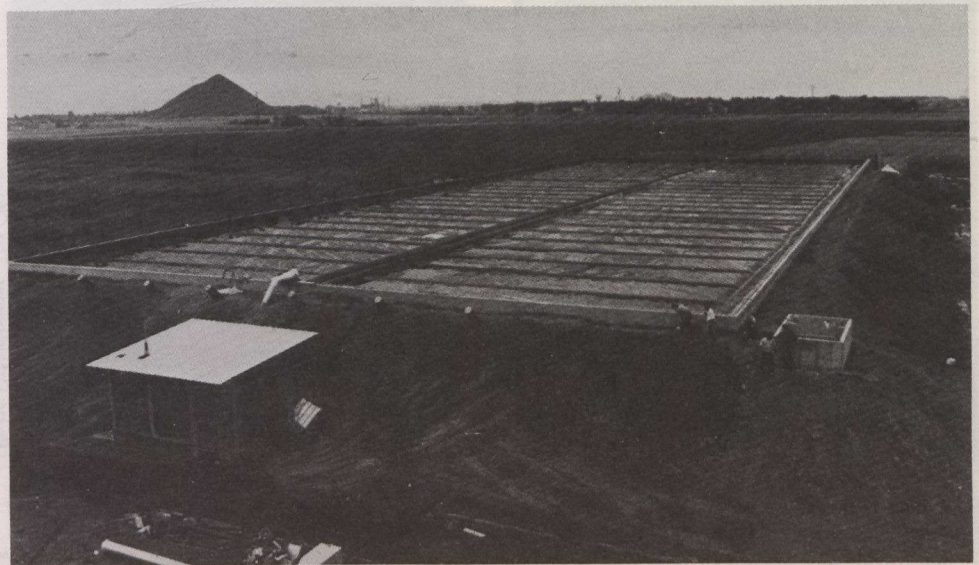
De Havilland Aircraft of Canada Limited has signed a contract with Horizon Air of Seattle to supply ten Dash 8 commuter airplanes with an option for an additional ten. The deal is the largest single commercial order of any aircraft manufactured by the company and could amount to almost \$200 million if all the planes and spare parts are purchased.

The 36-passenger turboprop planes

will replace 12 Fairchild E-27s used by Horizon Air in its 27-city network in five northwestern states.

The first Dash 8 will be delivered in December, with the rest taken by Horizon Air through 1986 at approximately one plane a month. The options for the second group of aircraft can be exercised by the airline for delivery during 1987.

## Water cleanup in France



*An anaerobic treatment project, designed and constructed by ADI International Inc. of Fredericton, New Brunswick, nears completion in France. The company, which specializes in complete anaerobic wastewater treatment systems for industrial applications, was one of 15 participants in the Canadian exhibit at the fifty-eighth annual Water Pollution Control Federation Conference/Exposition in Kansas City, Missouri, October 6-9.*