



Proceedings
of the
House of Assembly

During the Seventh Session

of the

Thirtieth General Assembly

of Newfoundland

1956

Volume II



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TUESDAY, May 1, 1956.

The House met at 3:00 of the clock in the afternoon, pursuant to adjournment.

Mr. Deputy Speaker in the Chair.

Presenting Petitions

MR. DROVER: Mr. Speaker, I beg leave to present a petition from the people of Jackson's Arm in the District of White Bay.

These people are requesting a road from Jackson's Arm to connect with a road at Peter's Brook owned by Bowers. The petition is signed by 237 voters of the community. Jackson's Arm is one of the largest settlements that we have in White Bay. For seven years they have been making this request for such a road. I have much

pleasure in supporting the petition, and ask leave for it to be tabled in the House and forwarded to the Department of Public Works for consideration.

On motion petition received for reference to the department concerned.

HON. W. J. KEOUGH (Minister of Mines and Resources): Mr. Speaker, I beg leave to present a petition on behalf of certain of my constituents who live in the area between Flat Bay River and Fisher's River. The petition is signed by 262 voters of the settlement of Flat Bay, St. Theresa's and Gypsum. For the benefit of the House, Gypsum is the small community which has developed on the lip of the Gypsum Quarry from which the raw material is supplied to the gypsum industry at Corner Brook. Possibly a

thousand people live in the area between Flat Bay River and Fisher River. They have a road system there that is maintained by the Department of Public Works, and links the four settlements, but does not have any access to the Trans-Canada Highway. This petition requests that they be provided with access to the Trans-Canada Highway. As they are the only sizable pocket of people in my district who have not as yet had such connection they are most anxious that such access road be built.

I may say, Mr. Speaker, that I notice that the first name on this petition is the name of a person who formerly sat, not as a member of the House, but as a member of the National Convention in this House as a representative for the District of Port au Port, Mr. M. J. McCarthy. I support the petition, Mr. Speaker. As a matter of fact that is putting it rather inadequately. The Minister of Public Works knows I have camped on his doorstep for over a year now advocating just such an access road be constructed.

I beg leave, Mr. Speaker, to table the Petition and to have it referred to the Department concerned.

On motion petition received for reference to the department concerned.

MR. DROVER: Mr. Speaker, I beg to present a petition from the people of Ming's Bight in the South of White Bay. These people are petitioning for a bridge across South Brook. South Brook is mid way between Ming's Bight and Baie Verte. It is on the trail leading from Ming's Bight to Baie Verte. These people have been requesting such a bridge since the days of Commission of Government, and I have presented many such

petitions for them for that same bridge since I was elected in 1949.

The petition is signed by 64 voters. I think that is just about all the voters at Ming's Bight, and they request that this bridge be built to enable them to get to hospital or to a doctor, especially during the time of the year when the coast is blocked with ice.

I support the petition, Sir, and ask leave to have it tabled in the House and forwarded to the Department of Public Works.

On motion petition tabled for reference to the department concerned.

MR. DROVER: Mr. Speaker, I ask leave to present another petition from the people of George's Cove, The Beaches, The Rooms and Hampden, to connect the road with Hampden. The road in question is three miles in length and at one time they did have a road there in former government days. It is the only means whereby the people can get to church and school, apart from going by boat.

The petition is signed by 93 of the voters. I have much pleasure in supporting it and ask that it be tabled in the House and referred to the Department of Public Works.

On motion petition tabled for reference to the department concerned.

MR. DROVER: I beg leave, Mr. Speaker, to present one more petition, this time from the people of Wild Cove in the District of White Bay South.

The people are requesting a road within their community, with Seal Cove and Baie Verte. I believe that this is the second or third such petition that I have presented from these people. I think their request is reasonable, and I do give it my support. The petition

is signed by 69 of the voters of that community.

I ask leave, Sir, that this petition be tabled in the House and forwarded to the Department of Public Works for their attention.

Presenting Reports of Standing and Select Committees:

MR. NORMAN: Mr. Speaker, the committee appointed to consider the Bill entitled, "An Act Respecting the Trustees of the Board of the Presbyterian Church in Canada," reports that the preamble of the same bill has been proven and that the Committee recommends the said bill to the House without amendment.

On motion report received.

On motion Bill ordered referred to a Committee of the Whole House on tomorrow.

MR. NORMAN: Mr. Speaker, the committee appointed to consider the bill, entitled, "An Act to Incorporate the Newfoundland Association of Architects," reports the preamble of the said bill has been proven and having amended certain clauses, with the consent of the petitioners, the committee recommends the said bill to the House.

On motion report received.

On motion said bill referred to a Committee of the Whole House on tomorrow:

Giving Notice of Motion:

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I give notice I will on tomorrow ask leave to move the House in a Committee of the Whole to consider certain resolutions in relation with the advancing or guaranteeing certain loans for Tourist Development.

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a bill, "An Act Further to Amend the Public Utilities Act."

HON. J. R. CHALKER (Minister of Education): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a bill, "An Act Further to Amend the Education Act," and a Bill, "An Act Further to Amend the School Tax Act, 1954."

HON. G. J. POWER (Minister of Finance): Mr. Speaker, I give notice I will on tomorrow move the House into Committee of the Whole to consider certain resolutions in relation to the raising of a loan on the Credit of the Province and also give notice I will on tomorrow move the House into Committee of the Whole to consider certain bonds or debentures or for the guaranteeing or advancing of certain loans.

Giving Notice of Questions:

None.

Answers to Questions:

MR. BROWNE: Mr. Speaker, there is a question in relation to Minutes of Council:

MR. SMALLWOOD: Mr. Speaker, it has never been the practice in the past to table in the House orders in council, and I do not propose to begin the practice now. The only exception to that rule is to be found in the Revenue and Audit Act which provides there must be tabled in the House Orders in Council that relate to warrants that the Governor has been moved to issue his warrants. When the Government is moved by the Cabinet to issue his warrant it is done by order in Council, and the governor's warrant and the order in council requesting it have to be

tabled in the House. That is the only Order in Council that has to be tabled. The practice has never been to table orders in council in the House, and I do not propose to begin the practice.

MR. HOLLETT: Mr. Speaker, on that point, are there two different kinds of orders in council? I understood they were all the same and all were to be tabled. I wonder what the Honourable the Premier would say to that.

MR. SMALLWOOD: The Honourable the Premier says to that: if all Orders in Council were to be tabled it would be the most extraordinary thing in the history of constitutional government.

MR. BROWNE: Mr. Speaker, may I ask the Honourable the Premier if his attention has been drawn to the fact that Orders in Council are published in Ottawa in a volume.

MR. SMALLWOOD: Certain ones are, certain ones are not.

MR. BROWNE: Mr. Speaker, I would like to ask the Honourable the Premier if his attention has been drawn to an article in the "Daily News" wherein it was stated that Mr. Fleming, the Premier of New Brunswick has invited the Premier of Nova Scotia, the Premier of Newfoundland and the Premier of Prince Edward Island, etc., to discuss a formula for the development of the Atlantic Area, and if he has received any such invitation has he sent a reply?

MR. SMALLWOOD: I have received an invitation and have not sent a reply.

MR. BROWNE: Does the honourable the Premier intend to send a reply?

MR. SMALLWOOD: Quite probably—Yes I will send a reply. But I have not as yet consulted my colleagues in the Government. I would prefer to wait until Mr. Fleming gets his election over before I take up that matter with him. I propose to deal with it after the election is over.

MR. HIGGINS: A very sensible precaution.

MR. SMALLWOOD: I would like to be sure he is there.

MR. HIGGINS: Mr. Speaker, I may be underestimating the speed of the honourable members, but is it not time we got our coats on, Sir. There is a stiff head-wind today.

MR. SPEAKER: I might inform the House at this time that His Honour, the Lieutenant-Governor has graciously consented to meet the members of the House for the purpose of the presentation of the Address in Reply at 3:30 P.M.

So, as the Honourable Member for St. John's East suggests, we might get ready now. The House will stand recessed until our return.

On motion the House recessed for the purpose of presenting the Address in Reply to His Honour, the Lieutenant-Governor, to which His Honour has been pleased to reply as follows:

"Mr. Speaker, and gentlemen of the Honourable House of Assembly, I thank you for the Address in Reply to the Speech with which the present session was opened."

Orders of the Day

Second reading of Bill, "An Act to Provide for the Transportation of Timber Over Streams and Lakes, and For

Other Purposes in Connection with Crown Lands."

(Adjourned Debate):

MR. BROWNE: Mr. Speaker, the Attorney General was good enough to postpone second reading of this Bill yesterday so that we might have an opportunity of studying it. My reason for making that request was that it seemed to me to be very much like a bill introduced here two years ago. So I got the Act passed two years ago, and although that was only one long paragraph, this has been broken up into seven paragraphs, and the first six seem to be almost identical with what is here.

The only new one that I can find is in Paragraph 7, which is rather complicated, but does not seem to be very vital as far as I can see.

"(7) Subject to the approval of the Lieutenant-Governor in Council any portion of land referred to in subsection (2) may be sold for any purpose other than those mentioned in sub-paragraph (a) and (b) of subsection (6), but the approval of the Lieutenant-Governor in Council under this subsection may be given subject to such terms and conditions as to the disposal of the timber growing on the land as he may prescribe, and whenever land is sold under this subsection the Minister of Mines and Resources shall upon application of the Reid-Newfoundland Company, Limited, give a certificate in respect of the land showing that the land has been sold in accordance with this subsection and stating the terms and conditions, if any, that have been so prescribed by the Lieutenant-Governor in Council and all of the other terms and conditions prescribed shall be binding as well upon the Company as upon all persons to whom the land may therefore come

whether by conveyance, foreclosure, operation of law or otherwise howsoever."

What mystifies me about it, Mr. Speaker, is why there is so much formality in connection with this. I don't think it has been explained as to why the government is going through so much trouble in connection with this particular section of land which was given to the Reids, I believe away back in 1904. That is when the first legislation regarding this piece of land was passed.

Now the Act of two years ago gives the government the right to wood on this land, but permits the Reids to sell it subject to the timber rights. This bill only adds this new section. If the Attorney General would explain the thing better I would be grateful for his doing so, because I cannot quite understand why it is necessary to bring in this bill at the present time.

MR. CURTIS: If there is nobody else, Mr. Speaker—I would say the bill is brought in at the request of the Reid-Newfoundland Company who have been approached (1) by the Canadian Overseas Tele-Communications outfit, who are building a cable, as my honourable friend knows, as the House knows, from Halifax to England, and they are passing through Newfoundland, and in the course of their route they have to go through some of the limits covered by this land. Now then, the Reids found that although they were willing and could agree upon a price, they had no authority to let them have the land, and the Lieutenant-Governor in Council had no authority to give them permission to sell. The effect of this Bill is to enable us to give the Reids permission to sell a right-of-way through this land for this purpose.

There are also two or three other reasons (1) Tourist Development: They cannot at the moment sell a piece of land nor rent a piece of land for a tourist cabin, because it does not come within the strict limits of the 1954 Act. Likewise, as I told the House in making the motion, they cannot even rent a piece of land nor they cannot sell a piece of land even for cemeteries, because it is not a mining nor it is not a wood works proposition such as we envisaged when the Act was made in 1954.

As to the reason we are enacting the whole clause, Mr. Speaker, that is the policy of the department. In as far as we can do it, when there is an amendment being made to an Act we like to sweep up all the previous amendments so that in future when the honourable members or the general public refer to an Act they may only have to look at the last amendment and not have to look at all the amendments. We try to sweep up all the amendments in one Act. Therefore, Mr. Speaker, it is a long Act, two and a half pages, for the sake of enacting one section.

MR. BROWNE: The title is misleading, I think.

On motion bill read a second time—Ordered referred to a Committee of the Whole House on tomorrow.

On motion the House went into Committee of the Whole on various Bills.

Mr. Courage, Chairman of Committee of the Whole.

A Bill, "An Act to Amend an Agreement Relating to a Loan to Be Raised By Wabush Lake Railway Company Limited (Loan Guarantee) Act, 1955, The Act No. 1, 1955 (Second Session) Between the Lieutenant-Governor in Council and Wabush Lake Railway

Company Limited and Canadian Javelin Limited."

MR. CURTIS: On this matter, Mr. Chairman, we have a second reading of the bill which was prepared to facilitate the Committee. Rather than read the amendments when they come up. With the consent of the Committee perhaps we might substitute the second printing for the first.

I noticed while looking up "May" the other day; it is not the practice for a member moving a bill to move amendments. It is generally allowed particularly in the estimates. But it is not discouraged in view of the fact that sometimes that is the most convenient way to do it. I just mention that. If honourable members would rather read the first printing and have the amendments put in?

MR. CHAIRMAN: I have here Bill No. 38 and below the number is written "Second Printing." Perhaps we should read the second as is, and then point out the changes.

On motion Clause 1 carried.

MR. CURTIS: The change there is—"Prevailing on the date the said loan is made." The amendment is very small, Mr. Chairman. As you see, it is just to make it in Canadian Dollars or in American Dollars or in Swiss Francs.

MR. BROWNE: Mr. Chairman, may I make a remark here—It does not seem sensible. In the first draft it says when such payment of principal or interest fall due. That is years ahead.

MR. SMALLWOOD: Yes—On the date the said loan is made.

MR. CURTIS: Then there is a change here—"At the option of Wabush" and not at the option of the government.

MR. BROWNE: That is a matter for the government to decide. That is your policy.

MR. HOLLETT: Excuse me, Mr. Chairman, why are we mixing up the two readings. I do not understand.

MR. SMALLWOOD: The only point is so that my honourable and learned colleague could get the two positions there.

On motion Clause 2 (a) and (b) carried. Clause 3 carried. Clause 4 carried.

MR. BROWNE: Mr. Chairman, I would like to ask if the government intends to lay on the Table the agreement which was actually signed, because apparently it was different from the terms of the one which was passed here.

MR. CURTIS: Actually, Mr. Chairman, I would say the agreement as signed was a printed copy of the schedule of the former Act without any change.

MR. BROWNE: Why does it say "such change"?

MR. CURTIS: That is the way they word it. That is all. Actually it was identically the same. The signed copy was a printed copy of the schedule, as done by the Queen's Printer from the proof.

On motion Bill passed with some amendment.

A Bill, "An Act Respecting the Filing, Publication and Consolidation of Regulations." No. 12.

MR. CHAIRMAN: I think all the clauses were read, but one was allowed to stand.

MR. CURTIS: I think I gave my honourable friends some typed amend-

ments and asked leave to have them considered. If they are not quite ready we can pass on to the next one.

On motion Committee of the Whole House on Bill No. 12 deferred.

A Bill, "An Act To Amend and Consolidate the Law Relating to the Establishment and Administration of Local Government."—No. 20.

On motion Clauses 1, 2 and 3 carried.

Clause 4 read.

4.—This Act does not apply to the City of St. John's or, subject to the City of Corner Brook Act, to the City of Corner Brook.

MR. CURTIS: There is one mistake, Mr. Chairman, —In the second line of (7) ". . . an order be made under that section." It should be "this" section and in the last line "name" should be "Mark."

On motion clause as amended carried. On motion Clause 7 carried. Clause 8.

Clause 8 through 15 carried.

MR. BROWNE: Do you not think, Mr. Chairman, it would be a good thing to have elections of Town Councils every two years?

HON. S. J. HEFFERTON (Minister of Supply): Not in our experience. We did not try it, but we have the federation meetings annually and they are of the opinion that four years would be better. On the mainland they vary between two, three and four.

On motion Clauses 16 through 19 carried. Clause 20 carried.

Clauses 21 through 28 carried.

Clause 30:

MR. HOLLETT: We are going very fast through provisions with far-reaching effects—Compensation for loss of or injury where any person sustains loss or injury by pulling down a building to prevent spread of fire—The councils pay compensation, and the amount of the damage, if any, sustained shall be determined under this Act as if the loss or injury was caused by expropriation. What does that mean? The building is blown up to save the rest of the town. Then the council would probably say, well, you would have lost two-thirds or three-quarters if we had not.

MR. BROWNE: It seems to me a good case for giving him a little better because his property has been destroyed so that other parts of the town might be saved.

MR. HEFFERTON: If expropriating they would not expropriate two-thirds of it.

MR. BROWNE: How much would be paid a man like that?

MR. CURTIS: The corner of the house might be on fire.

MR. BROWNE: It is not a thing that is going to happen very often. Who is to decide the compensation? Is there any provision in this for arbitration in case of a dispute?

MR. SMALLWOOD: Arbitration would cover that.

Clauses 30 through 49 carried.

Clause 50:

MR. BROWNE: There is a little conflict there between the regulations and Health and Public Welfare.

MR. HEFFERTON: Mr. Chairman, there should not be. This was drawn

up in collaboration with the Health and the Welfare departments.

MR. BROWNE: Which one overrules?

MR. HEFFERTON: Health.

Clauses 51 through 55 carried.

Clause 56:

MR. BROWNE: Is there any compensation arising out of that?

MR. HEFFERTON: There must be provision for it some place or other.

MR. BROWNE: Maybe we could let that stand until we come to the compensation clauses?

On motion Clause 56 stand. On motion Clause 57 stand. Clause 58 carried.

MR. HEFFERTON: Mr. Chairman, Clause 59 is new.

MR. HOLLETT: It looks to me to be very new. "By minute of council"—is that the usual way of setting up taxation?

MR. HEFFERTON: How else are we going to do it?

MR. HOLLETT: You know we were never to have any taxes. Now here we see general taxes, stock taxes, business taxes, hawkers' and peddlers' taxes, real property taxes, entertainment taxes, insurance taxes, water taxes, sundry taxes, building contractors' license fees and circus license fees.

MR. SMALLWOOD: Did not all those exist long before we came in?

MR. HOLLETT: Not here.

MR. BROWNE: Not outside St. John's.

MR. SMALLWOOD: How did the town councils operate? There were a

dozen or more before we came in, and they had these.

MR. HOLLETT: They did not have any such wide powers as these.

MR. SMALLWOOD: These were precisely the taxes they imposed. This is only a consolidation.

MR. HOLLETT: This is not a consolidation I read here. I just draw this to the attention of the Committee because all these taxes may be imposed by minute of council, without the people's knowledge whatsoever.

MR. HEFFERTON: If the honourable gentleman had read on he would have found that although the council may pass a minute of council whereby they are authorized to impose taxation yet there has to be publication of that before the thing can be enacted. Quite a number of taxes have not only to be passed by the council but have to be referred to the minister, and not until approval is given can that tax come into force. And this has been our procedure right through.

On motion Clauses 59 through 69 carried.

MR. BROWNE: The council may impose upon every customer a tax (in this Act called the Coal Tax or Fuel Oil Tax as the case may be) of one dollar a ton on coal or fraction thereof and one cent a gallon on every gallon of fuel oil or fraction thereof purchased by the consumer for consumption in the municipality. Is that arising out of the case at Port aux Basques? Does it mean accessible from the land? In other words if a river was the boundary and there was a bridge across the river some other places on the other side of the river from the municipality would be liable for the tax.

MR. HEFFERTON: Take another case. There are quite a number of stores situated on the waterfront and have a wharf leading from the land to the store itself.

MR. SMALLWOOD: A shop built right out over the water.

MR. BROWNE: Is that the reason?

MR. HEFFERTON: Yes. But it does not refer to the case you were speaking of now, Port aux Basques. We will come to that later.

On motion Clause 69 carried. On motion Clause 70 carried.

Clause 71 carried. Clause 72 carried. Clause 73:

MR. HOLLETT: I think we will have to pay a tax for our own funeral.

MR. SMALLWOOD: Except if a funeral is for charitable, educational or religious work. This section does not apply to any entertainment where the proceeds are for the benefit of charity or education or religious purposes. I am not too sure ball games do not come under any of these headings. If it is held for the purpose of raising funds for charity or for schools or for church purposes it is not taxable.

MR. HOLLETT: It seems to me it is doing a disservice to baseball. I refer to it because I like it, it seems to me the only way baseball can be played is under the auspices of the church.

MR. SMALLWOOD: I think my honourable friend should be more concerned with knowing if this entertainment tax is applicable to political meetings.

MR. HOLLETT: That is another point. I am not sure it does not. I merely point out that a council can

tax you to the hilt. There is no question about it at all.

MR. BROWNE: I suppose they can tax political meetings. They would be entertainment of a sort, although some politicians would have the entertainment with them.

On motion Clause 73 carried. Clause 74 through 76 carried.

Clause 77:

MR. HOLLETT: It was bad enough to tax the liquor, now they tax the water.

MR. BROWNE: Yes, they tax water and they tax food.

Clause 77 through 78 carried.

Clause 79:

MR. CURTIS: There is a small amendment to Clause 79: In the last line but one—Sub-section (4) after the word "consumers" insert "together with the name and address of each."

MR. BROWNE: That is going to be difficult to carry out.

MR. CURTIS: I don't think so. A steamer comes in and just gives the list of customers who have purchased coal.

MR. BROWNE: A schooner is hired to bring coal from Witless Bay to Cape Broyle. He has to give an account to the council of the coal to be brought in.

MR. HEFFERTON: The council would probably have an employee on the wharf at the period.

MR. BROWNE: If the wharf is in some other settlement outside the area?

MR. CURTIS: This section was agreed by the parties. We had a case recently in Port aux Basques.

On motion Clause 79 carried.

Clause 80:

MR. BROWNE: Who invented that? I never heard of that before—putting a tax on telephones.

MR. SMALLWOOD: It is here in St. John's.

MR. HEFFERTON: That is a common thing.

MR. BROWNE: The government collects a tax, three per cent on the service—but a tax on telephones.

MR. SMALLWOOD: It is a very direct tax, precisely the type you get in local government.

On motion Clauses 81 through 89 carried. Clause 90 and Clauses 91 carried. Clause 92:

MR. BROWNE: Plebiscites — How are these going to be held? I know another Act where the Lieutenant-Governor in Council has power to order a plebiscite but there is no way of forcing the government to do it. Is there any way here of insisting—How can you get it done? Is there any provision for that?

MR. CURTIS: It does not say "shall" but it says "may."

MR. BROWNE: Well then, the people may want a plebiscite and cannot get one. Take on the school tax, for instance or any sort of tax.

MR. HOLLETT: You would be having plebiscites all the time if you gave that authority.

MR. CURTIS: This is the existing Act;

On motion Clauses 92 through 109 carried. Clause 110:

MR. BROWNE: If it is in order, it seems to me there should be a provision here that a body of assessors before entering upon their duties should be truly sworn.

On motion Clause 110 stand.

On motion Clause 111 to 117 carried.
Clause 118:

MR. BROWNE: "Nothing contained in this Act shall require the council to make compensation or transfer any other matter provided by way of compensation until such time as the owner has established his title to the reasonable satisfaction of the council and when any notice of expropriation is served under this Act it is the duty of the person on whom it is served to submit to the council his title deeds and any plan of his land or property which may be available to him and to provide council with any information which it may reasonably require in connection with the title to the land or property; and where the owner delays in furnishing title deeds or plans or in providing necessary information the period stated in this Act within the compensation or matter is required to be paid or transferred or the finding of the Board of Assessors is otherwise required to be carried out shall be deemed to be extended by the period of delay so made by the owner."

Now in the neighbourhood of Portugal Cove and Torbay there are very, very few grants nor in Witless Bay nor Bay Bulls on the Southern Shore, and on the Southern Shore generally there are very, very few grants. The other day I had a client who was purchasing a piece of land in Bay Bulls, and there was no way of finding the title. There were no grants. People

just sat on the land and built a house. How could they produce a title?

MR. CURTIS: They could establish the title by just stating the facts.

MR. BROWNE: Not if he has only the house there for four or five years.

HON. DR. F. W. ROWE (Minister of Mines and Resources): He has no title then. He cannot establish it because he has not got it. There has been no squatter rights since 1930.

MR. BROWNE: How is he going to get title? The council may come and take his land and not give compensation although he might have improved the land by building a house and garden and things like that.

MR. SMALLWOOD: Would the honourable gentleman strongly favour legislation to make it easy for everyone, for people who occupy land to get title?

MR. BROWNE: Yes, I think there should be something. We have on the Statutes a complicated procedure. I have used it. But this is a case where, as everyone knows, in some out-ports people leave the place, the family dies out, and the fences fall down, and there has been a right there but there has never been a grant. Now then, in such cases how can they produce to the Council a title in accordance with this?

MR. SMALLWOOD: One of the really important sections of the Report of the Royal Commission on Agriculture was the one that dealt with the question of land title. It made a very fascinating study of the situation as it is in Newfoundland today, which is, of course, as the Committee knows, a historical situation, one which originates in our very history, in the nature of Newfound-

land and in the nature of Newfoundland history. But in addition to making that fascinating study of the situation as it is, the Royal Commission very strongly recommended that steps be taken by the Legislature to remedy the situation. The government did go so far as to get legislation drafted, and we considered it for months on end. And, speaking with very great frankness, we are a little scared to introduce it, to bring it into the House. Some of us in a purely personal capacity are convinced that it ought to be done. And yet, on second thought, we wonder just what representation it would get in the House. The last thing in the world we want is to disturb anyone in what right he has now. This right very frequently, as the honourable and learned gentleman says, is not a right that is given to him at all by the government. These are rights that he just has, that is all. To save his life probably he could not tell how he got them. He has them. He is there. He has the right of possession there. He is sitting on the land. Well, there is no desire in the world to upset that. If you upset that you loose a hornet's nest. That is the situation. That would really be something to write home about. I don't think any politician anyway would want to do that.

But, should the desire to avoid a hornet's nest be permitted forever to prevent our setting up something that future generations will bless us for having done, for having had the courage to do today? Because every year that passes complicates this, every decade that passes complicates this whole situation. As our population becomes large and our people become more numerous this situation is getting to be really almost something intolerable. That is particularly true in

the older places in Conception Bay, on parts of the Southern Shore, the older parts of Placentia Bay and Trepassey, and it must be especially true in the older places of Trinity Bay and Bonavista Bay; the older parts of Newfoundland—less true perhaps in St. John's than other parts—but it is a desperate thing that calls for remedy. It is a question whether some day we can get a House, where both sides alike, a committee perhaps of both sides of the House, would sit down with no thought of elections, with elections over and done with and no election coming on for perhaps four or five years, sit down calmly and render the people of Newfoundland that piece of good service which will stand them in good stead for decades and perhaps centuries to come. Sort of begin a doomsday book, taking the situation as it is and going on from there without calling title into question.

MR. CURTIS: I think the situation is healing itself, because the longer people are in possession the better their title.

MR. BROWNE: Yes, but still, where there is vacant land in a place naturally people would want to get it, and it is very difficult for them to get a good title. I am thinking of this piece of land which has a house built on it for five years, and a man to sell, but as a lawyer looking at it I cannot say what the title is.

Here is a case where the town council goes and takes a person's land. The council has the right to say to the man, your title is no good. You must establish the title to the reasonable satisfaction of the council. Now it seems to me that there should be some provision of appeal from the decision of the council not to recognize a man's title. There must be some way

of getting beyond the title if the council refuses to recognize it.

MR. SMALLWOOD: Yes. Actually I don't suppose one per cent could account for and come along and produce real documentary evidence that he owns a piece of land in most parts of Newfoundland.

HON. DR. F. W. ROWE (Minister of Mines and Resources): I think he can in most cases produce affidavits signed by three, four or a dozen old persons. As a matter of fact I bought a piece of land four or five years ago which was without title but a squatter's title. But my lawyer interviewed a number of persons there who felt willing to take an affidavit that the land had been in this man's hands actually eighty years. I bought it. While I am on my feet, Mr. Chairman, there is one other comment I should like to make:

This business of squatting has been dying out in Newfoundland, and is dying out for a very realistic reason. Our people are beginning to learn now that if they squat on land and invest their money in a home or a premises or something like that on some land on which they have no title, if in eight or ten years time they want to sell that land they are not likely to be able to sell because they cannot produce any title. In very recent years we have had very little evidence of any squatting going on. We have had tremendous increase in the number of applications coming in even for summer homes; people in Gander, Lewisporte, Grand Falls, Corner Brook area at one time would go in and without writing an application for a piece of land from the Crown Land Office, build a summer home, but they are getting more conscious of title. Even in the last four years, I would say, the number has at least trebled.

Incidentally we get proportionately as many from White Bay and St. Barbe and the South Coast as we did a few years ago from here.

MR. BROWNE: The practice is not to give any grant.

DR. ROWE: The legislation of which the Premier spoke would remedy that very evil, and would enable a man who say, had been eight, ten or fifteen years on a piece of land to get title registered.

MR. BROWNE: I think it is worth going into. The government ought to introduce it and have a joint committee sit on it.

MR. SMALLWOOD: Let us wait until later this year perhaps or a little later.

MR. HOLLETT: Be a little more explicit?

MR. BROWNE: It seems to me here a council may go in and take a person's property and even when the person has been there even for twenty years, the council may say, that is not good enough. I have a case now, and I know what I am talking about. Public Works is holding it up. They got the land but have not paid anything at all.

Clauses 118 through 123 carried:

MR. BROWNE: What does Clause 124 mean?

MR. CURTIS: It means they expropriate for thier own purpose. But if they want to sell or dispose of it they must get the approval of the Lieutenant-Governor in Council. Otherwise, I suppose, they might want to expropriate land from one person and give it to another. I guess it is a protection against that situation.

MR. BROWNE: I cannot make that out.

On motion Clause 124, carried:

MR. CURTIS: Mr. Chairman, suppose we allow Clauses 56, 57 and 110 stand and I will ask the draftsmen to remedy these points.

On motion the committee was ordered to report progress on this bill.

Bill No. 133—"An Act Further to Amend the Highway Traffic Act."

Clause 109:

MR. BROWNE: It appears the person is allowed to pay back the money by installment. If for some good reason he is unable to pay an installment he should not be completely disqualified.

HON. E. S. SPENCER (Minister of Public Works): He has already been given a concession by being allowed to pay by installment.

MR. BROWNE: Suppose it is fifty dollars a month, and he gets sick and out of work and he cannot pay it, should he have to pay the full amount at once then?

MR. SPENCER: The law is not made to encourage breaches of this kind. It is made to protect.

MR. BROWNE: Take it this way, a man has to pay back five thousand dollars at fifty dollars a month. He pays say for two or three years steadily and is doing well, and then meets with an accident or becomes ill and can't make the payment, and he comes to the minister and tells him he has been sick for the last two months and in the hospital and shows him his doctor's certificate.

MR. SPENCER: In such a case, do you suppose any minister on earth would refuse to give a man a chance.

MR. BROWNE: The minister has no power—"the minister shall." That is what I am trying to point out. I realize the minister does not want to be placed in the position of having to decide those things.

MR. SPENCER: I think the ordinary citizen would be given due consideration in such circumstances.

MR. BROWNE: I know a case where a man was ordered to pay five thousand. He made an agreement through our offices to pay fifty dollars a month, instead of going to the Unsatisfied Judgment Fund. He made the agreement to pay, and has been very faithful. But suppose he did become ill—we simply say, well, as soon as you get better resume the payment.

MR. SPENCER: We could change that word "shall" to "may"—Does the honourable member think that would make a difference?

MR. HOLLETT: I think, Mr. Chairman, the minister should be given discretion in these things, because in such cases as described by my honourable and learned friend, I think it is right the minister should have the discretion. Under this section he has no discretion and has to be cruel, whereas, knowing the minister as I do, I am quite sure he would want to be reasonable, as would any man in such a position.

MR. CURTIS: In other words, have sub-section (3) made a little lenient? Maybe we could let it stand. I am not going to draft it here in a hurry and have people come along and say it is not right.

On motion Clause 109 (A) stand.

On motion 109 (B), 109 (C), 109 (D), carried. 109 (E):

MR. CURTIS: Mr. Chairman, under 109 (E): Under Cost, Mr. Chair-

man, I would like to move an amendment—on the 4th line after the word "in respect of" insert "application and the action" and then strike out the words "in respect of the action."

MR. BROWNE: I think it is necessary to have that redrafted there—Supposing it is a car that is stolen. It is the driver who is responsible, the owner being an innocent party, having had his car stolen is not liable under the law.

MR. CURTIS: We could let that stand, Mr. Chairman.

On motion Clause 109 (E) stand.

MR. CHAIRMAN: It being now 6:00 P.M. of the clock, I will leave the Chair until 8:00 of the clock.

NIGHT SESSION

The House resumed at 8:00 of the clock.

MR. CHAIRMAN: Order: When the Committee recessed we were considering Bill No. 33, "An Act to Amend the Highway Traffic Act," page 17, Clause 109. Part of that clause was allowed to stand.

MR. BROWNE: I could understand the Act if a person gives his car to the offender, if a man allows someone in his own home, his son or someone like that to take a car, that is the general law on the subject. But where a car is unlawfully in the possession of someone or is taken against the will of somebody, or like a servant taking his employer's car while he is away and without his permission, in such cases I cannot see how the owner of a car can be liable.

MR. SPENCER: In the Act he is liable. It is his property.

MR. BROWNE: No, he is not. If he were it would be very unjust, it is not so. Usually the owner is liable, but there are exceptions to that. "Where an action is brought under section 109A and before judgment is recovered therein the identity of the owner or driver, or both, of the motor vehicle to which reference is made in that section is ascertained, no further proceedings in the action shall be taken." Under Section 9 of the Highway Traffic Act: . . . "unless such motor vehicle was without the owner's consent in the possession of some person other than the owner, other than the person driving such motor vehicle living with and a member of the family shall be deemed . . ." In other words all he has to do here is to show it was without his consent.

I had a case in the Supreme Court recently, an appeal, in which the Chief Justice said it was not clear in this section whether the onus of proof that the car was in the possession of a person without the consent of the owner was on the owner or on the person making the charge. He did not think it was clear.

MR. MERCER: That is a good way to make it—makes more business for you and me.

MR. BROWNE: It is clear in the section I just read. There is no exception to this here. It is only reasonable when someone has your car without your consent. It is not fair you should be held responsible. However, I think the reason for this here is, if the owner were shielding the driver. The difficulty, I think, arises out of the old common law rule of master and servant.

MR. CURTIS: Do you suggest any amendment?

MR. BROWNE: It has just occurred to me—

MR. HOLLETT: Would not that be a question for the judge or jury, without stipulating here—If that were left out altogether what would be the result?

MR. BROWNE: If that were left out it would give the man the right to raise that as a defense.

MR. MERCER: Confusion worse confounded.

MR. HOLLETT: It is not neglect or anything on his part.

MR. CURTIS: They must have gotten that clause straight out of some other Act. Suppose we let it stand.

MR. BROWNE: I think that whole section really needs to be gone over.

On motion 109-F (1), and (4) stand.

On motion Clause 110 and 111 carried.

MR. CURTIS: The points now are Clause 109F (1), (3), and (4):

Motion that the Committee report progress and ask leave to sit again, carried.

Bill No. 31—A Bill, "An Act to Amend the Law Relating to the Frustration of Contracts."

Motion, that the committee report having passed the bill without amendment, carried.

Bill No. 34—A Bill, "An Act to Amend the City of Corner Brook Act, 1955."

MR. SMALLWOOD: This is only a temporary bill effective until the City of Corner Brook Charter comes into effect.

MR. BROWNE: Mr. Chairman, I would like to ask a question—Are they going to levy the tax annually or semi-annually like in St. John's?

HON. S. J. HEFFERTON (Minister of Municipal Affairs and Supply): That I do not know.

MR. BROWNE: It does help to have it twice a year instead of just once. If they have to pay all taxes just after Christmas it would be pretty hard on people.

MR. HEFFERTON: I do not know what provision is made in the Charter, but I believe it is twice a year.

Motion, that the committee report having passed this bill without amendment, carried.

Bill No. 35—"An Act to Establish the Board of Trustees of the Newfoundland Museum."

MR. BROWNE: May I ask a question—There used to be a lot of coins in the museum, are they still preserved?

MR. SMALLWOOD: Coins, Stamps and a lot of things have gone.

HON. M. M. MURRAY (Minister of Provincial Affairs): There are some coins. The collection is by no means complete. They disappeared throughout the years.

MR. BROWNE: It would be easy to make a collection of coins. I believe people would be glad to give them. I remember the collection given by Mr. W. A. Monroe.

MR. SMALLWOOD: The coins and stamps disappeared.

Motion, the committee report having passed this bill without amendment, carried.

On motion the Committee rose to report progress and ask leave to sit again.

Mr. Deputy-Speaker returned to the Chair.

MR. NORMAN: Mr. Speaker, the Committee of the Whole has considered the matters to it referred, and passed the following bills without amendment—Bills No. 31, 34 and 35.

On motion report received, bills ordered read a third time on tomorrow.

MR. NORMAN: Mr. Speaker, the Committee of the Whole has considered the matters to it referred and has passed Bill No. 38 with some amendments.

On motion report received, bill ordered read a third time on tomorrow.

MR. NORMAN: Mr. Speaker, the Committee of the Whole has considered the matters to it referred and on Bill No. 20 and Bill No. 33 has made some progress and asks leave to sit again.

On motion report received, committee ordered to sit again on tomorrow.

Committee of Supply:

On motion Mr. Deputy-Speaker left the Chair.

Mr. Norman, Chairman of Committee of Supply.

Public Works—IX—

907—14—

MR. SMALLWOOD: Mr. Chairman, before we leave Heading 907, I cannot think of a better point under the Heading of the Department of Public Works to say what I am about to say than this one, 907:

We are going to ask the House to insert in every heading a new vote,

the same in each department. To illustrate—If the Committee would turn to page 44, vote 901, which now reads as follows: 901-02-01 travelling, 901-02-02 office. Now it will be submitted in this way: -01 travelling -02 car allowance and -03 office. In this particular case it would read—901-02-01 travelling \$1,000; 901-02-02 car allowances \$500 and 901-02-03 office \$557. We are going to ask the committee to do that throughout the departmental votes, under every heading. So that the effect would be that each minister of the Crown would then have voted to him by the House the sum of \$500 a year, roughly \$10 a week to cover car expenses. He will not be entitled to draw the mileage that he is entitled to draw now. And he will not be entitled to draw any gasoline as he is entitled to do now. This \$500 will be paid to him in lieu of all else, in lieu of the mileage to which he has always been entitled and to which all civil servants are entitled. I may say that this amount is less than some civil servants are entitled to draw and do draw. This is to be a flat rate of \$500 and it is in lieu of (a) the road mileage which is around 14c. a mile outside the city and (b) the gallonage of fifteen gallons a week which a minister is entitled to draw. He will no longer, if this passes, be entitled to draw anything but this average of ten dollars a week. That is for the use of his own private car on public business in or out of St. John's, within the province and the gasoline which he must use in his own car while on public business.

I do not propose to draw that amount nor any of it, in view of the fact that I am using one of the official cars.

MR. HOLLETT: There are two points which strikes me offhand (H)

I am glad that the government has admitted the impropriety of the former method of indemnifying themselves and (2) actually I think the \$500 will be fair. I would not say it would probably be sufficient, but it is fair. The only thing that strikes me is that the vote for \$500, like all votes, might be exceeded. Is there any way to stop that? Or how far can they go beyond the \$500? They can do that with all other votes. I am wondering if they could do it with that?

MR. SMALLWOOD: Mr. Chairman, I have two things to say in reply: We do not for one moment admit any impropriety in the regulations as they stood, as they stand up to this moment, i.e., the road mileage rule which has been in effect for a great many years. It was in effect since we took office and it was in effect during the lifetime of the Commission of Government. It applied to and applies to this moment to all civil servants and also to Ministers of the Crown. I would venture to say that when the Leader of the Opposition was a stipendiary magistrate and he went in his own private car on public business—anyway he was entitled to mileage. I would say when the honourable and learned member for St. John's West ever travelled when he was a public servant he too was entitled to draw it—Well, he was entitled to draw it, and every civil servant is entitled to draw it and ministers of the Crown are entitled to draw it. That being so for a great many years, at least twenty-five or thirty years, we admit no impropriety in that. That is still the regulations but it will no longer apply to ministers of the Crown. It will continue to apply to civil servants. Nor do we admit any impropriety in Ministers of the Crown drawing up to fifteen gallons of gasoline a week. But

this will replace both as far as ministers are concerned.

Now secondly, it is to be a flat amount of \$500 per year, no more and no less—no more and no less for each minister.

MR. BROWNE: Mr. Chairman, the Premier won't admit any impropriety, but I suggest to him there is a great difference between civil servants and ministers. Civil servants have to go down where they are told. Inspector in the Department of Education or any other department could not be expected to go at his own expense when sent to Conception Bay or Bonavista Bay or any other Bay. But a Minister does not have to leave his office in the same way that civil servants do, their duties are principally in their offices. I do not see how they can justify the tremendous amount of mileage that they have built up as ministers. For instance, take the Department of Provincial Affairs, 750 gallons, at twenty miles to the gallon it would be fifteen thousand miles. How could the Minister of Provincial Affairs have used up that amount of mileage travelling from his office to the museum next door. Now when we had this before the Premier said he was a liaison officer. But how could he have gone this tremendous distance. It seems to me there is impropriety in the ministers having been given this power. I don't see how they could do it. It has not been shown that it was properly done.

Now in regard to the road mileage that civil servants get, they get mileage because that is their work. It was necessary to do something like that. I think they should bring in a retroactive bill to justify the ministers in what they have done. Anyone can see they had no right to do it.

Now, Sir, in regard to the point raised by my honourable friend, the Leader of the Opposition, this vote can be exceeded the same as any other vote. Only yesterday the Premier told us that any vote in any department can be over-spent providing it is done with countervailing savings from something else. He told us it could not go from one department to another, but from one vote to another. Therefore to vote five hundred dollars does not mean a thing. It can go up as high as you like. There is nothing we can do about it except to protest against it, and in Opposition in the future keep a vigilant check on the actions of the ministers in the way they handle this vote. There have to be rules drawn up as to how it is going to be done. How are you going to do this now? It is all very well to bring it in here and say that in regard to the ministers there will be an item for travelling expenses, office expenses and an automobile allowance of five hundred dollars. How is that to be done. Are they to be given the \$500 straight.

MR. SMALLWOOD: Yes.

MR. BROWNE: I think that is the best way to do it. Give the \$500 on the salary and say that is it. You won't find the mileage pile up in the same way.

MR. SMALLWOOD: Mr. Chairman, the honourable and learned gentleman seems to me to imply that ministers are not entitled to get mileage. I hope he did not mean to imply that. The fact of the matter is that the mileage rule outside the city (it does not apply within the city) is equally applicable to civil servants and ministers. It was drawn by all the Commissioners. All the Commissioners drew the mileage on their personal cars whenever they went outside the limits of the City of

St. John's. For ten or twelve or fifteen years they ran Newfoundland, and they were then the Ministers of the Crown.

MR. BROWNE: How does the Premier know that?

MR. SMALLWOOD: I know it. It applied to them and it applies to us, until we pass this, if we do. It applies at this moment to the Ministers of the Crown, and not only that but it applies to every civil servant. If we do pass this now it will still apply to civil servants. I want that perfectly clear. In fact, it has been drawn. Ministers of the Crown have drawn it on occasions. Dr. Pottle drew it regularly. It was carried on by the Commission of Government.

In the second place I want it clearly understood that this five hundred dollars a year, which is about ten dollars a week, which would be the equivalent of about a hundred miles a week at regular mileage rates, for twenty-five or thirty years ministers or civil servants going outside the City of St. John's were entitled to fourteen cents for every mile, if using their own private car. Now that fourteen cents was supposed to reimburse them for the wear and tear on their private cars and the gasoline and oil to operate the cars while on official business. So this \$500 a year will entitle ministers of the Crown to drive in their own private cars on public business seventy-one miles a week. Of course if they did not get the \$500 they could draw fourteen cents a mile, and that would cost the Crown very much more.

MR. BROWNE: This covers inside the town too?

MR. SMALLWOOD: This covers everything. That is all the ministers will draw and is to be regarded and

paid exactly as his salary. In other words he cannot overdraw his salary. I am replying now to the point made by the honourable and learned member when he said votes can be exceeded by countervailing savings. That is true. But ministers salaries cannot be increased. This \$500 a year is to be precisely like a minister's salary. It is to be paid to him in a lump sum, it is no more and no less. It is the same thing. He won't pay income tax on it, I hope. If we have to pay income tax on it we will rescind it next session and go back to the fourteen cents a mile.

Now there is one other point—The honourable gentleman cannot see how a minister could pile up such mileage. If the Minister of Finance runs over to Clarendville to see a ferry being built and runs over there two or three times.

MR. BROWNE: What for?

MR. SMALLWOOD: Because he wants to see the ferry.

MR. BROWNE: That is only curiosity.

MR. SMALLWOOD: It is anything but curiosity. If I want to go over to Carbonear or to Harbour Grace a couple of times a week to look in on the factories there, to keep a close check on them, as I do as Minister of Economic Development, and if I bring a couple or three other ministers with me so that they all can report back to our colleagues in the Cabinet. It may only take two cars, it is true and occasionally we may only take one car, but if I ask three ministers or so to go visit this factory or the other or that enterprise or the other enterprise, they use their own private cars. Now there has been nothing to stop us up to now from just going down and get-

ting a car from the pool. The government runs the pool. We have a car pool operated in the Department of Health. There is nothing to stop a minister at any time from phoning down and asking them to send up a car from the pool. It is the property of the government, and it is operated by the government, and if a Minister of the Crown wants the use of a pool car he has it. But he won't now, because this is in lieu of everything. This is in lieu of everything—Now the only one who will continue to use a pool car is myself. I will continue to use the "Cadillac." And if they change the "Cadillac" to another brand I will use the best car the government owns and operates. That is the one I will drive in. I won't want a chauffeur. I prefer to drive myself. It is no use, in common sense, trying to split hairs between when a Minister of the Crown is a Minister of the Crown and when he is not. He is a Minister of the Crown, I feel, every waking hour of the day. I am Premier, and wherever I go I am still Premier and my responsibility never ceases while I am awake and even when I am asleep. The phone may ring at 2:00 o'clock in the morning. So if anyone thinks I am the Premier only as long as I am on duty. I don't think there is any sense in trying to split a minister into two persons; when he is a Minister of the Crown and when he is not. I don't think it is practical. I don't think it is attempted anywhere in the world. It is a full-time job.

MR. BROWNE: Would not the Premier think it would be better for himself to put himself on the same basis as other ministers and get a motor car the same as the others. The Prime Minister of Canada has the same allowance.

MR. SMALLWOOD: Every Premier across Canada has a car given him, a

car and a chauffeur. I took the trouble to find out. Now I don't want that. I just want the use, not seconded to me, just the use of one of the cars of the government pool, and I will drive it myself.

I ought to say this, Mr. Chairman, there are twenty-five civil servants who are drawing more as a fixed amount annually as car allowance than cabinet ministers are or will now be drawing at this \$500 rate.

MR. BROWNE: They travel more.

MR. SMALLWOOD: They don't travel half as much nor quarter as much as the average minister. As for myself, they don't travel ten per cent as much as I do. I travel an enormous amount. But leaving me out, the average minister travels far more than do the civil servants who draw more.

MR. BROWNE: Could you give us an illustration?

MR. SMALLWOOD: I don't want to hurt any of the civil servants. I only say they draw more, they draw \$600, a hundred dollars a year more,

MR. BROWNE: Are there many drawing that? What is it paid out of.

MR. SMALLWOOD: They are not in this department.

MR. HOLLETT: I would like it to be clearly understood I am not questioning the amount of money involved. It was not the amount of money involved by the practice and method employed. We maintain that if it was done by Order in Council the Order in Council should be brought here and confirmed. We have no objection to ministers having a car allowance. I agree the Premier ought to have some sort of a car at his disposal. After all he is at the beck and call of all sorts of persons on all occasions. There is

nothing wrong with that at all. On the other hand I don't agree that it is wise to make a flat rate of five hundred dollars when in all probability some of the ministers will have to incur expenses of a thousand during the twelve months. I am not in favour of pinning it down purely and simply at five hundred, when some ministers are likely to have to pay twice as much each year, in some cases. There are some who will not travel and others who have to travel a lot. I am not in favour of even making that fixed amount. The only thing I objected to in the first place was the method employed in going up to this Bennet Avenue Garage. I do think we ought to be fair. We ought to be fair. I try to be fair as I can. There is no reason why we should not be fair with the government. If a minister has to go over five hundred dollars I don't see why he should not be able to be reimbursed for that when he is on the business of the country. I want all the ministers to know that is the attitude we take on this side.

MR. SMALLWOOD: I am the only Premier in Canada who draws the same salary as his colleagues. All the other Premiers draw considerably more than their colleagues draw, more than I do, and in addition get a car and chauffeur. I don't want a chauffeur. And I draw the same salary as my colleagues. If the Committee or the House wishes me not to use one of the governments cars in the car pool let them say so, not just one or two.

MR. HOLLETT: I don't think, Mr. Chairman, there is any intention. We all know that the Premier, with all due credit to him, he has the right as Premier not only to draw a salary as Premier but also as Minister of Economic Development. He could certainly. It was always done in the past.

MR. BROWNE: Never.

MR. SMALLWOOD: The only exception I ever heard of was Mr. Monroe.

MR. HOLLETT: In my opinion it is right and proper, and has been done in other provinces across Canada, and I certainly would see no objection to the Premier. He has elected to take one salary. I give him due credit. Therefore he ought to be entitled to a car and a car allowance. I don't want to be misunderstood. Anyway all I am saying is that no minister who is in the service of the Crown and has to take expensive and long journeys across the country now and then should be limited to five hundred dollars simply because this matter has been aired.

MR. BROWNE: In regard to Premiers having a second office drawing two salaries, it did not happen in Mr. Monroe's time and it did not happen in his successor's either.

MR. SMALLWOOD: The first exception I ever knew to that rule was Mr. Monroe. He was Prime Minister and President of the Board of Education, which was the title by which the present Minister of Education was then known, he was president of the Board of Education. He drew no salary for that second portfolio. But all other ministers before that always did. If they filled two portfolios and there was a salary for each they drew both. Sir Richard Squires did it, of course, and all ministers.

MR. BROWNE: Not since Alderdice.

MR. SMALLWOOD: Alderdice was the last one in office. Shortly after Mr. Alderdice took over Newfoundland was on the rocks, and shortly afterwards went into receivership. If Mr. Alderdice did not draw two salaries

all credit to him. But he was entitled to do it. That is the point. And all ministers of the Crown who fill two portfolios are entitled to do it, and I am entitled to do it.

MR. BROWNE: So is the Minister of Mines and Resources.

MR. SMALLWOOD: Certainly that is so. And for almost two years I was Minister of Finance, Minister of Economic Development and Premier and drew one salary. I was Minister of Mines and Resources, I think a year or so. I did not draw any salary. I am not boasting of that. That is the way we do it. That is all. But what I mean is, there has been so much talk made of a drop of gasoline we have taken.

Now just one final point. In reply to the Honourable Leader of the Opposition, and don't think I don't appreciate the kindly remarks he has made, I do. But he is quite wrong when he says he can't see how we did pass an order in Council. Let me inform him now that we could at a Cabinet meeting tomorrow morning (there will be a Cabinet meeting tomorrow morning) we could make the mileage not fourteen but fifteen cents or thirteen cents. That is lawful I assure the Committee. We can change that at any time by order in council, any time we like. We could pass an order in council that all ministers are to draw up to fifteen gallons a week in lieu of mileage. That is lawful.

MR. BROWNE: How was it done?

MR. SMALLWOOD: By simple order in council.

MR. HOLLETT: You don't have to table the order in council?

MR. SMALLWOOD: No.

MR. HOLLETT: There is no need of any House of Assembly at all.

MR. SMALLWOOD: Perhaps we pass eight hundred or a thousand orders in council a year. If this were all to be tabled here and became public property the public would be damaged very seriously. Not by every order in council, of course not. But if one were tabled why not all, and if all must be tabled where is the privacy of Cabinet meetings. Where is the secrecy of cabinet government? We are paying out money all the time by order in council. We are affecting the course of the budget and budget expenditure every day the government meets. The mere fact that an order in council directs payments does not mean it has to be tabled. It never was in history—not in history.

MR. BROWNE: Mr. Chairman, it is presumed that there is some vote in the estimates somewhere to cover the mileage, I take it?

MR. SMALLWOOD: No, there is not.

MR. BROWNE: There must be some vote to cover the mileage outside the City for civil servants. One can understand how it can be altered and varied according to expenditure increases or decreases, but to open up a new charge there should have to be some vote, such as a token vote, we see here so often. There must be something to charge it up to.

MR. SMALLWOOD: It is travelling. But it is never earmarked. It is obvious. The committee reads the estimates every year. Where will they find in the estimates the legislative authority to pay fourteen cents to civil servants.

MR. BROWNE: Is there a Treasury Rule to that effect?

MR. SMALLWOOD: Of course there is a Treasury Rule, and Order in Council. We have the original order in council. We have the original treasury rule. We have that. Now probably the actual cost for that is meant in each vote out of the vote for travelling. Probably that is where it comes from. It does not have to be specifically earmarked as such.

Mr. Chairman, if we might dispose first of Public Works, there are only two or three heads left. Then I would move to reopen the departments up to now and insert the amount for each minister.

On motion 907 carried.

MR. HIGGINS: Mr. Chairman, that 908-01, this grant to the St. John's Municipal Council, this has been fixed for many, many years now has it not?

MR. SPENCER: A new one was added, 908-09:

MR. HIGGINS: Grant to Bowring Park Committee. Yes, I recall that. The thought occurs to me, Sir, that now as the Committee well knows the area of St. John's has increased greatly certainly over the past five years. In the past ten years the city has grown almost a third if not more—and I was wondering if the government does intend to recognize that growth. Is there any likelihood that the grant will be increased as time goes on?

MR. SMALLWOOD: It seems to me if it is ever to be increased it ought to be as a result of somewhat formal discussions between the government and the council, and not just in a casual sort of way. I would not say it is impossible.

MR. HIGGINS: I don't want to commit myself to anything. I have indicated many times in the House for the past few years that the St. John's Municipal Council and the City of St. John's has been treated very generously by this government. When certain sources of the revenue tax field were taken from them due to the changed setup, the government did come through rather generously in transitional grants and other things. But I would like to think that the Premier meant exactly what he said—the door is never barred, if negotiations should be opened there might be a chance of a sympathetic hearing.

MR. SPENCER: Mr. Chairman, if I might add a word here—This does not cover the actual expenditure on behalf of Historic Sites and Monuments under this heading. The Department of Public Works has absorbed into their work several rather inexpensive items for historical sites and monuments. I might inform the committee, and I am quite happy to do it, take the case of the marking of Cormack's Trail in Random Sound near Millertown Brook, I think it is, there we built a bridge across the waterway to Random Island. At the point we erected a very special monument.

MR. SMALLWOOD: That is about three hundred miles from Bellam Island Bridge.

MR. SPENCER: Very well, Mr. Chairman, we did arrange to pick up special granite stone, at the request of the Historic Sites and Monuments Committee and have it erected at or near the site where Cormack was supposed to have set foot in that sound to enter on his historic trip across the Island. The committee erected a small block on that. We have already done several others. Now the busi-

ness of finding that stone and transporting it was not charged to the Historic Sites and Monuments. We just absorbed it in our regular work. That is why that \$5,000 was not spent. Then there is still another one, that is to mark the estate at Whitbourne, there is to be a monument there in connection with the memorial of the late Sir Robert Bond. Very considerable research work was done on that. Plans were made, etc. That was not completed. That is why this vote was there, because the work was done and not actually charged to that vote.

MR. BROWNE: Under what vote was that done?

MR. SPENCER: It was just simply absorbed into Public Works, if flying columns and others going about the Island happened to come across a granite bolder they arranged to put it aboard a trailer and bring it in.

MR. SMALLWOOD: Probably tearing up the Southside Road.

MR. BROWNE: Probably we can take some of the boulders out.

MR. SMALLWOOD: We are missing a good chance to get some historic monuments.

On motion 908 carried. 909:

MR. BROWNE: Is the minister in a position to tell us what that project at Placentia has cost. Because I have heard there was a great deal of expense in connection with it. How does it compare with the revenue in operating the ferry?

MR. SPENCER: I could not give you an account of the revenue. It is in the hands of an operating company. I don't know anything about that. I do know the expenses. There has been unforeseen expenses there, the reason

for that is that in getting those docks designed we had to take the advice of the best people we could find in the matter. To that end we took the advice regarding Placentia and Jersey side of our good friend, Captain Whelan, who was born and bred in that area, and knows that area better than most people. Then we had a dock designed for it, but we have found that certain things, certain parts of that area are not working out to the best advantage. So that we have had to learn by a sort of trial and error. So much so that this year because of the experience we asked the aid of the Provincial Government of Nova Scotia, who have had a tremendous amount of ferry experience and docks. They very kindly agreed, at my request, to send us down a man to go over and help us with that work. He has come and made a report and we hope to work it out on the basis of some of his advice. These people have a wealth of experience in ferries, whereas for the last thirty years or so there has been no ferry dock operated in this Island. This vote is to take care of these various ferry landings.

MR. BROWNE: Could the minister be a little more specific—Is there going to be radical changes?

MR. SPENCER: It is just a matter of stabilizing the docks. Ice and tide conditions there are factors we had actually to learn about by experience.

MR. BROWNE: Was not the ferry itself in difficulties.

MR. SPENCER: No that was not so.

HON. G. J. POWER (Minister of Finance): I might be able to assist the honourable gentleman. The Placentia ferry when put in operation was, I think, the first ferry of its kind ever operated in Newfoundland. No-

body whom we knew around here had any experience in the operation of such ferries. With the result that in learning they did some damage to the docks, which have been repaired this year. I do not think the officials of the Department of Public Works foresee that there will be any similar damage in the future. The estimated cost of operating the ferry is, I think, \$32,000 a year. It should show a considerable profit on its operations. As far as the damage was concerned, it was the breaking off of a few piles. The boat itself was never damaged.

On motion 909 carried.

On motion the Committee reverted to the Executive Council.

MR. SMALLWOOD: I move the amendment, Mr. Chairman: 302-02-01 Travelling \$500, Car Allowance \$500, Office \$80.

On motion item as amended carried.

MR. SMALLWOOD: Under Heading IV/Department of Finance 401-02. I move a similar amendment.

On motion Item 401-02 as amended carried.

Department of Provincial Affairs 501-02—A similar amendment:

On motion item 501-02, as amended, carried.

Department of Education 601-02: A similar amendment.

On motion item 601-02, as amended carried.

Department of Attorney General 701-02, a similar amendment.

On motion item 701-02, as amended, carried.

Department of Mines and Resources, 801-02, a similar amendment.

On motion item 801-02, as amended, carried.

MR. BROWNE: Mr. Chairman, may I say a word here about another subject in regard to this particular vote.

MR. SMALLWOOD: There is nothing to stop it.

MR. BROWNE: Well, Mr. Chairman, this is rather irrelevant on the particular vote on the minister's car allowance, but it may affect his travelling—I noticed a letter in the paper tonight complaining about the burning of areas for blueberries. If the minister has not seen that I can send him over a copy of it. I understand from reading that letter that it is a serious matter in this country to be burning land over for blueberries, when we have very little soil, and it prevents the regrowing of blueberries. I wonder if he would give consideration to that?

DR. ROWE: I would make one comment—For every person who protested against that burning we have perhaps half a dozen who demand it. Now actually the minister can only be guided by advisors in the matter, as my honourable friend will agree. And the consensus of opinion is that while there is some danger, while it has to be done with discretion particularly in rocky areas where the soil is just over a cliff, on the other hand a certain amount of burning actually is imperative to the industry. That is the consensus of those who studied it particularly in Newfoundland where we have such tremendous natural reforestation going on.

MR. SMALLWOOD: Department of

Public Works, Heading 901-02, travelling becomes \$1,000 instead of \$1,500 and car allowance \$500 and office \$557.

On motion item as amended carried.

MR. SMALLWOOD: Mr. Chairman, perhaps before moving on we could have a ten minute recess and then take up heading Ten.

On motion the Committee recessed for ten minutes, after which Mr. Chairman, returned to the Chair.

X—Department of Health:

Items 1001 through 1023 on motion carried. 1024:

MR. BROWNE: I would, Mr. Chairman, like to ask the Minister the position in regard to the mental hospital at the present time. I was Chairman of the Board out there about fifteen years, and it was always in a most congested condition. At that time, of course, as you know, it was very difficult to get any new building done, but one was started, and a nurses' home was started and the building was completely renovated. Now is there still a pressing need for further accommodations? As I understand, this is something which cannot be cured like Tuberculosis. It was only today I read somewhere where a doctor said he did not believe in these modern treatments. Although there has been plenty of evidence that these treatments have been good in some cases.

The pressure must still be great, and a great many people must still be trying to get in there. Every now and then someone comes along to me telling me of a case where a person is in need of being put in the mental hospital. It is not that someone wants to get rid of anybody, but wants to get a person where he or she can be looked after. An ordinary layman

might be able to do something about taking care of a person with a broken leg or a headache but can do nothing for a person who is insane. Therefore, it seems to me, it is essential there should always be consideration given to ways of finding accommodations for persons who are suffering like that.

MR. HEFFERTON: The situation is certainly acute. There is no question about that. At the present time we have about eight hundred in the Mental Hospital and about 125 in the Orthopaedic Hospital. Last summer we did manage an additional ward in which we put forty patients. That relieved the situation for a time, but it is not a permanent solution by any means. Last year one of the wards was completely renovated and another one is nearing completion at the present time. Also at the present time there is an extension being put on for kitchen facilities, and plans are being formulated for the addition of a wing on to the present building. That will undoubtedly have to come within the next year or so.

MR. HOLLETT: Mr. Chairman, there is a point I would like to make. You will remember that a couple of years ago there was an enquiry into certain things which happened in the mental hospital. The enquiry was held before the late Mr. Hunt. As far as I recollect, most of the people involved in that enquiry were found blameless and no charges were made against them. However they have been laid off. As far as I know nothing has been done to right any wrong which may have been done to them. I know for a fact that about two or three months ago all these people had paid back to them small cheques of sixty, seventy, eighty dollars, as the case might be which was still due them from the time they were laid off, a

year or so ago. Now in the case of most of these people who were laid off nothing had been found against them nor against their character, and as they have been paid up any money owed to them, would not the government be duty bound to put these people back in the positions they then held.

I know from this account here there is presently on the waiting list, or was in 1954, some 513 patients, waiting to get into the mental hospital. Surely therefore there should be some means found of putting back these attendants into the position which they formerly filled, or higher ones as the case might be. If it was found, as it was found, that they were blameless as far as the charges were made against them. I notice the Minister of Health shaking his head. If they were not blameless then they should have been prosecuted. They were not.

MR. SMALLWOOD: There is a big gulf between being blameless and being guilty enough to be prosecuted.

MR. HOLLETT: As far as the public is concerned it is either one or the other, I think they are doing these men a great injustice by not reinstating them in the jobs they then filled. If it were proven or could be proven they had done something they should not have done, the proper thing would be to bring it out in the open so that the public could see. Right now a goodly number of the public are under the impression some of these men had been prosecuted. I would like to know if something might be done to rectify the position?

MR. SMALLWOOD: Mr. Chairman, I don't want to say a single word that would add to the difficulties of any of the men concerned. A number of them have been put into government

jobs. Let me put it this way, few if any of them have gotten their jobs back in the mental hospital but some of them have succeeded in getting jobs in other branches of the government, and still others of them have not. We were most anxious to be fair. We were most anxious to lean over backwards in our attempt to be fair. But we are confronted by the fact that there was certain evidence against certain people, not enough to warrant taking action against them in court but too much to allow us to just restore them in the government service. Then finally there was this point—If a man was suspended and someone else put in his job, what were you going to do, especially if there was anything at all against him, not perhaps enough to prosecute, but something; were you going to dismiss the man who had gone into the job and put back into it the man against whom there was something, although not enough to prosecute?

MR. HOLLETT: Mr. Chairman, while on that point I would draw the Honourable the Premier's attention to the fact that only two or three months past the chief witness that was used at that time to get evidence relative to charges made against these men, was himself accused of wrong doing in the hospital and convicted, and, I believe, fined and dismissed and may have gone to jail as far as I know. However he was the chief witness used against these men, and now it turns out this chief witness himself has been brought up before the courts on a charge similar to the ones of which the other people were accused. That makes it look all the more glaring in the eyes of the public. I would stress the point to the honourable minister and to the Honourable the Premier that something should be done to rectify what I con-

sider, or appears to be, at any rate, a wrong or an injustice to these men. After all a man has only one life and it is unfair he should be living under a cloud put there by the government if that cloud could be removed. Mind you I am not blaming the government for doing what they did. They were probably justified. But if they have found since there are justifications for putting the men back I do wish they would consider it.

MR. HEFFERTON: That has been done.

MR. BROWNE: Mr. Chairman, while speaking about the Mental Hospital being over-crowded I forgot to draw attention to the statement in the report of 1954. I think it is a pity we cannot see the report for 1955. The minister must already have it in his possession, information that will go into the report.

MR. HEFFERTON: It takes about six months before we get the information.

MR. BROWNE: This report says—The waiting list is up to 513, i.e. an increase of fifty per cent in one year. So that the problem of choosing patients for admittance can only be described as impossible.

Now there is a fine institution. It is well equipped, with a splendid staff and yet they have not the accommodations. They could do twice as much work if they had accommodations for patients. I think it is a matter which requires urgent consideration. I would be willing to wager there are almost 800 waiting now for admittance into that institution.

MR. SMALLWOOD: We have under active consideration the question of another wing.

MR. BROWNE: How big

MR. SMALLWOOD: Big as the money that can be found, with all the other things we have to do. There are so many urgent problems. This is one of them, a very urgent one. If you had two men walk into your office with a patient and say: "alright, here he is. We just got off the train." If you had that happen a few times you would realize how urgent it is. That happened to me more than once. The patient was brought right into my office at night while I was working there. It is urgent. The population is growing. The incidence is not increasing out of promotion to the population. The stress and strain of modern life is such that many fall by the wayside.

MR. BROWNE: Especially in the last seven years.

MR. SMALLWOOD: That is right, since the excitement of good government. They are not used to it.

MR. BROWNE: There was a 50 per cent increase in one year on the waiting list.

On motion 1024 carried: 1027 carried: Items 1028 through 1032 carried:

On motion the committee rose to report progress and ask leave to sit again:

MR. NORMAN: Mr. Speaker, the Committee of Supply have considered the matters to it referred and passed items of Current Expenditure Public Works, Items 907-03-11 through 909-Department of Health, Item 1001 through 1032.

On motion report received—Committee ordered to sit again on tomorrow:

MR. NORMAN: Mr. Speaker, the Committee of Supply have considered

the matters to it referred and have amended the following items of current expenditure.

401-02, 501-02, 601-02, 701-02, 801-02, 901-02, 1001-02:

On motion report received—Committee ordered to sit again on tomorrow.

Third Reading of Bill, "An Act to Amend the Poultry and Poultry Products Act."

On motion bill read a third time, ordered passed and title be as on the order paper.

Third Reading of Bill, "An Act to Amend the Social Assistance Act, 1954."

On motion bill read a third time, ordered passed and title be as on the order paper.

Third reading of Bill, "An Act Further to Amend the School Attendance Act."

On motion bill read a third time, ordered passed and title be as on the order paper.

Third Reading of Bill, "An Act to Empower the St. John's Municipal Council to Raise a Loan for Municipal Purposes by the Issue of Bonds."

On motion bill read a third time, ordered passed and title be as on the order paper.

Third Reading of Bill, "An Act to Restrict the Use of White Cane to Blind Persons."

On motion bill read a third time, ordered passed and title be as on the order paper:

Third Reading of Bill, "An Act to Amend the Frobisher Limited (Confirmation of Agreement) Act, 1955."

On motion bill read a third time, ordered passed and title be as on the order paper:

Third Reading of Bill, "An Act Further to Amend the Gasoline Tax Act."

On motion bill read a third time, ordered passed and title be as on the order paper.

Third Reading of Bill, "An Act to Amend the St. John's Memorial Stadium Act."

On motion bill read a third time, ordered passed and title be as on the order paper.

Third Reading of Bill, "An Act to Amend the City of St. John's Act."

On motion Bill read a third time, ordered passed and title be as on the order paper.

Third Reading of Bill, "An Act to Amend and Consolidate the Law Relating to the Establishment of Community Councils."

On motion bill read a third time, ordered passed and title be as on the order paper:

MR. SMALLWOOD: Mr. Speaker, I move that all further orders of the day do stand deferred, and the House at its rising do adjourn until tomorrow, Wednesday, at 3.00 of the Clock.

WEDNESDAY, May 2, 1956.

The House met at 3:00 of the Clock in the afternoon, pursuant to adjournment.

Presenting Petitions

MR. BROWN: Mr. Speaker, I beg leave to present a petition on behalf of the electors covering all the settlements from Sweet Bay to King's Cove

in the District of Bonavista South. The petition requests that consideration be given to the granting of a sum of money which would enable the high-roads division to recondition and widen the section of road from the head of Southern Bay to King's Cove.

This section of road, as the petitioners point out, serves the whole population from Musgravetown to Bonavista, and forms an important link in the lives of the people in various communities in that area which is a large producer of timber and lumber of various kinds as well as producing farm products which are being distributed back and forth over the road practically every season of the year. The production of codfish, salmon and lobster as well as other products produced between Southern Bay and King's Cove amounts to many hundreds of thousands of dollars annually, and finds its way over this road enroute to various market centres.

Mr. Speaker, I am personally acquainted with more than ninety per cent of the voters whose signatures appear on this petition. As a native as well as a representative for the district of Bonavista South, I have motored over the road on many occasions. I feel it is most urgent that the request of these petitioners be very favourably considered. I have pleasure, Sir, in supporting the petition and ask leave to place it on the Table of this House and it be forwarded to the department to which it relates.

On motion petition received for reference to the department concerned.

Presenting Reports of Standing and Select Committees

None.

Giving Notice of Motion

None.

Giving Notice of Questions

None.

Answers to Questions

HON. J. R. SMALLWOOD: (Prime Minister): Mr. Speaker, I have here the answer to a question that was put before me by the Honourable and Learned Member for St. John's West. I don't remember if it was a formal question or one merely expressed orally in the House. At all events this is the information—The Annual Reports of NALCO together with the audited Balance Sheet for the year past.

MR. BROWNE: Mr. Speaker, on the Order Paper of April 19, I addressed a question to the Honourable Minister of Economic Development asking if there is an agreement signed between the Government and a company known as "Adlers."

Question No. 51 (above):

MR. SMALLWOOD: Mr. Speaker, on the Order Paper already, I think, is notice of a Loan and Guarantee Bill which is to come before the House. In that Bill is the vote or loan to Adlers. On that occasion then I will table whatever information there has to be tabled and give whatever information there has to be given.

MR. BROWNE: Thank you!

Now on the Order Paper of April 30 there was a question addressed to my honourable friend, the Minister of Mines and Resources regarding Consolidated Pulp and Paper, and on April 27 I addressed a question to the Honourable Minister of Public Works regarding amounts spent in electoral districts.

HON. DR. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker,

the answer to the question regarding Consolidated Pulp and Paper will be here tomorrow. I must apologize to my honourable and learned friend because I have not had enough time in my office this last two or three days actually to arrange it.

While I am on my feet, a day or two ago the Honourable Leader of the Opposition addressed a question to me regarding logging camps. The answer to that too is that it is in course of preparation. I just put a call through about five minutes before the House opened this afternoon. I hope to have these answers tomorrow, and that I believe will be the answers to all questions addressed to me and my department.

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I have no answer this afternoon. The question is in my office being prepared.

Orders of the Day

Committee of the Whole on Various Bills.

On motion Mr. Deputy-Speaker left the Chair.

Mr. Norman, Chairman of Committee of the Whole.

MR. COURAGE: Mr. Chairman, I have to do something which is probably unique in any House of Parliament, having been Speaker, then come down as a private member piloting this bill. To help any honourable members who have some questions to ask—I was Chairman of the Committee set up to consider this bill. The committee met and considered it. There did not appear to be anything whatsoever controversial in it, and it was recommended by the Committee to the House without amendment. There are

two private bills, the bill respecting the Trustee Board of the Presbyterian Church in Canada and the Architects bill. We will take this one first:

A Bill, "An Act Respecting the Trustee Board of the Presbyterian Church in Canada."

MR. SMALLWOOD: Mr. Chairman, I don't think anyone wants to debate this—The Presbyterian Church wants it and we are still willing and happy they should have it.

Motion that the Committee report having passed this bill without amendment, carried.

A Bill, "An Act to Incorporate the Newfoundland Association of Architects."

MR. COURAGE: Mr. Chairman, I was the Chairman of the Select Committee set up to consider this bill. We met twice on this bill, two long meetings, and we had representatives both for and against the bill. Certain changes in the bill have been made, with the consent of the petitioners. I will indicate these changes: The amendments are quite straightforward.

The first amendment is to Clause 7, which is amended by striking out the first three lines as far as the word "hereafter" and inserting "all persons whose names are in good standing as of the date of the passing of this Act on the Registry of the Newfoundland Association of Architects. And any person who has made any application for admission to the Newfoundland Association of Architects as of the date of the passing of this Act and who proves to the satisfaction of the Board he is over 21 years of age, of good moral character and that he resides in Newfoundland and has bona fide practiced as an architect in Newfoundland

for not less than one year preceding the incorporation of this Act and in particular that he is qualified to be admitted as a member by reason of his educational status and his knowledge, proficiency, skill and experience in all matters relating to the profession of architecture." Then follow the clause—"all persons hereafter admitted to membership in the Association pursuant to the provisions of this Act shall be members of the Association and continue as such until such membership lapses or is suspended or cancelled in accordance with the provisions hereof."

I may say, Mr. Chairman, that this clause was changed in order to accommodate the people who were practicing architecture in St. John's and who will fulfill the requirements of this clause. I am happy to inform the committee that since that time they have been accepted in the Association and were made members of the Association.

MR. BROWNE: There is an association at present?

MR. COURAGE: There is an association but it is not incorporated. These are the only people of whom we have any knowledge and who met the qualifications. I may say this amendment follows word for word a similar amendment in the Certified Public Accountant's Bill.

In Clause 8, sub-clause (c) is stricken out.

HON. M. M. HOLLETT (Leader of the Opposition): Why is that stricken out?

MR. HIGGINS: Too restrictive.

MR. COURAGE: We felt that there might be some people here who while not British subjects could be qualified.

MR. SMALLWOOD: There is one German in the Department of Public Works. He is a brilliant architect and a very fine citizen. He was the designer of the fountain in front here. He is one of the most valuable acquisitions this Province has made in personnel, in human material for quite a while. He is a very fine man.

MR. HIGGINS: Mr. Chairman, as a member of the committee I am not particularly concerned with Dr. Steinberg and the fountain. The Committee, I may say, were considering people who coming here from the United States and various other places. We felt the clause was unduly restrictive.

MR. COURAGE: The committee was very strong on that point.

MR. SMALLWOOD: I was not addressing myself to that point at all. I was addressing myself to the remark as to whether we had any German architects.

HON. E. S. SPENCER (Minister of Public Works): Before we pass that amendment, do I understand this amendment would bar men of that calibre?

MR. COURAGE: No, we have changed that. That condition did exist but it has been changed.

The next amendment is to Clause 9. That clause will now read as follows:

"Membership in the Association or temporary licenses to practice in Newfoundland may be granted to any person upon such terms and subject to such conditions as the said Registration Board may by Regulations provide." The rest of the clause is deleted.

The next change is to Clause 12—in the fourth line the word "appointed" is changed to "filled"—"may be filled by a majority vote of the mem-

bers . . ." The same change occurs in the next line of the clause. The same change is made in Clause 14.

The next change comes on page 10—18 (5) "in event of expulsion an appeal shall lie with the Lieutenant-Governor in Council." In other words the appeal was to the Association now it is to the Lieutenant-Governor-in-Council, who may revise a decision of the Association.

MR. BROWNE: Is that a good idea?

MR. SMALLWOOD: Yes. It should lie with someone outside the immediate range of the Association.

MR. COURAGE: That was exactly what the Committee felt.

The next change is to Clause 26—Sub-Clause (2). It was felt this was giving them too wide powers. Two is deleted and three is renumbered accordingly.

Then there are some changes here, sub-clause (e), page 13: Following the word contractor—"building firm or building corporation or bona fide member of the staff of such building contractor or building firm domiciled in Newfoundland from preparing a sketch, drawing, design, plan or specification for his or its own use as a building contractor, building firm or building corporation in the construction or alteration by himself, itself or tradesmen employed by him or by it of any building structure whether the same be proceeded with or not and obtaining remuneration therefor."

The idea here was to make certain that certain people who were contractors and firms and corporations.

Now the next change is on top of page 14: There is a new clause goes

in there in place of (g), then the following clauses are renumbered. In other words any person who wants to prepare his own design or wants to pay somebody else whom he thinks qualified to prepare a plan or design for him can do it. He does not have to go to an architect. If he wants to go to Tom Jones and believes he is a good enough man and he is satisfied, he can go to him and Tom Jones can charge him.

There is a small change in (j).

That is the extent of the changes.

Motion that the committee, rise, report progress and ask leave to sit again, carried.

Mr. Deputy Speaker, resumed the chair.

MR. NORMAN: Mr. Speaker, the Committee of the Whole has considered the matters to it referred and has passed the Bill, "An Act Respecting the Trustees Board of the Presbyterian Church in Canada" without amendment.

On motion report received, bill ordered read a third time on tomorrow.

MR. NORMAN: Mr. Speaker, the Committee of the Whole has considered the Bill, "An Act to Incorporate the Newfoundland Association of Architects, has made some progress and asks leave to sit again.

On motion report received, committee ordered to sit again on tomorrow.

Honourable the Minister of Municipal Affairs and Supply to move the House in to a Committee of the Whole to consider a resolution in relation to a Bill, "An Act Further to Amend the Local Authorities Guarantee Act, 1952."

On motion Mr. Deputy-Speaker left the Chair,

HON. S. J. HEFFERTON (Minister of Municipal Affairs and Supply): Mr. Chairman, we are following the practice which the government has followed for some time in the bill which will be subsequently introduced.

The Town of Windsor \$800,000 is a guarantee for the installation of water and sewerage in their area. The Town of Lewisporte asks for a guarantee of \$215,000 in the main for the extension of their water and sewerage system, estimated cost \$185,000 and \$35,000 which was a loan they requested in order that they might purchase additional machinery for generating electricity. The third item is one of \$20,000. The Committee will recall that last year we guaranteed a bond issue to the Placentia Town Council of sixty thousand dollars. That bond issue has not as yet been floated and a few days ago the town council applied to us for permission to increase their original \$60,000 to \$80,000. Consequently we are putting the \$20,000 on this schedule.

That is the substance of the resolutions, Mr. Speaker.

MR. HOLLETT: Mr. Chairman, I rise to give our whole-hearted support to this bill. I personally say, due to the fact that I am very familiar with it, both the town of Windsor and the town of Lewisporte during my years as a magistrate in that area I got to know very well particularly the town of Lewisporte. I understand it has had a phenomenal growth during the past few years and I am quite sure that this move in order to give water and sewerage certainly deserves our attention and deserves this guarantee. The Town of Windsor has been hampered by lack of water and sewerage for a number of years. Although some effort has been made in the past, up to the present

time, they have not been able to succeed. I hope and trust the guarantee of this amount will give them the necessary funds so that they will be able to get the water there, because the Town of Windsor, whilst it is an adjunct really to Grand Falls is growing as a result of Grand Falls and is beginning to prosper largely as a result of Grand Falls and the Grand Falls operations.

I am quite happy that the Government has seen fit to bring in this Loans and Guarantee Bill.

MR. BROWNE: Mr. Chairman, I did not quite understand what the minister said in reference to the sixty thousand dollars which was granted last year—Would he explain that again, please?

MR. HEFFERTON: I said that last year we guaranteed a loan to the Placentia Town Council; two of them as a matter of fact, Placentia wanted one and Jersey side wanted one. Neither has been taken up as yet. I think they will be in the near future.

MR. BROWNE: Is the twenty thousand included in this?

MR. HEFFERTON: Yes.

MR. BROWNE: Does the Placentia Council have new plans involving this expenditure?

MR. HEFFERTON: Maybe a little more expansion or a little more repairs.

MR. BROWNE: Are they putting in a chlorination system, do you know?

MR. HEFFERTON: They are talking about that too. They are also talking of lowering the outlet of Larkins Pond. I think the Government itself will do that because of the three councils being tied up.

MR. BROWNE: I thought I read in the paper where a delegation came in from Windsor and the Government agreed to introduce legislation to permit the guarantee.

MR. HEFFERTON: The actual work at Windsor is supposed to start somewhere around the 20th of May.

MR. HOLLETT: May I ask if the plans drawn up last fall in connection with the water and sewerage in Windsor have been approved by the Government?

HON. E. S. SPENCER (Minister of Public Works): Mr. Chairman, there has been very considerable discussions regarding this bond issue for the town council of Windsor as well as others my honourable colleague the Minister has introduced this afternoon. I would like to say that this matter of the Town Council of Windsor has been under consideration for several years. Surveys have been made and several attempts made by various councils of the Town of Windsor to establish this water and sewerage system in that area. It is only by repeated effort of the present town Council of Windsor, and I would like here, Mr. Chairman, to pay tribute to the zeal with which that town council has applied itself in bringing this thing to the point it has reached at the present time. It has been my privilege to sit down with them on numerous occasions in their office at Windsor as well as to view with them the work during the progress of the survey which was made and completed last year. I repeat, the zeal with which the town council of Windsor has applied to this measure is something that really deserves the credit and the support which the Government is now recommending that they be given in offering to guarantee this bond issue.

The Town Council of Windsor began just upwards of forty years now, 1908 or perhaps 1907. The first citizens began to settle at the Railway Station at Grand Falls and it has grown into the present Town of Windsor in an unfortunately irregular manner, what I mean by that is that though no fault of anybody, the Town of Windsor was formed and the first council was formed (incidentally the first town council in this Island, outside of St. John's) and it was even then a very irregularly built up community, and they with all their efforts were unable to control it to the extent that the town might have been properly laid out and built in some regular form. All this kind of thing has gone on for some forty years, and so it has really been quite a headache and quite a job for any community to bring in some form of regularity which they have not got. It has been surveyed and laid down and this plan which has been approved by the Department of Municipal Affairs and Supply is one that is well worthy of consideration. I again repeat that I pay tribute to the council which has done so much, and I am happy to be a member of the government, representing that constituency, part of which is the town of Windsor, and I shall look forward with a great deal of pleasure to seeing these people have the services they justly deserve when this water and sewerage installation is completed.

On motion Resolutions carried.

Motion that the Committee rise and report having passed these Resolutions carried.

Mr. Deputy-Speaker resumed the Chair.

MR. NORMAN: Mr. Speaker, the Committee of the Whole has consid-

ered the matter to it referred, and has agreed to certain Resolutions and instructed me to report same.

On motion report received.

On motion Resolutions read a first time.

On motion Resolutions read a second time.

On motion a Bill was introduced and read a first time to give effect to these Resolutions, A Bill, "An Act Further to Amend the Local Authority Guarantee Act, 1952."

On motion Bill ordered read a second time on tomorrow.

Honourable the Minister of Economic Development to move the House into Committee of the Whole to consider certain Resolutions in relations to the advancing and guaranteeing of certain loans for Tourist Development.

On motion the House resolved into Committee of the Whole to consider certain Resolutions.

On motion Mr. Deputy-Speaker left the Chair.

MR. SMALLWOOD: Mr. Chairman, I feel that I can explain a lot more intelligently if I do it on the Bill. The Bill contains the actual list of the names and the amount of the loans whereas the Resolutions merely say to certain persons and companies certain loans totalling \$635,000.

MR. BROWNE: Give us an explanation as to why it is you are bringing in these Resolutions to raise money on account of the loans.

MR. SMALLWOOD: It is not to raise money. It is to enable the government to guarantee loans from banks to various tourist enterprises, which enterprises raise the money at the bank

on the guarantee of their loans by the government. It is not that the government will make loans to any of these enterprises.

MR. BROWNE: Have they not already the money?

MR. SMALLWOOD: They have the money from the bank, and the government guaranteed the loans at the bank, or at least the government told the bank in each instance; if the House of Assembly confirmed it we will guarantee the bank loans; and in the belief that the House would guarantee it the banks have made the loans.

But I just want to make the point that the government are not making cash loans. The government are making the offer and only in approved cases that they will guarantee the bank loans if a bank will make the loans. That is what these are.

I may say I feel a little awkward in doing this at the moment, I should have thought, the time to do it is on the Bill, and that the resolutions stage is a very formal one in which virtually no debate takes place, the debate taking place on the Bill itself. However, I am prepared to do it either way.

MR. CHAIRMAN: I think the Honourable the Premier is right. I think it is just to bring in the resolutions now, and have the debate on the Bill.

MR. HOLLETT: Mr. Chairman, may I put one question there—Of all these amounts, are they paid out by the banks to these various people?

MR. SMALLWOOD: To the best of my knowledge and belief they have been.

MR. BROWNE: Mr. Chairman, on a point of order—I think it is in order to debate it at this stage.

HON. L. R. CURTIS (Attorney General): As to whether it is in order, I agree, but whether it is advisable or not is another matter.

MR. BROWNE: It is usually at Ottawa, certainly. However, I would like to ask this question—By what method does a person get a loan, get cash from the bank? What is the procedure to be followed?

MR. SMALLWOOD: That is what I would like to explain. I had intended to do that on the bill, but if the committee would rather have it now I am quite satisfied. What happens is this: if a man or a company decides that they wish to go into the business of catering to the tourist, or if being in that business they decide they want to expand or improve, and to do so they have not got the necessary capital, they may come to the Tourist Development Board (now that is the Board headed by Mr. O. L. Vardy) and normally what happens is that the applicant sits down and talks the matter over, and he is questioned closely as to exactly what it is he proposes, whether he proposes to put in cabins or motels or whatever it is to be or a restaurant, or whatever it is, what size it is to be, how he proposes to equip and furnish it and a whole lot of other practical details. The Director of Tourist Development agrees and asks him to fill out the forms. When he fills out the forms they are brought before the Tourist Development Board, but he is the one to sign the application and do the questioning and get the information so that when the Tourist Development Board sits down later to consider the application the information will be there, assembled information. After that happens the Tourist Development Board meets, made up of ten or twelve members, consisting of people prominent in the tourist

movement, private enterprise, representatives, I believe, of the CNR and of the Furness Withy and the Furness Red Cross, and prominent individuals around town who for years have been interested in tourist development, and in addition to that some Deputy Ministers, or some civil servants.

If the Tourist Development Board approves the application the next step is that the application goes before the Tourist Loan Board, an entirely different organization, which is made up of deputy ministers of the Crown, some five or six deputy ministers of the Crown, the Chairman being Mr. Pushie, the Director General of Economic Development. It does not come to the Tourist Loan Board until it passes first and is recommended by the Tourist Development Board. If the Tourist Loan Board recommends it, it then comes to the Cabinet and the Cabinet has the final say about it. The committee must understand that it does not come to the Tourist Loan Board until it first passes the Tourist Development Board and it never comes to the Cabinet until the Tourist Loan Board has passed on it. In other words, any application that comes to the Cabinet has already passed two screenings, first the Tourist Development and secondly the Tourist Loan Board. The Cabinet, if it has passed two Boards and has been accepted and been approved, we do not hesitate too much about accepting the recommendations and passing an order in council that the guarantee be given.

Motion, that the committee rise and report having agreed to these resolutions, carried.

Mr. Deputy-Speaker returned to the Chair.

MR. NORMAN: Mr. Speaker, the Committee of the Whole has agreed to certain resolutions and has instructed me to report same.

On motion report received and adopted.

On motion resolutions read a first and second time.

Motion, that a bill be introduced and read a first time, to give effect to these resolutions, carried.

A Bill, "An Act to Amend the Tourist Development Loan Act," on motion read a first time.

Motion, that this Bill be read a second time on tomorrow, carried.

A Bill "An Act Further to Amend the Public Utilities Act," on motion read a first time, ordered read a second time on tomorrow.

A Bill, "An Act Further to Amend the Local School Tax Act, 1954," on motion read a first time, ordered read a second time on tomorrow.

A Bill, "An Act Further to Amend the Education Act," on motion read a first time, ordered read a second time on tomorrow.

Third reading of Bill, "An Act to Amend the Law Relating to the Frustration of Contracts." On motion read a third time, ordered passed and title to be as on the Order Paper.

Third reading of Bill, "An Act to Amend the City of Corner Brook Act, 1955." On motion read a third time, ordered passed and title to be as on the Order Paper.

Third reading of Bill, "An Act to Establish the Board of Trustees of the Newfoundland Museum." On motion read a third time, ordered passed and title to be as on the Order Paper.

Third reading of Bill, "An Act to Amend An Agreement Relating to a Loan to be Raised by Wabush Lake Railway Company Limited Made in Pursuance of the Wabush Lake Railway Company Limited (Loan Guarantee) Act, 1955, the Act No 1, of 1955 (Second Session) Between the Lieutenant-Governor in Council, and Wabush Lake Railway Company Limited and Canadian Javelin Limited." On motion read a third time ordered passed and title to be as on the order paper.

On motion the House recessed for ten minutes after which Mr. Deputy-Speaker resumed the Chair.

MR. SMALLWOOD: Mr. Speaker, I move that the House do not adjourn at 6:00 o'clock this evening.

Motion, that the House do not adjourn at 6:00 of the clock this evening carried.

Committee of the Whole on various Bills.

On motion Mr. Deputy-Speaker left the Chair.

Mr. Courage, Chairman of the Committee of the Whole.

A Bill, "An Act Respecting the Filing, Publication and Consolidation of Regulations."

MR. CURTIS: Mr. Chairman, Clause 3, 4 and 6 were allowed to stand.

In Sub-section 6 of Section 3 the new sub-section will now read:

"Subject to this Act, a regulation will come into force and have effect from the date on which it is published, or subject to the Act under which it is made, from such earlier or later date as may be prescribed in the regulations."

That just means, Mr. Chairman, if the Act allows it to be made effective earlier or later, then that right is carried forward into this Act. I think that it is clear as it is now.

MR. BROWNE: Clear yes. But is it good law, do you think?

Mr. CURTIS: It has been the practice, Mr. Chairman, for a great many years. Perhaps you will have noticed we came across similar regulations yesterday. I would not agree to having a penalty clause made retroactive but a clause just affecting the operations. Sometimes it is necessary to authorize something to be done that has been done—That is the reason for this section. I don't think it does any harm. I can assure the Honourable members that while I am where I am there will be no advantage taken of that.

That is an amendment to sub-section 6 of section 3. Four is stricken out, five and six are renumbered, and this is a new section.

MR. HOLLETT: How far back can a regulation come into effect?

MR. CURTIS: We have passed amendments here that we have brought right back to the passing of the Act. We have done it this session. We have made it retroactive. But it is only a regulation.

MR. BROWNE: An amendment can be just as effective as a clause in a bill. Does the Honourable the Attorney General think of anyone now that would give us an illustration of provisions in regulations which are necessary to be worded in that way, to be retroactive? There is, I think, something undesirable about making laws retroactive. A law should be such that people could have knowledge of it before they could be said to have

broken it. Everybody is presumed to know the law, but nobody can know the law before it is made.

MR. CURTIS: I don't care. Take out the word "earlier."

On motion clause as amended carried.

DR. CURTIS: In sub-section (4), Mr. Chairman, the amendment is to strike out the words "sub-section (3) in the first line."

On motion clause as amended carried.

MR. CURTIS: The next one is Sub-section 7, Mr. Chairman. The amendment is, to delete sub-section (a) of sub-section (4) and substitute therefor—As published in accordance with this Act in the "Newfoundland Gazette" or in the Consolidated Regulations or supplement thereto. In Sub-section (4) cross out "3" and make it "2."

Clause as amended, on motion carried.

Motion that the committee report having passed the bill with some amendment, carried.

A Bill, "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Local Government."

MR. CHAIRMAN: This Bill was passed with the exception of clauses 56, 57 and 110.

MR. CURTIS: Mr. Chairman, I have looked into the point raised by my honourable and learned friend, and I think he did draw attention to something which might well be amended. There are two sections to be reviewed—56 and 57. I would suggest, with the consent of my honourable

friend, that we add a new sub-section. Sub-section 2, line 7, page 30, insert there a full stop after the word "purpose" and put in a brand new sub-section. The sub-section will read "(3) The Council shall compensate any person injuriously affected by anything done under this section, in such sums as may be agreed, and if no agreement can be made the compensation shall be determined and paid in accordance with part 7, and for those purposes the provisions of that part apply. I think that amendment will suit the purpose. The other clause is 110. I think the amendment we recommend should be to Clause 109. My honourable friend raised the question as to whether or not arbitrators and assessors should be sworn. I suggest an amendment to Clause 109, a new sub-section 4: "Each member of the Board of Assessors shall before entering upon the duties of his office take and subscribe the following oath of office before any person authorized to administer oaths:

"I, A. B., make oath and say that I will to the best of my ability faithfully perform the duties of a member of the Board of Assessors under the Local Government Act, 1956, in connection with the expropriation by the Town (or Rural District Council) of _____ of land or property (or as the case may be). So help me, God."

On motion Clause 109 as amended carried.

On motion Clause 110 carried.

Motion that the committee report having passed this bill with some amendment, carried.

A Bill, "An Act to Amend the Highway Traffic Act."

MR. CHAIRMAN: This bill was read, and the following clauses were

allowed to stand: 109A, page 14 and 109F.

MR. BROWNE: I think that was in connection with a man who had paid faithfully and then, through illness or some cause over which he had no control, defaulted on one installment. Should the minister have discretion to permit him to renew his system of payment?

MR. E. S. SPENCER (Minister of Public Works): We have considered that, Mr. Chairman, and the feeling is, in the light of what is there, the matter might be left to the discretion of the minister. We don't think we could possibly recommend putting in a clause there—at least that is the view of the officials of my department. It would be sort of opening the gate as it were to much abuse, which would again add very much additional work. We have no reasons to feel that any individual who might possibly require consideration in such manner would not be given reasonable consideration.

On motion clause carried.

Clause 109F (1) and (3):

MR. CURTIS: 109F (1) is the first one. That is the question of the owner or driver. I think my honourable friend has really suggested a point there. In order to clarify it I would move an amendment to the whole section F (1), and the amendment would be a new sub-section, Sub-section (9) be added, page 19—"This section is subject to Section 79"; Section 79 says that the owner can not be liable for what happens to his car if stolen or if not in the possession of himself or a member of his immediate family." So that I think that settles the point raised by my honourable friend.

MR. BROWNE: Does it meet (4), do you think?

MR. CURTIS: The question of (4) I have explained, Mr. Chairman. "In a hit and run accident where the identity of a motor vehicle or owner and driver thereof cannot be established the victim may prefer charges against the minister and receive payment out of the fund. But if later the name of the owner or driver of the vehicle should be discovered the Minister may apply to the Supreme Court for an order marking the judgment against the Unsatisfied Judgment Fund a judgment against the owner or driver. The applicant for that order must show that the person named in the application was at the time of the accident the owner or driver or both of the motor vehicle, and that the respondent is the person whose identity the applicant for the order was unable to ascertain. But it is then too late for the respondent named in the application to come into the court and say that the accident was not caused by reason of his neglect or improper conduct because of his later misdemeanour as a hit-and-run driver. Under Section 79 a person living with, as a member of the family of the owner of a vehicle, is deemed to be in possession of the vehicle with the owner's consent until the contrary is proven. He should know if the vehicle had been in an accident whether or not the accident had been caused by his neglect or not. It is suggested, however, that this should not operate where the vehicle has been stolen. The amendment I put in, I think, makes the position clear.

MR. BROWNE: Could it cover the case of an owner out of the country and an accident happening during his absence, entirely without his knowledge obviously. The person who caused the accident gets the car repaired by the time the owner comes back and the owner never knows an accident has happened. Is that covered by that?

MR. CURTIS: I don't think that is covered. At the same time I think the Act is to protect the injured person. If a man goes out of town and leaves his car where people can get it—

MR. BROWNE: No, the action is intended to do justice and punish the person responsible. But if a person is not responsible we should not make him responsible. If he goes out of town—surely a person is entitled to go out of town. Is this clause original?

MR. CURTIS: No, it is taken from Manitoba, I think.

MR. HIGGINS: Yes, taking what appears to be a practical section from Manitoba and from Saskatchewan and ignoring Ontario, which is what the patent Act does. This is what is causing half the confusion in the Unsatisfied Judgment. Or I would not say "confusion" but "unsatisfaction."

MR. CURTIS: Does the committee feel that the insertion of the word "only" after the word "show" in the third line of (4) would remedy the situation?

MR. BROWNE: At any rate it is another defense.

On motion the clause was amended by inserting the word "only" between the words "show" and "that" in the third line.

On motion, the committee was ordered to report having passed the bill with some amendment.

A Bill, "An Act Further to Amend the Health and Public Welfare Act."

MR. BROWNE: Mr. Chairman, has the minister any information at all beyond what has been given in second reading, to give us now?

HON. S. J. HEFFERTON (Minister of Municipal Affairs and Supply): On what?

MR. BROWNE: On the number of children who are likely to be able to avail of this in the first year. Because I have been making some study myself from the report last year as to the number of children in hospital and so forth. I find that the accommodations in the hospital for children apparently only accounts for the very small number, I think it is thirty-five children and in the Orthopaedic Hospital about fifty-five. At the same time I wonder if he could tell us about expectant mothers. If a mother goes to a hospital and a baby is born there and the child is maintained for a week or ten days as the case might be, whether that maternity treatment is free. Certainly I take it it would be free as far as the new-born baby is concerned. Could the minister give us some general information like that?

MR. HEFFERTON: I might say, the answer to the very last question the honourable and learned member raised, what that will be when we get the scheme in operation I am unable to say. As to the number of children, again I can say, we all know very well there are one hundred and seventy thousand children under sixteen. We are taking care of roughly forty per cent up to a certain extent and the remainder will come under the scheme as soon as it goes into operation. The number of bed accommodations, all hospitals get a certain number. In Corner Brook about a year ago there were somewhere around thirty-five children in the Western Memorial Hospital. I have no other figures at the moment, Mr. Chairman.

MR. HOLLETT: Mr. Chairman, may I ask the minister how soon after

this Act is passed it will be before the department will be able to take care of the first stage in connection with the children? How soon will it be after the passing of the Act?

MR. HEFFERTON: Just as soon as the government tells us to do so, Mr. Chairman.

MR. BROWNE: Mr. Chairman, I don't know whether the conditions have improved in the General Hospital since this report was given in 1954, and I cannot be blamed if I go according to this. But according to this report, on page 24, the diagnosis department is unable to cope with the work it is supposed to do at the present time. It says that requests for examinations have reached the stage where it is possible to tie up one machine doing nothing but fluoroscopic examinations only and the other machine doing nothing but intravenous pyelograms, yet these two machines are performing only ten per cent of the work. Then again it says—the number of examinations cannot be increased further without the addition of more equipment—It goes on to say that plans have been drawn up to reorganize the diagnostic department within the space now available but at best this is only a temporary measure and thought must be given to extending the diagnostic department on a more permanent basis. Techniques and machinery are being developed today, and constantly, so that this department, due to lack of space, is constantly falling behind the rest of the world in its ability to cope with such new techniques. The longer expansion is delayed, the harder it will be to catch up.

MR. CHAIRMAN: I think that might be more properly discussed under the appropriate heading in the estimates.

MR. BROWNE: That is what the minister told us the other day, the fine things that were going to be done in diagnostic services. I would like to know how soon it is to come into effect. And following on that I am just drawing the attention of the committee to the report of the Department of Health for 1954.

MR. HEFFERTON: As a matter of fact plans are just about finalized for the construction of a wing at the hospital which will take care of some of the complaints in that particular report, a wing which is about to start construction sometime this year.

On motion Clause 1 carried.

Clause 2:

MR. BROWNE: Mr. Chairman, could we stop here. It is not clear in my mind whether up to the age of sixteen means a person not yet reached his seventeenth birthday or whether, as the Premier seems to say, a person who has not reached his sixteenth birthday.

MR. HEFFERTON: Mr. Chairman, it is the same as applied to the Family Allowances—When the child reaches the age of sixteen the allowance is stopped. It does not measure the hour. If a child is in hospital and has had fourteen days treatment and has another day to go, nobody will be foolish enough to charge him for that day.

MR. BROWNE: A person who is in his seventeenth year is not included in this?

MR. HEFFERTON: No.

MR. BROWNE: Then it only applies to fifteen-year olds. That is what this means. Introducing the word "sixteen" there makes it ambiguous.

It is up to but not beyond the sixteenth birthday, and I suggest, if that is so, we should have an amendment.

MR. SMALLWOOD: I don't think a child would be turned out if he had his sixteenth.

MR. CURTIS: Suppose we make it "every child who has not attained his sixteenth birthday."

On motion clause as amended carried.

MR. BROWNE: I wonder—The Premier has not told us yet how far the negotiations with the Federal Government went with regard to health services.

MR. SMALLWOOD: Mr. Chairman, I am not permitted to answer that on this clause. My understanding is that we must stick absolutely, with the strictest possible relevancy, to the clause under discussion. Now on some other occasion we can talk about what the Government of Canada are doing or what they offered or did not offer.

MR. BROWNE: Mr. Chairman, surely where it says that the minister may, on behalf of Her Majesty, in right of Newfoundland enter into contract with any government. I took it to mean it was the Federal Government. That is the only government I would consider he would be making a contract with. He would not be making a contract with the Government of the United States. And since it has been publicly known recently that a Federal Provincial Health Scheme is on the carpet and being actively considered at the present time, I thought he could tell us something about it.

MR. SMALLWOOD: Gladly, but not now. This is not the time nor the place. There is nothing in or out of Ottawa, to my knowledge, which con-

cerns this paragraph, this programme, this bill, nothing. It never came up. There was talk of a general health programme for Canada. I don't think the committee stage of this bill for a Children's Health Scheme is the time nor the place to discuss that. Frankly I don't.

MR. BROWNE: If it goes into effect it will obviate the need of this.

MR. SMALLWOOD: I don't think it will. I don't think this is the time nor the place—Second reading would have been.

MR. BROWNE: We can't ask questions on second reading.

MR. SMALLWOOD: The honourable member could have raised it, and on closing the debate I could have answered him.

MR. BROWNE: Surely it is usual to ask questions in committee. What are we in committee for?

MR. SMALLWOOD: We are strictly limited to relevancy.

On motion Section 3 read:

(3) For the purposes of subsection (2) "municipality" means the City of St. John's and the City of Corner Brook and a municipality or a Local Improvement District or a council or board established under The Local Government Act, 1956, and a community or a council organized or established under The Community Councils Act, 1956.

MR. BROWNE: I wonder if I could ask, what is the purpose of putting "Municipality" into this. What has a municipality to do with it—Take the municipality of St. John's?

MR. HEFFERTON: Nothing at the present time, but is it not possible

that at some future time there may be need for it. All across Canada everywhere they have municipalities taking care of health programmes and paying a major part of them.

MR. BROWNE: Is that why it is put in?

MR. HEFFERTON: That is the reason. It is just a possibility, that is all.

MR. HIGGINS: According to present economics it is a remote possibility.

On motion Clause 3 carried:

Clause 4 read:

(4) The Minister may make regulations for carrying into effect the purposes and provisions of subsection (1) and, without limiting the generality of the foregoing, may make regulations respecting

(a) the establishing of clinics or treatment centres and their functions;

(b) the service to be provided by any institution controlled by, and the duties of any person employed in, the Department of Health;

(c) the establishing from time to time of geographical areas in which the services are to be provided;

(d) the employment of medical, nursing or other technical personnel to provide the services;

(e) contracts with or rates of payment to physicians, surgeons, specialists, dentists, optometrists, nurses, technicians or other persons engaged to perform professional or other duties in connection with the providing of the services;

(f) contracts with or rates of payment to the operators of hospitals, nursing homes, laboratories, clinics or other establishments of the same or

any other kind engaged in connection with the providing of the services;

(g) the establishing of lists or schedules of approved drugs, supplies, or appliances used in or in connection with the providing of the services, and the limitation or disapproval of the use or extent of the use of any drug, supply or appliance so used, and the establishing of standards for any drugs, supplies or appliances to be used or supplied in connection with the services;

(h) the extent of the services to be provided and the terms and conditions upon which and the time within which the services may be provided;

(i) the manner of making application for the services;

(j) the designation of persons as investigators and their powers and duties;

(k) the making of investigations in conditions with persons to whom the services may be provided or by whom or on whose behalf application has been made for the services or to whom the services are being provided;

(l) the facts or proof of any fact, including evidence under oath, that are to be furnished in respect of any person before the services are provided to that person; and

(m) the forms for use under this section.

On motion carried.

MR. BROWNE: Mr. Chairman, has the minister of the government given any consideration or have they had meetings with doctors regarding this matter, contracts with or rates of payments of physicians, surgeons, etc.? Has that matter been gone into at all?

MR. SMALLWOOD: Yes, the Medical Association called on me and we

had a discussion on it. From that point the discussion is being carried on at the professional level between the Department of Health and the Medical Association.

MR. BROWNE: That is not the information that I have received from officers of the Medical Association. They had one meeting with the Premier, I understand, and that is as far as it has gone. They know nothing about contracts or rates of payment.

MR. HEFFERTON: The matter has been given consideration, but the point of making contracts is not yet reached. Our first step is the diagnostic services and hospitalization.

MR. BROWNE: No consideration has been given the question of rates?

MR. HEFFERTON: Consideration has been given, that is all.

MR. SMALLWOOD: The brutal fact of the matter is this: I have asked the medical men to give us some rates, and I have indicated for one I am not satisfied that this Children's Health Scheme should be regarded as the Spring of the Wadhams, as I told the Medical Association. If it is to be the Spring of the Wadhams for the children. I have asked them to indicate reasonable rates and fees that they are prepared to charge for the services for the children. We are waiting on that. Whatever the honourable gentleman has been informed I would inform him of that.

MR. BROWNE: Does the Honourable the Premier indicate that doctors look upon this as the Spring of the Wadhams?

MR. SMALLWOOD: I did not indicate anyone looks upon it so, I indicated how the government looks upon that. I did not indicate they looked upon it as the Spring of the

Wadhams for doctors. But we do look upon it as the Spring of the Wadhams for the Newfoundland children. That is what I indicated and do indicate now.

MR. BROWNE: Mr. Chairman, would the minister indicate what (g) means?

MR. HEFFERTON: Well, it is quite a common practice for the medical profession and druggists associated with them to draw up lists of drugs supplied under different categories. Now what are we going to do with drugs? Are we going to put them under price control or shall we allow them to formulate certain rates or what?

MR. BROWNE: This won't go into effect right away?

MR. HEFFERTON: No. I just gave the two steps possible to come into effect.

MR. BROWNE: Now, Mr. Chairman, the minister, if I am quoting him right, said the first step would be diagnostic.

MR. HEFFERTON: I said so and I said probably tied together with hospitalization.

MR. BROWNE: A child goes into a hospital. His case is diagnosed as some kind of a disease for which he has to have medicines. Does that mean he gets his hospital and diagnostics treatment free and that he must pay for the drugs.

(Mr. Hefferton nods his head).

MR. BROWNE: I see.

MR. HOLLETT: It is surely not the prerogative of the minister to draw up regulations with regard to the lists of schedule of drugs. That is the work of the druggists and doctors.

MR. SMALLWOOD: The minister might very well, not being himself a medical doctor, take the advice of medical doctors in drawing up such lists. But that he should have the right to draw such a list surely is not in dispute. This is a government scheme, a public scheme for children's health, the government is doing it, it is paying the bills. Surely the government has the right, and the minister in behalf of the government has the right or is to be given the right by this House to draw up terms and conditions for the observance and carrying out of the government's own scheme. Surely it is to be provided that he may draw up regulations covering all these points, if and as and when he need to do so.

MR. HOLLETT: In other words, the minister in consultation with his own medical advisers.

MR. SMALLWOOD: Of course. He is not a druggist, nor a scientist nor a doctor. He is not like me—I am a doctor—I can do it.

MR. HEFFERTON: If it appears that the doctors are giving too much of certain drugs, that the consumption is out of proportion, we cut down on it.

MR. BROWNE: The drugs which are supplied to the general hospital, do they come in free of duty, do you know?

MR. SMALLWOOD: No, the Government pays duty on anything the Newfoundland Government imports, of course.

MR. BROWNE: Does this mean the minister may make regulations regarding drugs and say that these drugs may be used. That is a provision connected with this scheme.

MR. SMALLWOOD: But when free medicines comes into effect in the hos-

pital the minister shall be able to say and do it only after taking the most careful expert advice as to what drugs may or may not be used and what drugs will or will not be given free. Surely he has that right. You know, Mr. Chairman, there are alternative medicines. There are medicines that cost ten dollars and medicines that cost one dollar. One may not be quite as good—the one dollar one may not be as good as the ten dollar one while it may be good enough.

MR. HOLLETT: Getting right down to brass tacks.

MR. SMALLWOOD: To put it bluntly, we are going to prevent racketeering. The minister must have ample authority to do that. I am sure the Honourable the Leader of the Opposition agrees with that.

MR. BROWNE: I wonder who the Premier is referring to as carrying on racketeering?

MR. SMALLWOOD: I am not referring to anyone as carrying on racketeering. Surely it is the minister's duty to prevent racketeering and abuses.

MR. BROWNE: Mr. Chairman, I take it, it is still open to people to consult their own doctors.

MR. SMALLWOOD: Of course! Of course! And if any person wants his child to come under the Health Scheme he is free to do it. If a parent is wealthy enough and wants to take his child off to some great clinic in Switzerland or in Boston, or if he finds he wants to fly a doctor in from Vienna or if he wants to consult a doctor in Newfoundland at his own expense he may do so. There is nothing compulsory at all about this.

MR. BROWNE: If he does not do that he takes the doctor the minister assigns to him?

MR. SMALLWOOD: Most of our people are doing that right now, and have been doing so for many years, some cases on relief and many cases not on relief. What can the average person do in any of the large areas you like to think about but take the doctor the government has sent there.

MR. HOLLETT: Nothing whatsoever.

MR. SMALLWOOD: And is very glad the government has sent a doctor. And if the government has not, they are kicking up blue murder for the government to do so. That is the kind of province we are. We are trying to overtake a backlog of essentials.

On motion Clause 4 carried.

MR. HIGGINS: Mr. Chairman, what about a Newfoundlander married to an American citizen, living in Newfoundland but has never taken out Canadian Citizenship?

MR. CURTIS: I know the case, Mr. Chairman, my honourable and learned friend is referring to. He married an American, poor unfortunate fellow, and was not able to persuade her to become a British subject.

MR. SMALLWOOD: I think the Lieutenant-Governor in Council would extend it to cover that child.

On motion Clause carried:

Motion, that the committee report having passed this Bill with some amendment, carried:

MR. CHAIRMAN: It being now six o'clock, and leave having been given earlier that the House not adjourn at 6:00 O'clock, I do now leave the Chair until 8:00 of the clock:

NIGHT SESSION

The House resumed at 8:00 of the Clock:

MR. SMALLWOOD: Mr. Chairman, I think it would please the Committee if we were to rise, report progress and ask leave to sit again.

On motion the Committee of the Whole rose to report progress and ask leave to sit again.

Mr. Deputy-Speaker returned to the Chair:

MR. NORMAN: Mr. Speaker, the Committee of the Whole has considered the matters to it referred and have passed the Bills No. 12, 18, 20 and 33 with some amendment.

On motion report received, Bills ordered read a third time on tomorrow:

On motion the House went into Committee of Supply to study the estimates.

Mr. Deputy-Speaker left the Chair:

Honourable Member for Burgeo and La Poile Chairman of Committee:

Department of Public Welfare: XI:

DR. ROWE: Mr. Chairman, I move that Heading 1001-02-01, Travelling become \$500. Car Allowance become \$500 and office become \$280.

On motion heading as amended carried:

On motion 1102 through 1106 carried: 1107:

MR. BROWNE: Before you go on to 1108, I notice here that Dependent's Allowances and Mothers' Allowance have been cut out. The section seems to be a little complicated and I wonder if the Minister could explain so we could understand.

DR. ROWE: Last year we brought in here a Bill (or the year before last, I think) called "Social Assistance" and ultimately under the one administration in the department. That is coming along. We could not do it over night. There is a lot of book work, apart from anything else, to transfer all these. Now this year it is all together under Social Assistance. It does not make a bit of difference to the recipients who will get their cheques the same as in the last few years.

On motion 1107 carried: 1108:

MR. HIGGINS: Does the Provincial Government do anything at all in regard to retarded children? I was wondering if there was an association started last year. There has been no application made to your department.

DR. ROWE: Ne we have not had any application.

MR. HIGGINS: Again, Mr. Chairman, if the Minister would inform me—From time to time I see cases of these unmarried mothers (affliction cases) where agreements are entered into. They are just scraps of paper and after two or three payments they are frequently ignored. Are any attempts made to check and see actually what proportions of these are honoured?

DR. ROWE: As a matter of fact we had a case only recently where the agreement had not been honoured. The man was on the Mainland in the Air Force. We immediately had him traced through the appropriate officer, and located, and got him to live up to the agreement.

MR. HIGGINS: I am thinking more particularly about the American Forces stationed throughout the Island. They are well represented.

DR. ROWE: That does present a difficulty. A man is here today and tomorrow is in Korea or Japan. We are now negotiating with the American Forces here to try and arrive at some general agreement with them which will protect our unfortunates.

MR. HIGGINS: I have an idea of what is in mind—some suggestion of a more realistic lump-sum settlement, but one more in reach of enlisted men.

On motion 1108 carried. 1109:

MR. HOLLETT: Mr. Chairman, I want to refer briefly to a question, and to an answer I received from the Minister in regard to able-bodied relief on that portion of the Coast between Terrenceville and the whole of the district of Fortune Bay and Hermitage and Burgeo and La Poile. To say the least the figures which have been tabled are distressing to look upon. Take Terrenceville which has a population of 424, in February of this year 269 were on relief. Rencontre East 270 on relief out of a population of 360, Belleoram, which at one time was one of the most prosperous fishing settlements on that coast, 131 on relief out of 653; Harbour Mille with a population of 344, 180 on relief in February, English Harbour East again, once one of the most prosperous and certainly one of the most energetic communities on the whole coast, a population of 214, with just half, 108 on relief in February. English Harbour West, again a settlement which produced some of the finest seamen which we have had, 190 on relief out of a population of 333; Harbour Breton, and everybody knows that Harbour Breton in days gone by was one of the most flourishing fishing communities in Newfoundland; out of a population of 920, 208 were on relief in February. Gray River 52 out of a

population of 157; Rose Blanche 228 people on relief out of 680; Burnt Island 119 out of 600, Isle Aux Morts there again you had a very flourishing settlement at one time; 190 people, practically 200 people out of 654 on relief. Mouse Island out of a population of 28, 28 on relief. That may be a mistake, but it is the figure given by the Department.

MR. ROWE: In the first place there are not 28 people on Mouse Island.

MR. HOLLETT: Then I take it all these figures are at fault.

MR. ROWE: Mr. Chairman, I wonder could I say a word.

MR. HOLLETT: Just once more, and then I have the floor.

MR. ROWE: Mr. Chairman, on that point, my honourable friend surely must appreciate we leaned over backwards to get these figures in a hurry, and we had a couple of stenographers at it all one morning, and if there is one typographical error, I think it is very good. Obviously it is a mistake. Mouse Island, which is next to Port aux Basques had a population of, I think, around 500.

MR. SMALLWOOD: Mr. Chairman, what is more serious than the typographical error on Mouse Island is the point the Honourable Leader of the Opposition is making i.e. to say what an utterly tragic thing it is that on a coast that has been so famous in our Newfoundland history, one that has produced some of the greatest fishermen in the world, and some of the greatest fishermen in the history of the world, that there should now be in some of these places so many people in need of relief. Unfortunately, to make it worse, in one particular part of that coast, namely Fortune Bay,

the herring fishery, which is so very important to the people, has proven to be an absolute failure this year. If the herring fishery which is now normally in full blast, where normally successful, thousands of people would be earning a very good income right now. Instead of which the herring fishery is almost a blank, almost a complete and utter failure. But apart altogether from the failure of the herring fishery this season which is a tragedy in itself, there was an even greater tragedy underlying the situation on that coast, and that is the disappearance of the bank fisheries.

That coast was the foundation of the bank fishery—That bank fishery about which the Honourable Leader of the Opposition knows so much, and about which my honourable colleague from Harbour Main knows so much; that fishery was the mainstay of that coast. It has died out. It has disappeared practically completely and nothing has as yet taken its place.

In the Conference on the South West Coast that matter was discussed at very great length. One of the points of agreement amongst all the delegates present (over a hundred delegates) was the need for centralization of some of the places on that coast, which are very small, very remote and very isolated. The situation there is very bad and really there is no future for them.

Quite soon we hope to have the pleasure of announcing the appointment of a Commission of Enquiry that is to be set up to make a thorough and unprecedented investigation and examination into that whole coast and all its problems, a thing which at the conference we were urged to do, by a resolution moved by the Reverend Canon Martin, and supported by two other clergymen, Father Connolly of

St. Lawrence and the Rev. Mr. Holmes of Fortune, and unanimously adopted by the conference. That commission, I am glad to say, will shortly be appointed. We had hoped to appoint it long before this, but waited until we were able to get someone to head it up as chairman, and we have continued to wait until we can get the man we want. We thought that the selection of a chairman was of great importance.

We think now we got the right man, a man whose appointment will command respect and approval, we think, throughout the whole of the South West Coast. I cannot name him or give any hint as to who he is, but we hope very shortly to make the announcement and to name the Chairman and other members of that Commission.

Now I am not surer of anything than I am of this, that the Honourable Leader of the Opposition must, I know that he cannot help himself, he must, in the very nature of things, welcome the setting up of a commission of able men who will make an absolutely thorough-going investigation into the whole of the problems of that great coast and the fine people who live up there, a commission which was unanimously demanded by the whole of that great conference held a few weeks ago.

MR. HOLLETT: Mr. Chairman, I do so welcome that statement by the Honourable Premier. I am reminded of the fact, however, that we already had a Royal Commission on the Fisheries, and that they made a recommendation, and now we are to appoint another Royal Commission to go into that particular area. Well, I have nothing against it, and I think it is a good effort to be made. I am inclined to think, and I do know every different section of the coast, every different

section has to have a different answer. That particular section of the coast which I know fairly well demands at least two things (1) an assisted banking fleet, because some of the most thorough-going, energetic men that ever were born live along that particular coast. They are good seamen. They want boats. They want good boats. The Lunenburg Captains will tell you they never had better seamen than they got from along that coast.

MR. SMALLWOOD: Not only are they the best but the only ones they can get today.

MR. HOLLETT: Absolutely—The only ones they can get today. I say they want good ships to go to the Grand Banks to bring in large fish for which there is always a market, and coupled with that some form of unemployment insurance to take care of the slack months fishermen usually have. As a matter of fact I was calculating the other night how it would work out. We have five thousand active fishermen today. If you can arrange some form of unemployment insurance for these five thousand whereby they would get say three hundred dollars over the slack period, it would be only a million and a half dollars. I would suggest that you could try it out on that section of the coast. That three hundred dollars would assure the fishermen that he would eat during the two or three slack months. Something of that nature has to be done, if you are going to keep these people alive and in Newfoundland. There is no other place for them to go in Newfoundland. So they will have to leave Newfoundland or else have to be assisted. I am quite sure the government are aware of that. I would say the government could go ahead and do it without any Royal Commission. They could do it by appointing

one or two men who know the place, and if they prepared to spend the amount of money necessary—I am telling the honourable members on the opposite side and on this side too, a tragedy is in the making along that coast. I only have to quote some of these figures. Nearly sixty thousand dollars were given out along that particular coast, in six months on relief. So that you can see how tragic the situation is. I take this opportunity, Mr. Chairman, of voicing the hope that this government or whatever government is in power must do something very quickly in order to rescue that particular part of the coast from the paws of disaster. That is right where they are sitting now, right in the paws of disaster. The government should in some way or another do something. I don't care if they lose a million dollars—but let us do something—let us justify it.

MR. SMALLWOOD: Mr. Chairman, the Honourable Leader of the Opposition is saying now almost exactly what I said to the conference, the South West Coast Conference. I said that the coast was desperately in need, if a few or even one, just one, energetic fish businessman, either one living up there or one who lives elsewhere but is prepared to go up there, if such one appeared and lacked capital the government would back him through thick and thin. I made that statement, but I went on to say that little as the government wishes to go into the fish business, little as it is our desire as a government to go into the fish business, we would on that coast, on that coast only, if no private enterprise appeared and attempted with financial assistance from the government, we would as a government erect a great modern fish plant and if necessary operate it.

MR. HOLLETT: Hear! Hear!

MR. SMALLWOOD: If necessary lose money on it rather than allow the heart and the spirit of a fine people to be murdered by what is going on on that coast.

Now pray God we don't have to do that. There must be some merchant somewhere in Newfoundland who will go up there. We are negotiating for nearly two years with a firm on Water Street, which I think I can describe as the biggest firm on Water Street by far, and they expressed a positive interest in moving up there into one of the harbours my honourable friend mentioned when he read out that list. We expressed our delight. We had correspondence, we had interviews. I said, anything the government can do just say what it is you want us to do. They don't need money. That fell through unfortunately. That firm did not go up there, but there must be some firm. There are other things to be done in the meanwhile, apart from that.

Now in so far as unemployment insurance for fisherman is concerned, I say this: We would in this present session if not in the session a year ago have introduced our own provincial system of unemployment insurance for fishermen. We would have done that this session if we did not do it a year ago but for the fact that we are convinced that the Government of Canada are going to do it. The Government of Canada can far better afford to do it than we can. The money that it would cost us as a province for fishermen's unemployment insurance would be better spent for other things, and let the Canadian Government spend theirs. It is far better able to afford it than we are. They will spend it. There is not any doubt at all, there is not any

doubt that the Government of Canada will bring in Unemployment Insurance for Fishermen. I don't think we will need to do it. If they don't do it, obviously it will have to be done, if the Canadian Government don't or won't do it, then we will have to do it. We won't have to do it. The Canadian Government are going to do it, I don't think we need have any doubt in the world about that. They will do it.

MR. BROWNE: Mr. Chairman, I understand there is very grave doubt about it. Mr. Sinclair in a speech the other day gave no indication. He seemed to be against it, may I draw to the attention of the government also to the fact that in the report of 1955 the same conditions seemed to exist as in this past year in regard to the failure of the fisheries. The amount in the estimates for 1954-55 was 350,000 for able-bodied relief, and the actual expenditure was \$771,000, a large part of the increasing part being caused by the failure of the inshore fishery, including herring, on the South West Coast. So that you can see that that area can hardly count on good fisheries from the way they are fishing now at any rate. They have to go further afield than the inshore and their dependence on herring, if they want to make a living as fishermen. It seems to me the best insurance for fishermen is to provide them with equipment to go further afield.

MR. ROWE: Or to move them to some other place.

MR. SMALLWOOD: Centralization of the population.

MR. BROWNE: Are there not two fish plants quite close?

MR. SMALLWOOD: There are seven fish plants on that coast, begin-

ning west and coming east, there is a fish plant at Ramea, one at Burnt Island, one at Burgeo, one at Gaultois, one at Grand Bank, one at Fortune and one at Burin, seven fish plants on that coast, one of them, the one at Burin, being the biggest in Newfoundland and possibly the biggest in Canada—seven big fish plants.

MR. HOLLET: The ones at Fortune, Grand Bank and Burin are not on that coast.

MR. SMALLWOOD: When we speak of the South West Coast we always include from Placentia, West.

MR. ROWE: The great bulk of the relief is regionalized into two or three areas.

MR. SMALLWOOD: Yes, it is a problem coast.

On motion 1109 carried.

MR. HOLLETT: Before we go on from there, I would like to draw attention to the fact that last year a place like Terrenceville which had 269 people out of a population of 424 on relief there were only two sick people in the whole community. In Rencontre East where there were 127 able-bodied relief out of a population of 300 there was nobody had any sick relief. It is a rather remarkable thing. So it is all down the line in Belcoram where there were 666 people on relief, only four sick relief. All these people are good able-bodied people with no sickness there at all, scarcely.

MR. HIGGINS: That family court—What is the position now, Mr. Chairman? It is a matter of general knowledge the former judge of the Family Court has been transferred to another department. Is it the intention to appoint another judge of the Family Court?

MR. ROWE: That matter, Mr. Chairman, is under consideration. And Magistrate Mulcahy has been filling in for the present.

MR. HIGGINS: I am very glad the Minister made mention of that because that particular magistrate has been doing a very good job in the Family Court in recent weeks. In fact he has been running the magistrate's court and the family court, and it almost makes one wonder whether there is any necessity for any separate appointment. Quite honestly, he is the type of man who has shown quite an aptitude for that type of work.

MR. BROWNE: Mr. Chairman, I would like to say a word too in support of that—Magistrate Mulcahy for a long time took a great interest in the Boy Scout movement and has the welfare of the youth at heart. He has had a long experience in the magistrate's court, which should give him all the necessary knowledge in connection with these cases. Besides that he is a lawyer of long standing. It strikes me that the Minister should consider himself very lucky that he has a person able to fill that position at such short notice. Why look around any further when he has a magistrate able to fill the position and fill it so successfully. I hope the Minister will consider that.

MR. SMALLWOOD: I hope the committee won't ask us to make a comment on that. It is just a casual statement made. That sort of thing has to get careful consideration in Cabinet.

On motion heading 1108 carried.

MR. BROWNE: Mr. Chairman, this is a matter about which the Minister can tell us something.

MR. ROWE: Very gladly. When the Hudson Bay Company decided to

withdraw from the northern half of Labrador and closed up all its posts, the Commission of Government felt impelled to step in and staff these posts and save the Esquimaux and Indians in those places from what amounted to starvation and destitution. They took over the posts. This has been continued with modifications right down to the present time. Now the Commission of Government tried to conduct this operation as a trading operation. We as a government realized that we could never hope to make a profit out of a few poor struggling Esquimaux and Indians down there in the most northern part of Labrador. It is just out of the question. Of course they were not able to do it, particularly in view of the fact the fur market and salt codfishery virtually became extinct.

I am now going to start with the most northerly point: Hebron is the most northerly point in the Province, then Davis Inlet where we have an Indian encampment, Hopedale, Kaipokok, Makkovik just a couple of miles away from Monkey Hill which we have heard so much about lately. These are the government welfare posts and trading posts combined. The government supplies the depots and the officer in charge, the manager and assistants do a sort of combined work of looking after the stores and general welfare and a variety of things. It is a pretty heavy responsibility, because, as I am sure everybody appreciates, this is essentially a welfare matter. We have eleven or twelve hundred Esquimaux and several hundred Indians, and we have at least stopped the decline, or the rate at which they were dying off. If we had done nothing about it the Indians would be dead by now, extinct, and the Esquimaux would have been on the verge of extinction. We have adopted a number of methods which

were designed, if not to improve at least to alleviate the conditions. One other thing on that, the government has approved the principle, the matter of centralizing some of the people of Northern Labrador, and one or two of these settlements, possibly the two most northerly ones, which we hope will eventually be abandoned and absorbed by other settlements further south where the population would have a chance to get work either periodically at Goose Airport or on some mineral mining operations, or perhaps one or two of the bases which the American defense people have in that area.

That I think summarizes the situation down there. At this time in the year a very serious relief problem is experienced for obvious reasons. What can they do at this time of the year? We handle the fish they produce and give them full returns. There is neither a commission nor a profit held back on their fish, nor on their salmon nor trout nor anything at all. They get full value, in spite of that it is not enough for them to live on.

MR. BROWNE: The Canadian Government contributes \$200,000.

MR. ROWE: Half interest in an agreement with us on capital expenditure for education and health.

MR. HOLLETT: In that connection, do I understand it is the intention of the government to build a new nursing home or small hospital at Nain.

MR. ROWE: That will be started in a few weeks. The material is down there, most of it. That will be built by the Grenfell Association with the funds it is receiving from the Federal Government and the assistance it is getting from us. It will be completed

by September or October. Although we must keep in mind the difficulty of getting materials down there and the short season. Incidentally that is where we hope to have some people go. We are certainly centralizing education, medical facilities, and we hope to build a new fish plant. All these matters were very thoroughly aired at the Labrador Conference.

MR. BROWNE: Did not the Canadian Government look after the Esquimaux.

MR. SMALLWOOD: No. They refunded money paid out in able-bodied relief. That is all they did. They did not treat them as they treat the Indians on the reservation.

MR. BROWNE: That is what I was coming to, should they not?

MR. SMALLWOOD: No. That is a long topic, and happens to be one with which I became interested when as a member of the first delegation that went to Ottawa I was head of the committee that dealt particularly with that. I dealt with it for long hours. There has been great changes since then. The whole tendency is away from the idea of reservations and towards the idea of letting Indians and Esquimaux of course, become citizens with the right of citizens. That trend has been greatly accelerated by Newfoundland's entry into Confederation. Here is a province whose Indians were all citizens and voters, with precisely the same rights, as such, as any other citizen here, a province whose Esquimaux had voted and were going to vote on the subject of Confederation in the referendum, and did vote, and here is a province that entered union partly by the vote of the Esquimaux people.

MR. BROWNE: The Esquimaux might have been the deciding factor.

MR. SMALLWOOD: That is doubtful. Both Indians and Esquimaux were citizens with all the rights of citizens. That gave quite an impetus to the movement on the Mainland of Canada, to make the Indians and Esquimaux full-fledged citizens of the land, and a trend away from the idea of Indians and to some extent Esquimaux being wards of state, living on reservations.

Now the present Minister of Citizenship, Mr. Pickersgill, has forwarded this movement very considerably and in British Columbia, speaking from memory, they have given the Indians the vote since we entered Confederation. I believe that is a great step, taken in British Columbia since then.

MR. ROWE: Mr. Chairman, before leaving this there is one point I wish to make on this very important matter. I am glad to say I played some part in the Happy Valley growth. Our experience and our experiments both have indicated that it is possible to integrate the Esquimaux with whites or partly whites in their civilization—if you want to call it integrate or assimilate. They have been assimilated, both Esquimaux and part Esquimaux, into the Happy Valley, Goose Bay area, right at this moment working there. We hope to bring the more primitive ones in from the more northerly part too, shall I say, the more sophisticated area like Nain and Hopedale, and in time have them assimilated into those areas. I don't suppose it is generally known that the Esquimaux in Hebron can speak English. We are trying to move them down to the more southerly districts. That will be accelerated this year and next.

MR. HOLLETT: How many Indians have we in Labrador now?

MR. ROWE: We have upward of three hundred. We have two com-

munities one in North West River and one in Davis Inlet.

MR. HOLLETT: The big problem in Labrador is in the scattering of the population.

On motion Heading 1109 through 1119 carried.

MR. HIGGINS: Mr. Chairman, can the Minister tell me if there is a director of corrections?

MR. ROWE: The gentleman who filled that post came here on a three years contract. The three years will be up the end of June. The Government has not given any consideration as yet to that.

On motion 1120 carried.

On motion the Committee recessed for ten minutes after which Mr. Chairman returned to the Chair.

Board of Liquor Control XII:

MR. BROWNE: Mr. Chairman, this deals with the Board of Liquor Control. I would like to draw attention to the list of establishments which had their licenses suspended for a long time during the past year. This was given in answer to a question asked by me some time ago. There are 19 establishments which had their licenses suspended and were closed for varying periods.

MR. SMALLWOOD: Depending on whether it was their first, second or third offence.

MR. BROWNE: The longest period which seemed to be about a fortnight except in the case of one restaurant which was closed on March 5 and does not appear to have been reopened, but has a second entry, closed March 7th. Now that is the only one which has a breach of the regulations as

the reason for being closed. All the others have been for breaches of the Alcoholic Liquors Act and for sub-section 3 of the Alcoholic Liquors Act, which is for selling alcoholic drinks to a person under the influence of liquor. All these I have mentioned had their license suspended on that account, and also a breach of Section 53 (g) which reads, for not complying with the regulations. These persons had their premises closed for four days, seven days, two days. I don't know what the regulations are—I have not got them.

MR. SMALLWOOD: What does that mean?

MR. BROWNE: I take it it would mean he did not apply to have it continued. It is in connection with that case that I wanted to make some observations, because I was told he was out of the country when his place was closed and he was offered that it could be reopened if he would pay a certain amount of money.

MR. SMALLWOOD: Who offered that, and who has to get the money?

MR. BROWNE: I don't know who made that offer to him. I can only say it was said, and there is the record there—March 5, closed and no date for reopening.

MR. SMALLWOOD: Who offered him to allow it to be reopened if he paid money?

MR. BROWNE: I don't know.

MR. SMALLWOOD: The honourable gentleman knows nothing about it. It is just a piece of rumor.

MR. BROWNE: No, I would not take it to be a rumor.

MR. SMALLWOOD: But don't know who it was.

MR. BROWNE: No, I don't know who it was.

MR. SMALLWOOD: Was it a member of the Board?

MR. BROWNE: I could not say that. I do not think it was a member of the Board.

MR. SMALLWOOD: Was it a member of this House?

MR. BROWNE: I could not say that. I don't think so either. I don't know. Chanceys' Tavern on Bay Bulls Road was closed for thirteen days for a breach of sub-section (b)—27 of the Alcoholic Liquor Act. That seems to be a mistake. There is not any such section 37-1(b). That does not seem to be an offense—So I don't know what that is. Then Gosse's Tavern, Brigus for various breaches, which seem to have to do principally with sanitation or with selling liquor which was consumed off the premises or for selling at hours which were not permitted under the Act. These are nearly all offenses, except one case on Bell Island where the place was closed for two weeks on account of selling to a minor under 21 years of age, and one in Corner Brook which seems to be because the place was not suitable, and one other in St. John's for the same reason.

Now, Sir, I don't know whether there is anything in the regulations covering the times for which these places may be closed or how they get reopened, but you can see for yourself there that the times vary, and I don't know, I could not say whether it is in accordance with—whether it is the first or second offence, as the Premier suggested. Perhaps the Minister could explain.

HON. G. J. POWER (Minister of Finance): As to the latter question,

if some tavern owner is guilty of some breach of the regulations his tavern is closed for say one or two days. I don't know what the period is. If he is caught the second time it is doubled and the third time it is trebled. The idea is to keep it from happening.

Now with regard to the other matter, what I remember about that is that was closed for, I don't know, some minor infringement, and he was closed for a couple of days. But before he got permission to reopen at all decided to reopen himself, and an inspector caught him going full blast after being ordered closed by the Board. In one case I remember a serious breach when we closed one for about four or five months. Anyway Dominic would have gotten his licence back if he had been prepared to sit his penalty.

MR. BROWNE: You don't put on any fine?

MR. POWER: Closing them up is a fine. He would have gotten his licence back in time, but he decided to go into, I think, the apartment business.

MR. BROWNE: I would like to refer here again to the question of plebiscites. Last year, I think it was, or the year before, anyhow a good twelve months ago, the Minister will remember a petition being brought in here for a plebiscite from the residents of Whitbourne to the government, and then sent to the Minister who sent it to the Board of Liquor Control where it remained for a long time. Eventually the Board of Liquor Control said they did not think it advisable. Now the petition went to the government, and it seemed to me, where a majority required a plebiscite, when the number required by the Act to have a plebiscite applied for a plebiscite, should

grant it. The Board of Liquor Control said they did not think it a good idea to have a plebiscite.

MR. SMALLWOOD: I have no recollection of it, coming to the government.

MR. BROWNE: I don't think it ever came to the government.

MR. SMALLWOOD: It just did not.

MR. BROWNE: I am sorry to delay the committee, but I was—

MR. SMALLWOOD: At least it did not while I was in the Province. I can say that. My colleague, the Attorney General, says it did not.

MR. BROWNE: He might not have been in the Province either.

MR. SMALLWOOD: Even the Minister of Education does not remember.

MR. BROWNE: Well, you have so many things to remember. I am relying on information given to me by a former secretary for the government, Mr. Carew, who is usually very accurate. He told me it was sent automatically to the Minister of Finance. The Minister of Finance knows that. He told me that he sent it to the Board of Liquor Control. Naturally the reply came back from the Board of Liquor Control.

MR. SMALLWOOD: That is not going to the government.

MR. BROWNE: It was brought in here, and I think I remember. It was brought in here to the House of Assembly.

MR. SMALLWOOD: The Chamber here?

MR. BROWNE: I think the Premier said it should have gone to the government.

MR. SMALLWOOD: To the Liquor Board.

MR. BROWNE: No, to the government.

I think that provisions of a plebiscite is in a later year. It does not seem to be in this. It seems to be in an Act passed subsequently.

MR. SMALLWOOD: There is an amending Act providing for a plebiscite.

MR. POWER: Actually the people pushing that plebiscite proved afterwards there was no real pressure continued to get that licence. There were other things involved too, as the honourable gentleman knows.

MR. BROWNE: I know nothing only what I have heard about the number of people who applied for a plebiscite in accordance with the terms of the Act, and the Chairman, of the Board of Liquor Control recommended there should not be any plebiscite taken. Now I don't know why. The citizens in a community have a petition for a plebiscite, and this man bought this tavern in on the understanding he was going to get a licence. There is nothing against him. He is a returned soldier, a veteran of the First World War, and he put all his savings into the purchase of this tavern and it seems to me it is an injustice to him not to have a plebiscite.

MR. POWER: If the honourable gentleman would allow me—The man you speak of never did get assurance from the Board that he would get a licence.

MR. BROWNE: He told me definitely he would not have bought the place.

MR. POWER: What would he have to show you a letter of intention from

the Board. He did not have that. If he went ahead and bought a tavern, assuming he was going to set up.

MR. BROWNE: There had formerly been two taverns in the Town of Whitbourne.

MR. POWER: That did not mean he was going to get a licence—because he decided himself—

MR. BROWNE: He did not decide himself. He told me he was assured by the Chairman that he would get it. He is a decent citizen and a veteran—therefore it would seem reasonable—

MR. POWER: In all cases when given that assurance a letter is given.

MR. BROWNE: He put every cent he had in it, and was then turned down. I was told how a person went to him afterwards and said: "You give me half the profits of this place and I will get you a licence."

MR. SMALLWOOD: These rumors go around. I wonder what rumor went around when a certain man put the last dollar he had in this life into the building of a place in Trepassey and did not get a licence. He did not get it. He was a strong Liberal, a member of the Laurier Club, and he spent his last dollar building a place but got no licence. I wonder what rumor went around about that. Was the rumor that he would not pay a price or a fee. I will tell why he did not get it. He even had a letter of intent from the Board of Liquor Control. I stopped him from getting the licence, at the request of a clergyman. Now in the case of Whitbourne, I do not know anything about it. But I do know that a clergyman in Whitbourne—and there are three there—said to me: "There is no" and he used a word "tavern" (and I won't say what the word was). And I said; "Well, that

is something new—it is a new slant to me, taverns are either this or that." Rumors get around.

MR. BROWNE: That is what the man told me was said to him himself.

MR. SMALLWOOD: What was said to him?

MR. BROWNE: The man who bought the tavern told me. A man came to him and said: "Give me fifty per cent of the profits and I will get you a licence."

MR. SMALLWOOD: Will he identify the man—say who the man was? Will the honourable gentleman get the name for me? I would like to have it.

MR. BROWNE: Yes.

MR. SMALLWOOD: That is clearly unlawful. I am no lawyer, but that sounds to me like bribery or an attempt at looking for bribe. I would like to know the name.

MR. HOLLETT: I am surprised by the statement of the Premier that a man spent his last dollar to get a building raised to operate a tavern.

MR. SMALLWOOD: I don't know whether it was a tavern. It might have been a club. I don't remember.

MR. HOLLETT: But he was prevented from getting a licence because of the fact that one clergyman asked the Honourable the Premier not to give it to him.

MR. SMALLWOOD: That is right.

MR. HOLLETT: Does that look like democracy now? I have no sympathy for the liquor business but I do have sympathy for what is supposed to be democratic.

MR. SMALLWOOD: Only one clergyman, speaking for all the persons

in the place. He came to me in person and appealed to me, as Leader of the Government. I appealed to the Chairman of the Board. I appealed to him, I did not order him. The Chairman of the Board said, "alright."

MR. HOLLETT: Does the Honourable the Premier think that is the correct method?

MR. POWER: There has never been a licence granted in the face of an objection from any clergyman.

MR. HOLLETT: No objections at all?

MR. BROWNE: Clarendville objected.

MR. SMALLWOOD: And had a plebiscite.

MR. BROWNE: The Premier listens to one person, a clergyman. Just what do the majority of the people do, have a plebiscite?

MR. SMALLWOOD: No majority has asked the government to this moment. I say now that the government of Newfoundland to this moment, since I have been in it have not had any request—individual ministers might—but I know of no request—even the request, if it was made to the Minister of Finance, tonight is the first time I have heard of it—That has never come to the government. One request only came to the government and that was from Clarendville. They had a plebiscite. I saw to that. I know until tonight of no request from Whitbourne for a plebiscite. I never heard of it until tonight.

MR. HOLLETT: Well, the Honourable the Minister of Finance said there was a request from a clergyman.

MR. POWER: I said we had a clergyman objecting to granting a license.

MR. HOLLETT: Alright, what about the "Old Mill?" Was that not a request?

MR. POWER: I mean within the clergyman's parish.

MR. HOLLETT: It was in connection with that clergyman or all his parish.

MR. POWER: I don't think it was in his parish.

MR. BROWNE: Of course it was in his parish. I put in a petition here the year before last, and it was completely ignored. So there you have it where a clergyman and his parish were turned down.

Now I have found the part dealing with a plebiscite—"If a petition is presented to the Lieutenant-Governor-in-Council, signed by not less than one-third of the residents of any area, etc."

Now I can say definitely that petition was put in to the government. I can say definitely Mr. Carew said it came up and was sent to the Minister of Finance.

MR. SMALLWOOD: Mr. Carew said it came up before the government. Mr. Carew never said any such thing, he never did. Secondly it never came up before the government.

MR. BROWNE: Mr. Chairman, how does the Premier know? Was he listening to the conversation?

MR. SMALLWOOD: I know he did not say that. For him to say that meant he was stunned and did not know what he was talking about or he lied—and neither is true of Bill Carew.

MR. BROWNE: Either the Premier is mistaken or he may be doing something else. But certainly I put the petition in to the Lieutenant-Governor-in-Council. The information I got from Mr. Carew was that it was sent to the Minister of Finance.

MR. SMALLWOOD: Being sent to the Minister of Finance is not saying it came up before the government.

MR. BROWNE: Would he have authority to send a petition addressed to the Lieutenant-Governor-in-Council to the Minister of Finance?

MR. SMALLWOOD: Why would he not? That is the Minister, before it came before Cabinet, to whom it would come.

MR. BROWNE: I don't know what the procedure is after it goes to the Secretary of the Government, I suppose the place where it should be sent is to the Lieutenant-Governor-in-Council. I don't know, I had no formal letter stating that it had been considered by the government and had been turned down. When a petition comes from the requisite number of persons there, should not the government grant the prayer of the petition if it is reasonable and the signatures are genuine?

MR. SMALLWOOD: It never came before the government, not to this moment.

MR. BROWNE: Well now the Premier is making a very flat statement, which is quite capable of investigation and proof. He can easily find it out by asking the present secretary to check on it.

MR. SMALLWOOD: As to whether it came before the government? I don't need to. It never came before the government. Is it conceivable a

petition from a community to have a plebiscite on liquor could come before the government and we not remember it? It is not humanly possible, unless our memories were blotted out—It never came before the government.

MR. BROWNE: Should it not have gone to the government?

MR. SMALLWOOD: That is another matter. I am inclined to agree that it should have—But I say it never did.

MR. POWER: I would say in view of the other circumstances involved there everyone would be better off to forget about it.

MR. BROWNE: What is the other circumstance?

MR. POWER: I will talk to the honourable gentleman.

MR. BROWNE: The Minister talks to me in so mysterious a way I cannot really gather what he means by it. I knew of course there had been a group of people opposed to it, headed by a clergyman. Then I knew that in Kilbride, on the Old Placentia Road the clergyman in there had been opposed to it, and all his parishioners were against it. Why assume, when a man or a smaller proportion of the population represented by a clergyman had been opposed to the granting of a license in Whitbourne his view would be taken against the majority.

MR. SMALLWOOD: Against what majority—Who is the majority?

MR. BROWNE: The majority of the people in Whitbourne. Far more, the majority of the voters in Whitbourne signed a petition asking for a plebiscite.

On motion 1201, 1202 carried:

MR. HOLLETT: Could the Honourable Minister tell me how much duty is payable to the Federal Government on rum?

MR. POWER: \$12.50 a proof gallon.

MR. HOLLETT: Thank you very much.

On motion 1203 carried;

Board of Liquor Control, on motion carried:

Department of Municipal Affairs and Supply:

MR. HEFFERTON: Mr. Chairman, 1301-02-01 becomes \$500; 1301-02-02 car allowance \$500. and 1301-03 office \$450.

On motion item as amended carried:

Items 1311, 1312 Carried:

1315:

MR. BROWNE: Mr. Chairman, while on this vote, could the Minister tell us anything about this housing development—I understood from the newspaper the day before yesterday they have started work on Barter's Hill.

MR. HEFFERTON: Yes, Mr. Chairman, this matter has been on the carpet for two years. The slum clearance plan in the central area envisages a road running roughly between Central Street and running up Long's Hill, and a little beyond that quite a number of old houses that are there will eventually be demolished. A street will run through, somewhat higher, out to New Gower Street almost. As far as the buildings, the plan calls for the erection of some fifty-two units, i.e. Housing units. This is being done on a partnership basis, and the city itself

is largely responsible for the preparation of the land required in this particular area.

MR. BROWNE: The city has to put in water and sewerage?

MR. HEFFERTON: That is right.

MR. BROWNE: Are they going to be subsidized houses?

MR. HEFFERTON: These will probably be subsidized housing.

MR. BROWNE: Will the work go ahead this year?

MR. HEFFERTON: As soon as we get the sites ready, I presume. They will go up progressively.

On motion items 1331, 1332, 1333, carried:

Department of Fisheries and Co-operatives

MR. HOLLETT: Mr. Chairman, at this point I wonder if the Minister would give some statement on the fishery with regard to plans for the coming year, with regard to the development of the fisheries.

MR. SMALLWOOD: Had we not better take that when we come to the actual part of the estimates dealing with it.

MR. HOLLETT: Yes that would be alright.

MR. KEOUGH: Mr. Chairman, I move that 1401-02 be amended to read 1401-02-01, \$500, 1401-02-02 car allowance \$500, and 1401-02-03 office \$470.

On motion Item as amended carried:

MR. HOLLETT: Mr. Chairman, I wonder if the Minister could give any idea as to the storm damage, and in-

form us also why a short two months ago the fishermen of this country were notified to the effect there would not be any storm damage paid, and now there is an about-face. Could he give us any idea what the approximate amount is likely to be?

HON. W. J. KEOUGH (Minister of Fisheries): First of all, the Premier sometime earlier in the year indicated that he would like to receive representations as to the volume of storm damage. We did not receive any considerable, wide-spread damage reports until late in the year, and when we finally were able to get a complete picture we revised our previous decision that we would not pay storm damages and we decided to do it.

Now as to the amount of what the volume may run into. I would say it is anybody's guess. The storm damage awards are made on the basis of local assessment to work out what assistance the fishermen need to get back fishing. We had no idea a month and a half ago when we said we would make such assistance available as to what it was likely to be. I get a daily report on how the thing is working out. I have one as of yesterday. The total number of accepted claims as to yesterday were 107, the total estimated cost was \$15,314.69.

MR. HOLLETT: What particular part of the coast was struck most severely?

MR. KEOUGH: I don't have that information. I know Fogo Island was badly hit and around Twillingate.

MR. HOLLETT: It was an about-face programme. First it was not the intention of the department to pay any storm damages, there was a quick about-face to pay the damages. I am

wondering what caused the change-over.

MR. SMALLWOOD: A very large representation of the Fishermen's Federation. They made strong representation to us and that caused us to change our minds. That is all. It is as simple as that. We can change our minds.

MR. HOLLETT: But why not come to that decision in the first place?

MR. SMALLWOOD: We did not think it so serious then. There has been storm damage in Newfoundland every year without exception since the first fishermen fished here. We did not think it was on a sufficiently large scale to justify it until finally the representation of the Federation convinced us otherwise. We hope we don't have to spend every year in the future something for storm damage. We hope we will only have to spend it if it is rather calamitous.

MR. BROWNE: Does the Federal Government contribute anything towards this?

MR. SMALLWOOD: Not at all.

MR. BROWNE: Is any of it covered by insurance at all?

MR. SMALLWOOD: No.

MR. BROWNE: It could be covered. It is eligible.

MR. SMALLWOOD: No.

MR. KEOUGH: Mr. Chairman, I could say something—The Government did set up a committee consisting of deputy Ministers to try and work out an insurance scheme that the fishermen might be covered.

MR. BROWNE: How did they get on?

MR. KEOUGH: I don't expect they will report this year.

MR. BROWNE: You mean it is still functioning?

MR. KEOUGH: That is right.

On motion 1421 carried:

On motion the committee rose to report progress and ask leave to sit again.

MR. MORGAN: Mr. Speaker, the committee of Supply has considered the matters to it referred and have passed items of current expenditure under the following headings: Department of Public Welfare 1101 to 1120, with some amendments to 1101, Board of Liquor Control, Items 1201-03 inclusive and Department of Municipal Affairs and Supply 1301 through 1333 inclusive with some amendment to 1301; Department of Fisheries and Co-operatives 1401, with some amendment to 1422-03-01.

On motion report received—Committee ordered to sit again on tomorrow.

On motion all further orders of the day deferred.

On motion the House at its rising adjourned until tomorrow, Thursday, May 3, at 3:00 of the Clock.

THURSDAY, May 3, 1956.

The House met at 3:00 of the clock in the afternoon, pursuant to adjournment.

Mr. Deputy-Speaker in the Chair.

Presenting Petitions

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I beg leave to present a petition from the Community Council and people of St. Brendan's in the District of Bonavista

North, which happens to be the district which I have the honour to represent in this House.

The prayer of the petition is that the road which leads from St. Brendan's to Shalloway Cove, a distance of one and a half miles, and also the road which leads from the Church in St. Brendan's, which in fact lies a little outside the settlement, to Cook's Cove, a distance of one mile, that both these roads be made secondary.

The Community Council has the feeling that with the limited funds at its disposal it has all it can possibly do to attend to the roads within the boundaries of their jurisdiction as a Community Council, and that they are not able in addition to that to maintain in the one case one-and-a-half miles of additional road leading to another settlement and a road of one mile leading to still another settlement.

Now I feel that the Members of the Community Council and the members of the public at St. Brendan's are probably unaware as yet of the fact that under the new road scheme the government will be sending them some money, so much a head of their population as a grant this year and every year towards the maintenance of their roads. And they probably have sent in this petition in the belief that without the petition the additional money will not be forthcoming.

Nevertheless if it is a Community Council of St. Brendan's and not of Shalloway Cove and not of Cook's Cove, I fail to see why that Community Council should be held responsible for the road that leads to these other communities.

I support the petition, Mr. Speaker, and beg leave to lay it on the Table

of the House and have it referred to the department to which it relates.

On motion petition received for reference to the department concerned.

MR. BROWNE: Mr. Speaker, I beg leave to present a petition from the residents of Witch-Hazel Road, which is just west of the village of Portugal Cove in the district of St. John's West. This is the road which leads past the Catholic Church in Portugal Cove, up to the Old Broad Cove Road. There are about eight families living there. They request that the electric lights be extended to them. The distance is about half a mile.

Now the people who live there and on similar country roads near the settlement of Portugal Cove and Broad Cove are without lights and have been all the time, although they are quite near, in some cases, the line which goes by have no branches leading out to where the houses are. I know we all realize what a deprivation that is when the lights are so near.

Now, Sir, in support of his petition I would like to refer for a second to the appointment of Commander Desberats as Chairman of the Power Commission. I don't know if the whole power commission has been set up. I see no vote in the estimates for the chairman. I presume it is either in the Department of Economic Development or the Commission of Public Utilities, because I have been in touch with the commission in regard to the situation in another place—and may I say here while on my feet—I have here from the Library the 35th Annual Report of the Nova Scotia Power Commission, and I see how they do things there. They subsidize the cost to the companies bringing the power. I trust that soon our power commission will be able to get going and will be able to

bring encouragement to such people as these.

MR. SMALLWOOD: Mr. Speaker, I beg leave to support the prayer of the petition presented by my honourable and learned friend. I should like to avail myself of this opportunity to say—and to say it in the hope that the gentlemen who represent the press and radio in this House will take particular notice of it—I would like to say that for some weeks past and for some weeks to come Commander Desberats who has been appointed Chairman of the Power Commission, has been and will be busily engaged drawing up a list, a careful and comprehensive, a complete list if possible of the places such as my honourable friend has just referred to, the places in Newfoundland that are reasonably near to electricity and yet have not got electricity. There are a great many places where people can look out and see the lines half a mile or so away, or even a quarter of a mile away, and yet they have no electricity themselves. There are a great many such cases which have been brought to our attention. So if they come to me direct or if any other honourable member would pass them to me I will pass them to the Chairman of the Power Commission so that he can put it on the map he is making, a map of rural electrification. We have got to know what it is going to cost, if it is five million it will possibly take ten years, half a million a year for some kind of programme of that sort. But before we can do anything we must know where the electricity is required. So I would hope that all over Newfoundland the people who want electrification and there is a half decent chance of their getting it, even though they have not got it, if they would communicate with us quickly and enable the Power Commission, which has not been appointed yet ex-

cept for the Chairman who has been appointed—And he is working full time—if they would communicate with us so that the Chairman may be made aware of the facts.

On motion petition received for reference to the department concerned.

Presenting Reports of Standing and Select Committees:

None.

Giving Notice of Motion

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I give notice I will on tomorrow ask leave to introduce a Bill, "An Act Entitled a Bill to Provide for the Appointment of Accelerated Pensions to Employees of the Newfoundland Government Transferred to Services of the Government of Canada at the Date of Union," also

"A Bill, "An Act to Amend the St. John's Housing Corporation Act."

Giving Notice of Questions

None.

Answers to Questions

Question No. 49:

MR. BROWNE: To ask the Honourable the Minister of Economic Development to lay on the Table of the House the following information:—What was the arrangement, if any, by which Mr. Chester Dawe was relieved of his position as Manager of the Newfoundland Hardwoods Ltd.? Has he any shares in this Company at this date? Did the present operators invest any money of their own in this plant or pay the Government anything for their right to operate the same?

What are the respective interests of Mr. Chester Dawe, the present operators and the Government?

HON. DR. F. W. ROWE (Minister of Economic Development): Mr. Speaker, I have the answer to two remaining questions, to which I have not replied. One is No. 49 asked by the Honourable Member for St. John's West. I table the answer now. The other one is No. 64, asked by the Honourable Leader of the Opposition. I have the answer here, but I would like to make one brief comment in connection with that. As the question reads there it does not make too much sense to me personally, and I am wondering if it is worded correctly. I believe the question is meant to refer to present resolutions passed, within a week or so ago, by the Woods Labour Board, which is a board made up of representatives of the paper companies and several logging unions. Now if it refers to that, I have to say those resolutions reached my desk about two hours ago, just before lunch. I have not even had time to read them myself as yet.

Now I will say this although there may not be time for me to get them for this session of the House, but as the Woods Labour Board publicizes a report of its annual meeting, and that report is public and is forwarded to all responsible persons, I have no doubt but the Honourable Leader of the Opposition will be getting a copy of it. At any rate the resolutions are in the department. They arrived today. If the Honourable Leader of the Opposition would like I could have them mailed to him next week sometime, or for that matter to any other member of the House who might wish a copy.

HON. E. S. SPENCER (Minister of Public Works): Mr. Speaker, I have the answer to Question No. 66, on the Order Paper of April 27. The answer is the same as had been tabled in this House at least as far back as it has been my privilege to serve here, and it is followed with the record of the expenditure on local roads. The accounts of the Department of Public Works are not designed to reflect road expenditure by districts, with the exception of local roads. We have that of course, and they are available. But the accounts are not designed to reflect the expenditure by electoral districts.

MR. BROWNE: Mr. Speaker, is that the whole answer?

MR. SPENCER: It is the answer; yes.

MR. BROWNE: Mr. Speaker, it is too bad that the honourable gentleman went to the trouble of getting copies made of that. It could have been given verbally. Could he not now indicate or give any information at all as to where the money has been spent? That is not a very enlightening answer. We certainly cannot learn much from that.

MR. SPENCER: It is not designed to prevent the honourable and learned gentleman from learning still more. That is not the purpose. But it so happens that that is the manner in which they have been handled prior to my coming into office and since then.

Now there are certain expenditures it is possible to get hold of. But I think the House will understand very clearly that where we have set up maintenance crews which go all over—In other words we have four districts

set up for road accounts. Each of these four districts include as many as ten or twelve electoral districts. The one on Avalon includes all Conception Bay, all Placentia Bay as far south as the Burin Peninsula as far north as Chapel Cove between Bonavista and Trinity Bay on the Cabot Trail. The same thing applies to District No. 2 which includes the northern part of Trinity Bay and Bonavista Bay. District No. 3, which happens to be located in the Town of Grand Falls as far as the actual headquarters of the district is concerned, but it covers everything including Notre Dame Bay, Fogo District, Change Island, Herring Neck and Twillingate and all the Notre Dame Bay Section as far North as Cape John. Now the western District takes in the whole of the western side of the Island including Humber District, St. George's and Bonne Bay and St. Barbe, and right down the west side of the Island. Now these are definitely not sub-divided into electoral districts. That is why the answer comes in this manner. I don't know if it is possible or not to go back and get that but there are certain votes for certain roads which could be supplied within the answer to the question as it is there now. But the accounts are just not designed to carry them by electoral districts and never have been.

The following information is supplied by the Honourable Minister of Public Works in reply to Question No. 66 (Mr. Browne) Order Paper of April 27th 1956.,

QUESTION—Give the amounts of money spent by the Department of Public Works on roads (excluding Trans-Canada Highway) in each Electoral District of Newfoundland during the fiscal year 1954-55 and 1955-56.

Indicate amounts spent for construction and maintenance.

ANSWER—With the exception of expenditures on local roads the accounts of the Department of Public Works are not designed to reflect roads expenditures by electoral districts.

MR. BROWNE: Well, Mr. Speaker, clearly the Minister could tell how much was spent in the District of Ferryland or Bell Island or Harbour Main or St. John's West.

MR. SPENCER: Not from the maintenance point of view.

MR. BROWNE: I can tell him myself, I think.

MR. SPENCER: We have some reconstruction votes in such cases but not for maintenance because they overlap.

Orders of the Day

Second Reading of Bill, "An Act Respecting the Distribution of Electricity in Grand Falls, Windsor, Bishop's Falls and Botwood areas."

MR. CURTIS: Mr. Speaker, I beg to move the second reading of this Bill. Those of my honourable friends who were in the former Legislature will remember that there was a certain gentleman who was interested in one of the power companies who at the end of every session said; there is a small bill I want to go through. By the time he was finished he owned all the small rivers on the Avalon Peninsula.

This is a small bill but it is not deliberately brought in at the last moment, but is brought in in the normal course—For some time past the "AND" Company of Grand Falls has been negotiating with the Newfoundland Light

and Power Company with a view to having them take over in Grand Falls, just as the same company has taken over in Corner Brook, the distribution of electric lights to the people in the community. I understand the Bowater people generate the electricity and they sell it wholesale to the Newfoundland Light and Power, and the Newfoundland Light and Power retails it to the customers and looks after the distribution in Grand Falls. Unfortunately the AND Company has not got quite enough electricity to do that, and they want to conserve their electricity for their use in the manufacture of pulp and paper. For that reason they entered into an agreement with the Newfoundland Light and Power and endeavoured to acquire the waters of Rattling Brook to develop, and to take over the supply of domestic electricity in the Grand Falls, Windsor, Bishop's Falls and Botwood areas.

The Bill is an enabling Bill, which gives them the right to supply and sell electricity and which gives them the right to construct transmission lines and which provides that no floating of timber shall take place in certain parts of Rattling Brook, and deals with compensation for damages, salmon ladders and other miscellaneous items, similar to those contained in the bill we passed a couple of years ago to enable the Newfoundland Light and Power to take over the Corner Brook distribution.

I don't think there will be any serious objection to this Bill. Mr. Speaker, and I move the second reading.

MR. BROWNE: Mr. Speaker, it is appreciated that this is a new departure similar to that which has happened at Corner Brook. The Minister while he was speaking did not tell us what power this company was like-

ly to develop at Rattling Brook nor when it was going to commence operations and how soon this thing would be effective. It is a new development to have the Newfoundland Light and Power take over the light and power arrangements for distribution in these two important centres of Newfoundland.

I notice here that there is a provision that the Government may at any time obtain compensation, acquire the works and property of the company sometime in the future. That seems to be a wise precaution to take, because of the development that is going on in that connection. If the Honourable the Attorney General in replying would answer these two questions.

MR. HOLLETT: Mr. Speaker, I am quite in accordance with this. I think it is a move in the right direction, and in all probability it is a pity it has not happened a long time ago.

One little sentence strikes me as being very essential, i.e. the one in reference to salmon ladders. I do hope that will be carried out by the Department of Mines and Resources. I am quite sure that on some rivers in that area there are no ladders, and consequently the salmon have suffered a set back all along the coast in that particular area.

I am certainly in accord with the Bill, Sir.

MR. SMALLWOOD: Mr. Speaker, in connection with this Bill I think perhaps it would be a good opportunity and a good time for me to say that the Government have recently made an extremely important decision. Power that have been developed in Newfoundland, with the exception of the power developed by the AND Com-

pany and Bowaters is 60 cycle power. All other power in Newfoundland is 60 cycle power except that developed by the two paper companies. The power they develop is 50 cycles because the equipment was brought from England. The hydro-electric development of the AND Company and that of Bowaters, which was originally the Newfoundland Power & Paper Company and behind them the Sir W. G. Armstrong, Whitmore Company, an English outfit. In England it is customary to have 50 cycle power. The Honourable Leader of the Opposition will be well aware from the years when he lived in Grand Falls that the power there is 50 cycle, and the Minister of Labour who is himself, I think, an electrician, knows that at Corner Brook it is 50 cycle as well.

We are undoubtedly about to witness a great expansion of electricity in Newfoundland. Nowhere is that expansion going to come sooner nor on a bigger scale than in Notre Dame Bay. By all appearances, within the next couple or three years everything north from Gambo to Bay Verte, including Gander, Lewisporte, Springdale, Gull Pond Mines, the new mine at Tilt Cove, the new fisheries development at LaScie, Baie Verte itself and all the places practically in between, will be electrified. The government had to come to a decision as to whether the great central belt of electricity, a great network which undoubtedly is coming—it is on the way now in central Newfoundland—whether it shall be all 50 cycle—Then if that were 50 cycle, of course, it could not link in with the other grid which would be to the East of them, including the Avalon Peninsula and the Bonavista Peninsula. That great area of Newfoundland could not, if it were 60 cycles, as it would be and as it is,

of course, and will continue to be, link in with the Central grid. Similarly the Deer Lake-Corner Brook hydro-electric development is fifty cycle. As in the case of Grand Falls if electricity expands westward from Bay of Islands to Port aux Basques, as it must do, and eastward to Buchans and link in with the Central Newfoundland grid, and then northward to St. Barbe Coast, as it must, then it becomes of primary importance also that that power too shall be 60 cycles.

Now the government had to decide, and we did decide, and we have so informed the Newfoundland Light and Power Company, we have come down on the side of 60 cycle power because 60 cycle power is the conventional one on this side of the Atlantic. It is on the other side of the Atlantic that you get 50 cycle. So we have come down on the side of 60 cycle, as we have informed the company.

Now we don't think for a moment that the power now in production and consumption in the area of which Grand Falls Town is the centre should be changed to 60 cycles, nor do we think that that area of which Corner Brook is the centre, or if you like, Deer Lake is the centre, should be turned over to 60 cycle. We feel practically speaking that both sides will remain at 50 cycle power and for some little distance around the perimeter of each of these areas, that natural drainage area (to use a word which I ought not to use in that connection). There is an area that naturally falls into that division of Grand Falls, and that area can continue to be 50 cycle, and even the rim around for a certain distance can be 50 cycle. But beyond that it must be 60 cycle. The same thing applies to Corner Brook. So that is the course of the next number of years, if the power of the Rattling

Brook area is developed, as this plan calls for by the Newfoundland Light & Power if ten or fifteen thousand h.p. can be developed at Indian Falls by Springdale and a half dozen power sites existing down towards Tilt Cove are developed, if all the power potentialities in the area are developed and Terra Nova, which can develop 85 thousand h.p., and the Grand LaPier power which is 50 thousand h.p. and 300 thousand h.p. around Bay D'Espoir and Fortune Bay, if all of these sites and a large number of small sites here on the Avalon Peninsula, if all these are developed they must of course be linked in one island-wide grid so that the excess power in one place, where they can produce more than they can use, can be fed into the grid and used where they have not sufficient and interchangeable source of electricity through the provision of a grid. All of this is possible only if you have the one circulation, if that is the word, the one frequency of electricity. We have taken the decision that it will be 60 cycle after hearing a case for the 50 cycle presented by those who believe in the 50 cycle and hearing the case presented in favour of the 60 cycle by those who believe in the 60 cycle. Principally we have been guided in that decision by advice and information given to us by the Chairman of the Power Commission. These are extremely important matters, and perhaps they might at some time form the subject of a debate in the House rather than in this somewhat casual manner of making the statement on second reading of a particular Bill, rather than for instance in the presentation of a Bill to create a Power Commission or some broader occasion.

MR. HOLLETT: I was just wondering why the government has made

that decision. Would not that be a decision for the companies concerned? Or is it on account of the rural electrification?

MR. SMALLWOOD: It is because of public interest. Who, if not the government, can take a view that comprehends the whole province? A company takes a view which comprehends only its balance sheet. The government is supposed to take the view which comprehends the public interest of the entire province.

MR. HOLLETT: Is there any special reason for it apart from that?

MR. SMALLWOOD: No, there could be no other reason.

MR. HOLLETT: I was wondering if it had anything to do with rural electrification?

MR. SMALLWOOD: That is implicated, yes.

MR. ROWE: Mr. Speaker, I had not intended to say anything on this Bill although I am deeply interested in it. But the question just raised by my honourable friend, the Leader of the Opposition prompts me to make a comment. While I was actually living in the city of Toronto the Government of Ontario decided it would decide by law to do away with 25 cycles altogether and establish 60 cycles. That was in spite of the fact that all the great industries, all the cities, every part of Ontario was on the 25 cycle frequency. Yet at the cost of hundreds of million of dollars—perhaps my honourable friend knows the exact figure—it was certainly up in the hundreds of millions, they decided to change over.

Now we of course are anticipating and avoiding trouble by now establishing the 60 cycle which is uniform

with that all over North America, in Canada and the United States and I suppose all over the world. Incidentally I may say in passing, when we moved down from Ontario to Newfoundland our electric motors were all on 25 cycle and we were faced with the prospect of either selling our appliances or go to considerable expense to have the motors changed. We decided the best thing to do was to sell it rather than go through that trouble.

There is one other point I would like to make, and this happens to affect a section of the Province which I know very well, as I was born and grew up there. I believe one of the reasons for this Bill is to provide electricity for the town of Lewisporte. Lewisporte is probably the fastest growing town in all Newfoundland today, and certainly one of the most prosperous and progressive. I am certainly, personally, as well as being Minister of Mines and Resources going to give all the support I can to what I consider a great piece of legislation, which will mean that eventually the people of that area will be furnished with cheap hydro-electricity instead of the expensive diesel electric power they now are compelled to use. I give it my support, Mr. Speaker.

MR. SPENCER: At the introduction of this Bill, in the light of the comments which have already been made I feel that I must add a comment in regard to this particular measure, which is of very great importance to the people of Newfoundland. I am not referring only to the change of frequency nor the establishment of future development in 60 cycles although that point has, as the Honourable the Premier has already said, been given a great deal of consideration by

the government. The very great necessity has been pretty well explained although we won't go into details on it—It is simply that the whole frequency of North America, if you like, in the main is tied up with 60 cycles frequency. Ninety-nine per cent of electric products through North America are definitely made for 60 cycles frequency, with the one exception where they make special electric equipment for small battery size generation of power such as electrical radios and things of that kind where some are made down to 25 cycles, and have a small battery or interchanger to take care of the frequency from 25 cycles up to some other cycle. For example at Bonne Bay only last year it was my privilege to visit a gentleman there who happened to be the doctor of the area. He had tied on to his little plant that was built in there to provide power for the cottage hospital at Norris Point, provided by a battery system, diesel engine and the frequency, I believe was something of the order of twenty-five cycles or fifty cycles, something of that kind. That gentleman in order to operate his electric razor had to provide himself with a special little generator to allow the power to be set in proper order. I am not an electrician. I cannot tell what it was exactly. It was a case of using the power provided and setting up something so he could use his electric razor which was 60 cycle. That would naturally affect practically all the people of Newfoundland. As it had been explained, the machinery for the two great companies of which we are so proud and which contribute such a tremendous amount to our prosperity and the economy of Newfoundland, is 50 cycles. Needless to say we do not intend to interfere with or to change that power within their areas. On

the other hand if these companies require—and this was very carefully explained to us by no less a person than Commander Desbarats who is our authority on electricity, now, as Chairman of the Board. He made it very clear if 50 cycle power or 60 cycle power was generated outside it is a very simple matter for the company to provide the necessary frequency changer, or something of that kind. They could very readily bring additional power from outside and change the frequency to their own current. So it being a much broader system it stood to reason that the government would want to take care of the people generally throughout the Island.

Now that was not the chief purpose of my rising to speak during the course of this discussion. In government circles and for many years previously I have had the privilege of bringing forward the point raised by my honourable friend, the Leader of the Opposition, when he referred to a clause which was actually in this Bill. Whilst I take no pride myself in pointing out any particular thing that I have said in this matter, I think I may claim perhaps, although it is readily agreed by the rest of my colleagues, that clause is there because I happened to be one of the leading sponsors for it. My reasons for it are much similar to those expressed by my friend, the Honourable Leader of the Opposition. It has been my personal experience, time and again, to visit sections of rivers that have been barred by dams, which were meant for the advantage of these two great paper companies—again, I say, of which we are so very proud—I have visited areas only to find and it is an absolute crime to find—that the river, which was nothing more or less a highway for spawning salmon, being

barred absolutely by dams probably not more than twelve or fifteen feet high and much less in fact as far as the actual level of water was concerned. On one occasion in particular I took with me a group of officers from the Royal Canadian Air Force and members of the Army. On this particular occasion we visited a river, walked up it a very short distance, only to find the river completely dammed. Underneath the dam were literally thousands of salmon. Needless to say we could not get them out to count them, but I think the honourable members would take my word there were literally thousands. I had the experience of wading along and pushing a salmon out ahead of me into the bushes. I have had salmon jump and go right between my body and my arm. But you just cannot hold them, as the honourable gentlemen know. We tried time and again—We had lots of fun there on this occasion trying to grab fish by the tail.

MR. BROWNE: A fish story.

MR. SPENCER: Well there is no doubt whatsoever the fish is protected in that way by its scales. Well on this occasion the guide who was with us said: you will never get one that way. He told us it was necessary to have a woollen mitt on one hand or a sock, as the case may be, and in that way the salmon could be taken. We know literally thousands of salmon in that river, on their way to the spawning grounds never reached it, and those which came in the river in the latter part of the season was left there to perish. Literally hundreds of thousands of these fish around Newfoundland have perished from time to time.

Now, Mr. Speaker, I know very well this subject has been discussed by stronger voices than mine and by men perhaps who know more about it

than I do in this Honourable House in days gone by. The great misfortune is, the fact remains, that these dams are still across these rivers and little if anything has been done to protect the salmon. I merely repeat that by virtue of my being associated with the government I have been privileged to raise that point on many occasions and I am happy to say my colleagues have taken cognizance of it. So in this particular Bill the clause regarding salmon ladders has been definitely placed. I don't think that will in any material way handicap the two great pulp and paper companies nor the logging companies. I feel, although I have seen some very unsuccessful ladders erected in recent years, attempts have been made more or less to put in ladders, but I can assure the House now they have been very satisfactory. I sat in them and fished all afternoon—in the salmon ladders that were placed there for salmon to go up. So I repeat, this clause, with a view of endeavouring as far as we can to perpetuate the production of salmon on our coast, which in the past have meant so much, is well worth while in itself.

Now the point with regard to the electrification of Newfoundland. We are all in agreement, and I am very happy to find our honourable friends opposite concur. They too, as well as we, know the very great need for electrification, and I am quite sure this Bill will receive ready assent. I am very happy, Mr. Speaker, to add my support to the Bill.

MR. CURTIS: I don't think, Mr. Speaker, there is any need for me to add anything. Actually I might say that the waterpower does not belong to the government, it is owned by the Reids. I think that is the only point.

On motion Bill read a second time
—Ordered referred to a Committee of the Whole House on tomorrow:

Second Reading of Bill, "An Act Further to Amend the Local Authority Guarantee Act, 1952."

HON. S. J. HEFFERTON (Minister of Supply): Mr. Speaker, yesterday the Committee considered resolutions dealing with the schedule which is the main part of this particular Bill, but in the Bill itself, which is now before the House, there are two amendments:

The first amendment is just putting in the clause "has and shall be deemed to have had power." Now in the original Act it says—subject to the approval of the Lieutenant-Governor-in-Council, the Minister of Municipal Affairs and Supply, acting for and on behalf of the Crown in Right of Newfoundland may, etc.

What we have done is to put in—has and shall be deemed to have had power—instead of the word "may."

That has arisen because of the banks, acting probably on the advice of legal advisors, have expressed some doubt as to whether the Minister did have the power to guarantee.

The only other change is a little further on—Normally we guarantee a bond or debenture issue as to principal and interest. Some months ago one of our water corporations, as a matter of fact, did not want this particular clause, but wanted it guaranteed as to principal only. So that we put it, that it may be guaranteed as to principal or interest or merely the principal alone.

Mr. Speaker, I move the second reading of this Bill.

MR. BROWNE: Mr. Speaker, there is not very much we can say in regard to this. I think it is wise that that should be inserted because I am always under the impression the Minister did not have power to guarantee that amount of money, over a million dollars. At least he should not have. By inserting it here it protects those who are lending money, but as regard to the other amendment which the Minister has mentioned, namely that it gives power now to guarantee as to principle or as to both principal and interest. I wish he would explain now how that is, because it seems such an unusual thing for even a Municipality to say—we want this bond issue guaranteed only as to principal. Surely the person lending the money would like to see the interest was guaranteed as well. However, if they have been able to get the loan with that provision as far as the interest is concerned, then I suppose there is no objection to their doing it.

MR. HOLLETT: Mr. Speaker, I would just like to ask one question—I wonder if the Minister would inform us whether or not the money was actually raised?

MR. HEFFERTON: Mr. Speaker, I might say that if a Corporation approaches us in the middle of the year and we consider the proposition as sound and they are able to finance it, probably it is possible that we might guarantee a bank loan pending the sale of the bonds. That has been done on different occasions.

Now then the bank raises the question as to whether we could do that because of the permissive "May." They have asked that the legislation be changed as to take care of these words by words—"has and shall have had power." There have been sever-

al instances during the time the House is closed when it has been possible to guarantee and then sell the bonds afterwards. I mean, that is fairly normal procedure.

Now on the other question raised by my honourable friend from St. John's West I am afraid I cannot give an explanation, there is one small company that has a loan, in fact under ten thousand dollars, and they object to this particular kind of clause.

MR. BROWNE: What is it, a council?

MR. HEFFERTON: It is not a council, but a Water Corporation, in fact, Botwood. So it does not make very much difference because it is a permissive clause, either one or the other, so we put it in when we had to make the other amendment.

On motion Bill read a second time, ordered referred to a Committee of the Whole House on tomorrow.

Second Reading of Bill, "An Act to Amend the Tourist Loan Act."

MR. SMALLWOOD: Mr. Speaker, I am somewhat at a loss as to what it is proper now for me to say. When the resolutions were before the Committee I gave some information in some detail, and I felt both before I did so and after that it was a little improper for me to do so in Committee on Resolutions. I felt that the proper course to take when resolutions are introduced is to give very broadly the reasons for bringing in the Bill, and then on the Bill itself the real debate should take place. But my honourable friends opposite felt otherwise, and asked me to give the information, and I did. Now I scarcely know what to do. Perhaps it

would be agreeable to the House if I gave a description of each of the amounts requested here and the location and the purpose of the loan. If that is agreeable to the House and to you, Your Honour, I will proceed to do that.

I will repeat that in every case here it is a bank loan, a loan from a bank, upon the guarantee of repayment by the government. It is the right to give that guarantee that this Bill seeks now before the House.

Kevin J. Power, \$10,000—That is at Trepassy for a hotel. I may say also, before I go any further that a large proportion of these loans are for the West Coast, as will be noted. Nine of these are on the West Coast. The reason for that is that we feel in the government, and in the Tourish branch of the Government, generally, we feel that although there is a very strong case to be made in favour of tourist establishments in central Newfoundland, on the Northeast Coast and on the East Coast and on the Southwest Coast, the strongest case presently is for tourist accommodations on the West Coast, because with the completion of the road between Port aux Basques and Corner Brook and Grand Falls and Gander and the completion of the harbour at Port aux Basques-Channel and the taking up of the "Carson" off her regular run into Port aux Basques, it will be on the West Coast that the tourist movement will come on a big scale first of all. So that therefore it is necessary not only to provide the William Carson to bring the tourists and the roads on the West Coast for them to drive on, but accommodations, overnight accommodations and eating accommodations on the West Coast. So while we are not confining our loans to establishments on the West Coast

we are lending heavily on the West Coast in the matter of Tourist Loans.

Elias Kawaja, \$30,000—That is on the Trans-Canada Highway not far from Corner Brook. He has already built the motel. That was done last year. This year he is completing the project by building cabins. He will have very fine tourist accommodations. The Minister of Labour tells me that it is really a lovely setup that Mr. Kawaja is creating.

Harry Layman, \$15,000—That is at Glenwood in Central Newfoundland. That is to build cabins and rebuild the hotel there. Now Glenwood is a potentially important tourist centre.

Gordon H. Locke, \$12,000—This is at Trinity. It is for rebuilding and renewing and modernizing the hotel he already has.

Makinson's Limited, \$30,000—Makinson's is well known. It is on the Hodgewater Line, owned by Mr. George Makinson, and I believe, Harvey & Company or is it the Royal Stores, or several firms on Water Street, which have gone in with Mr. Makinson to conduct a very interesting and very appealing tourist development on Mr. Makinson's farm, which is on a private driveway off the Hodgewater Line.

MR. BROWNE: What is he going to do?

MR. SMALLWOOD: For cabins and a motel both. He has some individual cabins and has the motel, i.e. one building consisting of a row of cabins, back to back but all in one building under one roof. It is the latest idea in cabins. They are very appealing with hot and cold water, nice beds, and furniture and very charmingly and very cosily and comfortable arranged, and are very popular. That will grow.

Raymond W. Wellon, \$60,000, Steady Brook. He has, I think, one of the best places in Eastern Canada. If honourable members of the House happen to be on the West Coast it is well worth stopping off at Steady Brook and seeing the place of Raymond Wellon at Steady Brook. This is to build cabins. Some of them are already built. The thing is not completed yet.

Edgar Leslie Roberts, \$16,000—That is Bonne Bay. This is a hotel.

Claude Harold Parsons, \$10,000—This is at Musgravetown. In 1955 he applied for assistance to build and furnish an eight room motel and two housekeeping cottages. That is a place where a tourist can take his family and wife and set up house for a week or ten days or a fortnight, indeed as long as he could afford to do it. The project was completed and the establishment began to operate on April 1st of this year. In other words, it has just begun to operate.

Stan H. Tomkins, \$22,000—I am sorry to say that this famous name is out of business as of a week or two ago. Their place was burned to the ground. It was fully insured in favour of the government, and the money, of course, comes back to the bank, and our guarantee, therefore, although we ask the House now to guarantee it, it might almost be stricken off. But technically we have got to do it, unfortunately the money was advanced, the building was erected and then it was destroyed completely by fire a week or two ago. But it is covered by insurance. The bank loan will be repaid there—We won't have to meet it.

John F. and Irene Duggan \$20,000—That is a man and wife on the Botwood Road, outside Grand Falls. That is an excellent place. It is a motel

with eight units, and I believe a restaurant—I am sure as to the restaurant. It is at all events an excellent motel with excellent service. It is well run and efficient and not a place that will let us down or make Newfoundlanders feel ashamed when any outside tourists put up there.

Tourist Cabins Limited, \$60,000—Swift Current. This is a company which is owned by some twelve or fifteen shareholders. It recently had a complete reorganization. I believe that the company has been taken over by Mr. Don Hollett of Burin, and I believe that Mr. McArthur, the architect here in the city, and Mr. Joseph Goldstone of London, New York and Paris, Limited, and a number of other prominent citizens have taken it over from the former owners and former management. I know from conversations with them, at least Mr. McArthur, they are quite convinced and quite confident of making a financial success of it. No doubt anyone who has travelled up to Swift Current must agree it is a splendid place, probably the best we have in Newfoundland. It is probably the best tourist place we have in Newfoundland. I will admit that the service last year and certain other circumstances with it were not such as to inspire the greatest confidence nor to make for the greatest comfort. These factors and circumstances have been completely removed, and the travelling public are now assured—I am talking like a shareholder—I am not—except that the Government are in it—I can say the travelling public will find it a splendid place to stay, and it is a credit to Newfoundland. It is probably the best tourist centre we have in Newfoundland today.

Valley Properties, Limited, \$40,000—That is at Goobies. This is for a hotel of twenty-eight rooms. That is a very

sizable hotel. It is under construction now.

Chalcedony Quinton and Mildred Quinton, \$15,000—I imagine that is man and wife—That is at Princeton in Bonavista Bay, on the Southside of Bonavista Bay. It is a very lovely place, and I think this place has a bright future. They have a most lovely location. As you drive along the road, on your right there is a lake. They are a hundred or so feet away, with the lake laid out before the cabins, a most beautiful site, one of the most beautiful one could find anywhere in Newfoundland. It is a lovely spot.

Martin A. Bourne, \$4,000—That is Martin Bourne of Clarenville, a well known businessman of Clarenville. His cabins are on the Swift Current Road, the road between Clarenville and Swift Current, going up that way. He has cabins which are now built and ready to operate this year.

Leslie J. Hennessey, \$25,000—That is Kelligrews, the well-known bus operator. I don't know if he still operates busses or not. He is well known around the shore of Conception Bay. This is for a motel not yet begun. The construction has not started yet—but it is for a motel.

MR. BROWNE: Where?

MR. SMALLWOOD: Out there on that road, the Conception Bay Highway.

F. J. Morris and S. R. Morris, operating under the name of Trinity Cabins, \$5,000—That is the well-known Trinity Cabins, one of the best we have operating now. It has been operating for some six or eight years, and I believe the cabins are fully occupied, all of them every year as fast as they could get them built. This is to modernize them—a complete programme of mod-

ernization. The cabins, I have to say, were not the most modern. They were built several years ago, and people who go to Trinity Cabins this year will find a very pleasant improvement. The money will build more cabins and modernize the old ones so they are virtually a new establishment. Trinity Cabins are extremely popular amongst the travelling public in Newfoundland.

Stanley Hutchings, \$6,000—That is at Deer Lake. It is to modernize his hotel. He has operated a hotel. That is to modernize it.

Harold Morris, \$5,000—This is for extending and modernizing his tourist and pleasure camp that he has near Dildo. Harold Morris is a well-known radio broadcaster of the CBC.

Vincent Malley, \$3,000—That is at Marystown—That is assistance provided for him to complete and furnish a five-room motel and install a hot-air furnace. He has invested eight thousand dollars personally in it, and the total appraisal value of it and the mortgage is \$16,000 in favour of the government.

Harry Short and Kathleen Short, \$8,000—That is Deer Lake. I take that to be husband and wife, but I am not sure—This is to build a hotel. This has been done. The hotel is now built.

Hotel St. Georges, Limited, \$15,000—This is at Deer Lake. It is to build a hotel. It is not yet started. That is John St. George a very well known and very highly respected citizen of Deer Lake, one of the leading men of the town of Deer Lake.

Walter Fradsham at Corner Brook, \$22,000—This is for a hotel. It is to be on the Trans-Canada Highway. It is not yet begun. They have not as yet started to construct.

Martin C. Hawco, \$10,000—This is at Steady Brook on the Trans-Canada Highway—One is completed and the other in the course of the building.

Hubert W. Davis, \$10,000, Portland—The Davis Hotel. This is to build an eleven-room hotel, spending seven thousand dollars, plus fifteen thousand of mortgagable assets in the house. The property is already constructed. We have an engineer who goes out and inspects and values premises and proves establishments. It is valued at \$22,000. No advances have been made up to April 30. The guarantee is sought. We have offered to guarantee it at the bank, but we have not done it as yet, and he has not drawn the money as yet.

MacKenzie's Limited, \$145,000—That is out here on the Topsail Road, for a restaurant and some limited accommodation, but principally a restaurant.

Herbert Bowering, \$15,000—On the Conception Bay Highway—a motel. Now, Mr. Bowering has already, on the left side of the highway going toward Carbonear, a beautiful place. But the place he has now is a tavern. This has nothing to do with the tavern. This is for the construction of a motel which will be near the tavern. I am not denying the fact that the motel will be near the tavern. It will attract more guests, perhaps, to the hotel than might be attracted if they did not have the tavern. But it has nothing to do with the tavern. No part of this loan has anything to do or will have with the tavern. It is for the construction of a motel. No money has been drawn and no construction has as yet commenced.

Caroline Horwood, Topsail Road, \$12,000. This is the widow of the late Mr. Wilson Horwood. She has been

operating some cottages out here on the highway. Although I have not been in there nor seen them, I am told they are quite lovely. She has a lovely location. Some of them are done out of this loan, some are under construction. I have a note here that I cannot make out. It is a lovely spot—a lovely spot.

Newfoundland Tourist Company Limited, \$10,000—This is in central Newfoundland. It is for a motel and cabins at Norris Arm. Construction has not yet begun but it is to commence soon, no money has been drawn as yet.

Now, may I say, Mr. Speaker, in conclusion, that in every case these loans are loans from the bank, guaranteed by the government as to principal and interest. The government requires each borrower to make a substantial investment, and the investment that he makes is at least equal to the investment that the government makes, or not the investment that the government makes but the amount of the loan the government guarantees must be not more than half the total value. The government takes a mortgage for the whole, for the entire investment, i.e. what the borrower makes himself plus the value created by the government by the loan—Both together are mortgaged to the government. The government takes the first mortgage. Then they must be insured, and the insurance must be in favour of the Government. The bank acts as the government's agent. In other words, the borrower deals with the bank not with us. The borrower does not deal with, does not get the money from the government and does not pay it back to the government. They deal directly with the bank and the bank thereby becomes the government's financial agent in each of these transactions.

In Committee of the Whole, if there is further information requested by the question and answer method, I will be glad to furnish it.

Mr. Speaker, I move the second reading of this Bill—and at this point perhaps Your Honour could declare a ten minute recess.

On motion the House recessed for ten minutes, after which Mr. Deputy-Speaker returned to the Chair.

MR. HOLLETT: Mr. Speaker, this is the Tourist Development Loan Act. There is one thing I have to say in connection with this Bill, and that is again the principle involved. So far as I can see—Subject to the approval of the Lieutenant-Governor in Council, the Minister of Finance has and shall be deemed to have had power on behalf of the Crown in right of Newfoundland to guarantee upon such security as he shall deem satisfactory the repayment of both as to principal and interest by any way of the persons whose name is set out in the first column of the schedule of loans not exceeding the amount set out opposite to that person in the second column of the Schedule.

What has happened here is that the Government has loaned out over six hundred thousand dollars.

MR. SMALLWOOD: We have not loaned any.

MR. HOLLETT: Well, guaranteed the bank. The bank has loaned it on the say so of the Minister, of the Government. The bank has loaned money to these people. In other words the government has already guaranteed away back for many months—and look at the record here—Take for instance Tourist Cabins Limited, that was done on the 4th of August, 1955. Then we have Tompkins, August 4th, 1955, we

see the 25th of August, 1955, and so on down the line. Now since some of these loans have been guaranteed by the government it will be remembered that the House was in session. The House was in session after some of these loans were guaranteed by the Government. It will be recalled also, at least I have a very strong recollection of asking during that particular fall session as to whether or not any loans had been made or guaranteed as Tourist Loans. The answer I got was a verbal one which said there were none. And yet—

MR. SMALLWOOD: Would the honourable gentleman repeat that—I was not following for a moment.

MR. HOLLETT: I said the House was in session last fall, a considerable period after some loans had been guaranteed by the government, and yet when I asked a question in that particular session I was informed that there had been no loans.

MR. SMALLWOOD: There still have not been, to this moment.

MR. HOLLETT: No, but they had been guaranteed—the government knew about them.

MR. SMALLWOOD: Of course—Guaranteed—Yes.

MR. HOLLETT: That is the question which I asked. I say, Sir, I think it is highly wrong for the government to adopt this sort of procedure to say, call up the Bank of Montreal and say, John Jones wants to build a shack, a tourist hotel or a tavern out on the Witless Bay Line, okay, give it to him. We will see the thing is okayed. That is the way this thing has been done.

Harold Morris, \$5,000—That is near Dildo. This is for extending and modernizing his tourist and pleasure camp

That is the way the finances of this country have been run by the present administration—And, Sir, I am certainly very much against that principle. It is not right. It is not proper. If you are going to loan, say MacKenzies Limited \$145,000, surely goodness that amount is big enough to bring it into the House and lay the plans on the table, and let the House decide whether or not to approve of it. Instead the government goes to work—What did they do in this case? For instance we all know that there is a place out there formerly known as "Barney's." Barney's sold that to a member of this House—sold it to a member of this House.

MR. SMALLWOOD: That is not so.

MR. HOLLETT: Well, sold it to MacKenzies and a member of this House happened to be a director. So I don't think there is much difference in that. When the place burned down—and I believe the place was in debt when it burned down—these people collected their insurance and let the place go more or less on the rocks. So the Government decide they are going to lend MacKenzies Limited, the chief director of which is a member of this House, seventy thousand dollars. They lend them the seventy thousand dollars, and it goes ahead and is partly constructed, that particular place out there where Barney's used to be. Then difficulties are again met and another man takes over, another man becomes the owner of MacKenzies — Mr. William Young—Incidentally the man who is one of the directors of Bella Vista. This man is persuaded to take over this particular place of MacKenzies. He arranges it with the government to get another loan, and finally gets the loan up to \$145,000. The place is not finished construction.

I understand, too, Sir, that arrangements have been made in connection with that particular place to give it a licence.

MR. SMALLWOOD: That is not true.

MR. HOLLETT: If it is not true.

MR. SMALLWOOD: There is no "if." I say it is not true.

MR. HOLLETT: Negotiations have been in progress.

MR. SMALLWOOD: I do say no offer was made and no undertaking given.

MR. HOLLETT: It will be given, and we will be informed six months later as to what has been done just the same as we are informed here.

I cite this particular case because this thing is a glaring case. Barney operated that place for years, and I suppose made a profit. He did it all on his own. Now this government has guaranteed already up to \$145,000 in order to put the place back where some person can operate—What is it called? A Tourist Cabin. It is my guess that this Tourist Cabin will be given a licence to operate, at least a licence to sell beers and wine and probably stronger liquors. In that connection I do know that the property upon which Barney's is established was, at any rate was, owned by one of the churches, the Anglican Church, I believe. Now I understand some arrangement has been made whereby the present company vacates the larger portion of the land in order that that portion may be used as a cemetery, and they hold this particular place which can be used as a tourist cabin, and I say eventually as a place where people can buy liquor. I have no objection to that. What I do say is that

it is wrong for the government to get involved in these kinds of deals. As a matter of fact in a good many of these things the government might very well keep their hands out of it, and I don't want to get personal with any people here. They are all good people, I dare say. But if they want to build hotels and motels and taverns why not do it in the proper approved fashion and let the bank give them the money, if they want to, and let other people guarantee them and not the government. Because, as I look down this list, Sir, I can see at least fifty persons right off the bat who will never, never pay it back. The whole system of tourism, if this is it, is altogether wrong. In the first place some of these individuals are running taverns, no more running hotels than I do. I know some of these people and know whereof I speak. They have no more qualifications to run a Tourist Hotel than I have to run a race course. It is altogether wrong. Here we have five or six thousand fishermen in this country with very little being done for them, and I pointed out yesterday how many people were on the dole, able-bodied relief, on the South West Coast. Nothing is being done for them. Yet we can afford to go and lend six hundred and some odd thousand dollars in order that a few people, twenty or more, can build taverns.

MR. SMALLWOOD: We have not lent one cent.

MR. HOLLETT: What is the distinction. We know very well that the bank—I have no doubt that some of those have already been paid by the government—I have no doubt of it—Like some of the rest of them. You have guaranteed it, and some of these things are doubtful, unquestionably they are doubtful, and to my way of thinking they are something like the

loans, the guaranteed loans, which were made to the various new industries, which in every case, as far as I can remember, practically every case at any rate, eventually became a cash loan by the Government. That is what is going to happen to these here.

How are other people going to get a loan who want to build hotels and motels? Are they going into competition with these people who have guarantees? Is the whole tourist set up to be guaranteed by the government?

MR. SMALLWOOD: Well, it was in Prince Edward Island and Nova Scotia and in New Brunswick. Every last tourist establishment was built with government loans for the first ten years, every last one of them.

MR. HOLLETT: I have no way of checking on that.

MR. SMALLWOOD: Tell me again I am a liar—Is not that pretty cheap?

MR. HOLLETT: In other words the Honourable the Premier tells me I am cheap—I am a cheap skate—

MR. SPEAKER: Order.

MR. HOLLETT: Let the order be on the opposite side of the House, Mr. Speaker.

MR. SPEAKER: Order.

MR. HOLLETT: I did not create this disorder, and I am not taking the blame.

MR. SPEAKER: The honourable gentleman's remark indicated he did not believe the Premier.

MR. HOLLETT: I did not say any such thing.

MR. SPEAKER: But indicated that. Order—The honourable gentleman will please not interrupt the Chair.

MR. HOLLETT: Sir, I am having nothing put down my throat by anybody.

MR. SPEAKER: Order. The honourable gentleman's remarks were—"I have no way of checking that"—In reply to a remark—Order—of the Premier. That indicated that he was doubting the Premier's words. What else could it indicate? I have ruled accordingly. Then the Premier said it was cheap. This lead to personalities. Now we will have no disorder here.

MR. HOLLETT: I am not having anything pushed down my throat either, by anybody. I said I had no means of checking what the Premier has said. Does not the word of the Premier need checking occasionally with somebody else? I am not insinuating any such thing as that the Premier is not telling the truth.

I regret very much that the government has seen fit to go about the guaranteeing of loans in the haphazard manner in which it has been done here. We were told yesterday that first the Tourist Director makes a decision.

MR. SMALLWOOD: I said no such thing.

MR. HOLLETT: Well, it comes before him for consideration.

MR. SMALLWOOD: For screening and then before the Board of which he is Chairman and then before another board of which he is not even a member, then before the Cabinet—is that haphazard?

MR. HOLLETT: That is what I was about to say—Well you said it first. It has to be passed by the director before going before any other board.

MR. SMALLWOOD: It has not to be passed by him.

MR. HOLLETT: Why not go to the government in the first place, in that case?

Sir, we are in favour of tourism, but, Sir, it has to come through these people to come in here. I maintain there are other things we need and for which the need is greater in other areas of our community life, much greater than for building places like we have here—A mortgage of \$145,000 for this place out on Topsail Road. I think the whole idea is ridiculous. It is all very well to tell me there is no such thing as liquor in connection with any of these things. I know very well there is—What about Swift Current?

MR. SMALLWOOD: I did not say there was no such thing as liquor connected with any of these things.

MR. HOLLETT: You said it had nothing to do with a tavern.

MR. SMALLWOOD: I said one on the Conception Bay Highway did not, and I said there was no promise of a licence for this one out here. That cannot be translated into what the honourable gentleman just said. Some of them will have licenses. Some of them now have licenses. It is customary for tourist places to have licenses. Quite customary to have them.

MR. HOLLETT: Will anybody explain to me why the proprietor of the Tourist Cabin, Mr. Young, was guaranteed a loan of fifty thousand dollars last year? What is the reason for it? What was the reason for it then? If there is a reason for it what is the rea-

son why it was increased to another ten thousand dollars? We happen to know the reason. Of course we expect the government to come up and answer that and tell us the reason why the proprietor of a Tourist Cabin is given a loan of fifty thousand dollars.

There is a lot that could be said with regard to this. I have no desire to raise any unpleasantness with regard to this. The main thing that I got up to speak about was the principle of this Bill. The principle here involved is do we or do we not guarantee loans for tourism or for that matter for anything else six months before and in some cases almost a year before it is brought before the House. There was an opportunity last fall to bring some of these before the House and have them approved, and nothing was done. I say I disapprove very heartily of that principle. I do hope that the government, in the future, will bring those things before this House and have the thing trashed out and then pass the guarantee, if it is the will of the House.

That is all I have to say on it. I disagree with the principle entirely, which is involved in bringing in this Bill in connection with these guarantees.

MR. CURTIS: Mr. Speaker, just to correct the honourable member and let him know just what the procedure in government is when the House is not in session—The government is still the government and the government as a government must function. Now the government in that interval meets, and has requests made to it. It makes contract after contract. Contracts are negotiated and the government has no alternative but to accept or make or enter into contracts that come up. Well now, if my honourable friend's posit-

ion were accepted we should just hold everything in abeyance and when the House of Assembly meets, bring the matters before them and then and only then will anything be done. Of course, Mr. Speaker, that would delay all progress.

MR. HOLLETT: Why was it not brought in in September last year?

MR. CURTIS: If my honourable friends want to know why it was not brought in in September last year. The session of September last year was a special session called for one particular purpose only, and only under a special session did we agree to have one special measure brought in. It was actually a session for a special purpose, and if we started to go into things we would have had dozens of other requests and we would have had to turn into a regular session. That was a special session called for a special purpose, and that purpose was fulfilled. It was for one particular purpose—we did not want to do it—we refused to do it at all but ultimately agreed against our wish. We did not want to do it because we were much afraid of the same thing my honourable friend says, the thing might develop into a regular session. But the point I am making is that the government is the government twelve months of the year and this House is in session for two months of the year. During the other ten months we cannot sit by and do nothing. What the government has to do during the other ten months of the year is to operate. We have to do business, knowing that we have the majority in the House we can do things, perhaps we would not do if the position were less secure, but knowing that we have a following in the House which will support us, we feel at liberty to enter into contracts which are done by the parties

concerned with the knowledge that this House will ratify what we as a government have done in the meantime. This is done all over the world.

MR. HOLLETT: Where do you draw the line? What is the limit? Is it six hundred thousand dollars or six million dollars or what?

MR. SMALLWOOD: The ten million guarantee of the Corner Brook Mill was done that way—the contract was signed.

MR. BROWNE: The first time in the history of the country.

MR. SMALLWOOD: No, I would say the same sort of thing was done earlier and certainly it was done since that. That was ten million dollars, the great Humber Deal. It was done in exactly that way and the House was called together to ratify it.

DR. ROWE: Were all the railway contracts done in this House?

MR. SPEAKER: Order—The Honourable the Attorney General has the floor.

MR. BROWNE: Mr. Speaker, I would like to say a few words on this measure to support the position taken by my honourable friend, the Leader of the Opposition, who has drawn attention to the fact that the government has now made it a general rule that, if anybody is going to be assisted without having the necessity of coming to the House of Assembly first to get a confirmation from the House, they will provide the assistance and then come to the House.

The Premier has several times since I have been here made reference to the action done by Sir Richard Squires in establishing the mill at Corner Brook. That was an exceptional cir-

cumstance. I am fairly familiar with what happened then, and if we want to go back to it, Mr. Speaker, it is my recollection that the House of Assembly was adjourned in 1922 and was supposed to open again before a general election on the promise of Sir Richard Squires. Instead of that the election took place—on this very date—I happened to know it because it is my birthday and I was a candidate. In that spring the House was not opened at all, and the men were then working on the Humber, in accordance with an agreement that had been made between the Government of Newfoundland and the British Government, or a division of the British Government and the Armstrong Whitworth Company. After the election the House opened here and Sir Richard Squires brought in an Act to confirm his action and confirm the agreement he had already made. That was unique, I believe, in the history of the country. It was never done before, but knowing the great admiration which the Premier has already had for Sir Richard Squires he feels if it were right in doing it at this particular time it is right to do it on every occasion. But I have reminded him before, and I remind him again—That was nearly a proposition that ended in disaster, because Armstrong Whitworth went broke.

MR. SMALLWOOD: What had that to do with the procedure?

MR. BROWNE: It certainly had to do with this—It went to show it was a very risky business for Newfoundland.

MR. SMALLWOOD: That is the merits of the case—What has that got to do with the rightness or wrongness of procedure adopted?

MR. BROWNE: The Premier asks a question—What has that got to do

with the rightness or wrongness of procedure? Now let us see what the procedure is—Some one goes to the government and says—Look, I got a nice piece of land out there on the Trans-Canada Highway, with a lovely lake in front and a beautiful view, and I feel pretty sure that it is going to be a profitable venture. I will pay you back a thousand dollars a year. He is told, all right, go and see the Tourist Development Board. (I think I have the right order now.) If they approve they will put it up before the Tourist Loan Board. If they approve they will put it up before the Cabinet. The Cabinet is pretty sure to approve it if these two boards approve it.

But, Mr. Speaker it is my belief that there is only one man who has to approve a thing in order to get it done, and that is the Tourist Development Director. I would like to know how many proposals he has sponsored have been turned down? I will be willing to bet that none of them have.

MR. SMALLWOOD: I think there have been several turned down, never reached the Cabinet at all but were turned down by the Tourist Loan Board.

MR. BROWNE: After approval of the Tourist Development Board?

MR. SMALLWOOD: After he and his Board had approved them.

MR. BROWNE: If he has approved it, I believe his influence is such that it goes through.

MR. SMALLWOOD: There have been several cases of refusal, and in one case the Tourist Loan Board approved and the Cabinet rejected.

MR. BROWNE: In any case, Mr. Speaker, the Premier said this was

done in Prince Edward Island and in Nova Scotia for ten years, and his colleague, the Attorney General says this is being done all over the world. Now I keep handy here the Public Accounts of the Province of Nova Scotia, and I have had occasion to check on the statement of the Premier. I cannot say what happened in the first ten years in Nova Scotia, but I have here the accounts for 1953, and I can only see one tourist account in connection with guarantees and that has been done under an Act, under Chapter 1 of the Acts of 1951.

MR. SMALLWOOD: Ours are done under an Act too, the Act now under second reading—

MR. BROWNE: No, Mr. Speaker, let us be exact about what we are saying—The loans have already been made by the banks in most of these cases. I will just tick off the list here—Out of 28 names that the Premier has read out and described, twenty of them have already received their loans from the bank. So, it is not just splitting hairs to say we are going to do this today. The guarantee itself being done on the strength of a promise given by the government to the bank. As the Attorney General said, you have a majority up there in the House of Assembly and we know it is no trouble, we can get anything through—We will get this guarantee through. We will see this is confirmed by the House of Assembly.

MR. SMALLWOOD: The bank only gives the loan because they believe that.

MR. BROWNE: That is what is done—That is the procedure. We say that is not the proper way to do it.

MR. SMALLWOOD: Is it unconstitutional?

MR. BROWNE: Yes, I say it is. I say that the Government is incurring a liability in connection with these guarantees which it has not been authorized by the House of Assembly to do. Why do you bring it in here at all for confirmation if there is no need for doing it? You bring it into the House of Assembly because the House of Assembly is separate from the government and is supposed to control the expenditures of all public monies.

MR. SMALLWOOD: The fact that it is brought in shows that we agree with that point.

MR. BROWNE: But you are by-passing generally now the practice of introducing expenditures in the House of Assembly by saying, not only here but in the case of all the industries and in the case of many other companies, by saying we will give the guarantee, and I think it is a very dangerous policy. It seems to be all right now, Mr. Speaker, while the government is flush with cash. But supposing you got a bad government, for argument's sake, supposing you had a bad and reckless government in charge of this country, a government which did not care, which did not bother to investigate carefully, how easy it would be for a government to give guarantees then without any hope—But let us look at the record of the guarantees by the government up to the present time. Look at the guarantees in connection with the industries. In how many cases has the government received any of its money back? In how many cases have they been in the position to pay the interest on the monies which they borrowed? In every case where the government guaranteed money in connection with the industries the government had to give cash to the bank and charge these industries with loans. In how many other cases have corpora-

tions that applied to the government for guarantees and received these guarantees of money from the bank, in how many of them did the corporation or the individual concerned pay back the money and the government not have to pay the bank? There is not one case that I know of. I don't think there was one. In every case, therefore, that a guarantee has been sought the government has had to pay the bank off. It is because the banks know that the government are in a position to pay them that they recognize the loans. Otherwise they would say to the government—we know that person—You had better not lend them any money they are in all kinds of difficulties. They are not taking any chances at all. They are not even doing you the favour of saying to the government—look, don't lend these people any money. We would not lend them the money.

MR. SMALLWOOD: The facts are the exact contrary. That is why we do it, through the banks so that the banks become our agents in every transaction.

MR. BROWNE: Well, if what I say is contrary to the truth—

MR. SMALLWOOD: I did not say the truth—I said contrary to the facts.

MR. BROWNE: Does the Premier mean the banks have told them they should not be lending these monies?

MR. SMALLWOOD: The banks and the government work very closely negotiating every one of these contracts. That is why we do it that way so we have the advantage of the bank's knowledge and experience at our fingertips—We have the use of that.

MR. BROWNE: Did the government work very closely with the bank

in connection with the millions of dollars spent with the industries?

MR. SMALLWOOD: I am talking about the guarantees in this Bill.

MR. BROWNE: I am talking about this system of guaranteeing, the principle involved in guaranteeing—This was likened by the Premier to what Sir Richard Squires did in 1923-24.

MR. SMALLWOOD: I was not discussing the merits, only the procedure of the government guaranteeing a thing and coming in when the House opens and having that guarantee confirmed.

MR. BROWNE: I could elaborate on the very great distribution between the money that was given by the government in 1923 and these.

MR. SMALLWOOD: Any difference in principle?

MR. BROWNE: In the first place the British Government also guaranteed a considerable amount.

MR. SMALLWOOD: I am not talking of the merits but the principle, the procedure, what is the difference?

MR. BROWNE: The procedure is—In that case we were dealing with a concern—the government was dealing with a concern—

MR. SMALLWOOD: Why does the honourable gentleman not admit there is no difference—the same principle—There may be a difference in the merits of the two cases. But where was the difference in the procedure of the two cases? Where does the procedure differ?

MR. BROWNE: The Premier is trying to say that, if John Jones wants a loan of five thousand dollars to build a motel on Topsail Road and

comes to the government and gets a guaranteed loan from a bank that is the same thing in principle as the government making an agreement with the British Government and Armstrong Whitworth Company to build an enterprise.

MR. SMALLWOOD: The honourable gentleman is now only coming back to the merits of the two transactions. Will he compare the procedure? Where is the difference? There is a great difference in the merits, yes—one is much bigger than the other.

MR. BROWNE: I think there is a difference in the procedure. I don't think in those cases—in the case that we are talking about, the Humber, that the Government told the Armstrong Whitworth people or the Newfoundland Power and Paper Company to go to the Banks.

MR. SMALLWOOD: They signed the agreement.

MR. BROWNE: Yes, they signed an agreement for the Armstrong Whitworth Company to build a plant at Deer Lake and Corner Brook and—

MR. SMALLWOOD: And guaranteed two million pounds of bonds.

MR. BROWNE: And the Newfoundland Government guaranteed two million pounds and the British Government guaranteed another two million. And even there I am not sure that it was a good principle. I think, as I said, it was a risky business, and it was done in the emergency of the terrible distress that was prevalent in Newfoundland and in other parts of the British Commonwealth at that time.

MR. SMALLWOOD: I can tell you the same thing, identically was done in the Buchans' deal.

MR. BROWNE: In the Buchans' deal we were dealing with a company.

MR. SMALLWOOD: The merits were different, the procedure was the same.

MR. BROWNE: A company already established and controlling fifty-one per cent of Buchan's Company.

MR. SMALLWOOD: That is the merits—The procedure is the same, the same exactly.

MR. BROWNE: Not quite the same as this. There is one thing—they were dealing with industries that were going to give employment all the year around to thousands of people, and dealing with an industry that is highly speculative in this country. Is there any member of the government but can say that the hotel business is highly speculative or that it is a highly successful business.

MR. SMALLWOOD: No, there is a great difference in merit of a paper mill and a tourist hotel—a great difference in merit—The honourable gentleman disagrees with the procedure but has not shown what he disagrees with. He disagrees with the merits of the case.

MR. BROWNE: I am trying to tell you it is a highly dangerous business to go into this as you have gone in and become partners and risk all this money you have here, \$635,000. No. It is a speculative business. The first big hotel that the government was connected with was the Newfoundland Hotel, and they had to take over that. I don't know how much money they lost on it, but they must have lost many thousands of dollars in connection with that hotel. The Honourable the Attorney General must be very familiar with the ambitions of the late Mr. Sydney Blandford and Mr.

Ben Stafford who promoted that. And everyone will admit that it seemed to be a sound idea to get a hotel in St John's. It seemed to be a sensible idea. There was no modern hotel in Newfoundland at the time and none in St. John's. It had a good deal of support, important people took shares in it. But everyone who put a cent in it lost it, every cent. I don't think it ever paid a cent dividend. The whole thing was taken over by the government and they lost money afterwards. I know it does a great service now. I appreciate the desire of the government to cater to the tourist industry when it starts. But there does not seem to be any reason to think it is going to start immediately as far as business from the Mainland is concerned. The road is not ready and the harbour at Port aux Basques is not ready and no one seems to know when it will be ready. Nobody seems to know when the improvements now under construction at Port aux Basques will make the harbour safe for the big ship they have to go there. However, supposing it is, then the road is not ready. I don't know when the road will be in condition for tourists to travel over. So if that is sound the tourists are not coming here for the next year or two in any great number, then this business will have to depend upon local traffic which is good for a couple of months of the year. But does anybody think that a business can pay from two months' or three months' operations.

MR. SMALLWOOD: Where does the honourable gentleman get two or three months. How many months of the year does he think Swift Current operates?

MR. BROWNE: It is true, I think that operates for most of the year, probably eight or nine months.

MR. SMALLWOOD: Nine or ten months, and so would a good many of the other establishments. All the West Coast ones would.

MR. BROWNE: Not at their peak. They may operate but I doubt that they will be able to pay during the months when it is not holiday time. It is expected that there are going to be tourist cabins built for tourists.

MR. SMALLWOOD: Tourists don't necessarily have to come from other countries nor even from other parts of the country.

MR. BROWNE: No, but tourists won't be travelling around after September.

MR. SMALLWOOD: A tourist is not just a man on a holiday, but a man moving from one place to another, a traveller, maybe only a commercial traveller.

MR. BROWNE: No, Mr. Speaker, no one would understand that to be a tourist. A tourist is a man on a holiday.

MR. SMALLWOOD: Whether a tourist or not he is a good customer.

MR. BROWNE: A tourist is under no particular compulsion to be at any one place at any particular time. He is travelling and has money to spend and out to enjoy himself, travelling, not on business.

MR. SMALLWOOD: But a commercial traveller must spend money and must be accommodated.

MR. CURTIS: You don't think the people who visit Swift Current all the year around would be tourists do you?

MR. BROWNE: No I don't — I admit that. At any rate, as I pointed out, it is a highly speculative business,

and there is a short season. And another thing there seems to be a rapid depreciation of property of this kind, so that some of them to whom loans have been made here have been in difficulties already. The Premier has admitted in connection with one of these loans, on the 4th of August these loans, Tourist Cabins Limited— They obtained the first guarantee last year, on the 4th of August, and they are in difficulties so that they had to be refinanced and reorganized and obtain another loan of ten thousand dollars.

MR. SMALLWOOD: The principle reason there, as the honourable gentleman is well aware —

MR. BROWNE: I am not well aware—I am not familiar with these things as the Premier might think. But I have reason to believe that money will never be repaid.

MR. SMALLWOOD: Tell that to these reputable businessmen that they can't or won't pay their bills. Tell Don Hollett that. Tell Joe Goldstone, Tell McCarthy.

MR. BROWNE: The government has mentioned some high-sounding names—but the government is not lending money to those—the government is lending money to Tourist Cabins Limited.

MR. SMALLWOOD: They are the directors—Their names are involved.

MR. BROWNE: Sure their names may be involved, but how far and to what extent?

MR. SMALLWOOD: They are honourable men and value their reputations. Don Hollett is not a dead beat. Don Hollett is going to see that enterprise is made a success and will pay

the bank loan back—Don Hollett will see to that.

MR. BROWNE: I am not saying a word against the men mentioned here. They are only shareholders in a company.

MR. SMALLWOOD: Directors.

MR. BROWNE: In these cases where loans are made to private individuals a person then becomes personally responsible. I would think that in the majority of these cases the government has a better chance than in the case of the limited liability companies, because limited liability companies formed so that there will be no personal liability involved in some cases. When a man borrows money on the strength of his own name he then becomes personally responsible. I don't know whether any approach was made by any of these people to the banks directly. But I doubt very much if the banks would have been interested in lending money for the reasons I have mentioned.

Now I do realize the desire of the government to cater to the tourist business. Certainly it is important that we should have hotels and motels in this country, and if the public won't build them what is the government to do? The government is trying to anticipate perhaps in a year or maybe two, sometime, I won't say exactly, an invasion or at any rate a very large increase in the number of people in Newfoundland for pleasure. If the road was in good condition across the country there would certainly be, in my opinion, an invasion, if that ship was running from Sydney to Port aux Basques and the road was in good condition there would be an invasion.

The Premier has told us that he has taken security of roughly about

fifty per cent of the estimated value of the property.

MR. SMALLWOOD: No. A mortgage upon all the value and not fifty per cent—one hundred per cent.

MR. BROWNE: The loan amounts to fifty per cent—not more than fifty per cent of the total value of the property. Does the Premier mean to say that in the case of Tourist Cabins Limited he has an estimate that the property is worth a hundred and twenty thousand dollars.

MR. SMALLWOOD: Yes, and considerably more than that—We have had them all appraised.

MR. BROWNE: Does the Premier contend that the loan of \$145,000 to Mackenzie's Limited is secured by a mortgage on a property worth over \$290,000?

MR. SMALLWOOD: Does the honourable gentleman know what the property is? It is not the property itself—it is the land on which the building stands and a lot more land and other buildings. We have had it appraised. We have a mortgage signed, sealed and delivered, and we know.

MR. BROWNE: I suppose that when we get into committee we will be able to get more information on these particular items. But some of them, I must say, Mr. Speaker, seem a little risky to me.

Now I know a great many people would like to see liquor connected with this tourist development scheme, and a lot of people who are interested in promoting them feel they could not make it pay without it, but personally I think in the long run it will prove a detriment to a lot of people who stay there.

MR. SMALLWOOD: As a matter of fact the Tourist Cabins in Swift Current are seriously considering abandoning their licences. There are two views, as the honourable gentleman stated, one that they cannot do without the licence, cannot pay it, and the other that they ought not to have a licence—I mean, that is among the tourist operators themselves.

MR. BROWNE: I have always liked to stay in a nice hotel—I shall never forget one in New Hampshire—I cannot just remember the name of the little town that I visited and stayed there several times. When I went that way I always liked to go there because it was the neatest job that ever I saw. I watched them building the place, and I was very much impressed with the design, a long range of buildings around in a sort of horseshoe. Steam pipes went through the whole lot of them and heated them, and they had hot water and cold showers and toilets and a little bed-sitting room; nicely furnished and with space to put your motor car in front of the door. They were extremely comfortable. It cost \$5 a night. And I think it was really good value. It was far more convenient and more comfortable than a hotel. They had no liquor there. I would imagine if there was liquor there or any encouragement given to drinking liquor on the premises, instead of becoming a nice quiet place where one could get a rest after a long day's journey, one would be awake with noise and shouting and goings-on which would make it very unpleasant from the point of view of a family. Therefore I would not encourage people to take liquor or have power to sell liquor at these various motels.

Now there is one other thing I would like to say before I sit down.—Now that you are really starting something

which you don't know where it is going to end, if you give guarantees to these twenty-eight people and companies you are going to have—

MR. SMALLWOOD: This year—we gave others last year. We will give others again next year.

MR. BROWNE: About how much?

MR. SMALLWOOD: I don't remember now. This is not the first time we brought in these guarantees for tourist establishments.

MR. BROWNE: In any case you started and don't know how far it is going to go, but it is going to grow into millions—I don't know if the Government or the tourist development board has given consideration to the question of inspection of these places.

MR. SMALLWOOD: We have inspectors—or we have engineers. We have a very careful system of inspecting and auditing.

MR. BROWNE: I don't know why the auditing. That will be with the banks, I guess. However, with regard to inspection it is very important they should keep up a high standard, and if they do not they should be helped in some way to try and maintain a high standard because if people stay at a place that is not comfortable or has any defect they will bring back that report. And people don't forget an unpleasant report, if it is due to uncleanness especially. Therefore, in my opinion, it is extremely important that the Government should have an inspection service in connection with tourist development.

Sir, there is not very much that we can do in connection with these loans except to approve them. Out of the twenty-eight of them and I guess more than that, because this list was com-

piled up to the end of March, and a month has gone by since—Most of these loans have been given, and the Government is on the guarantee to the banks, and all we can do now is just honour them. I trust that most of them anyhow will prove successful not only from the point of view of the Government getting back the money but on account of the importance of having a good tourist industry come to Newfoundland. If some of the suggestions I have made in regard to keeping them clean and in order are carried out, I believe tourists will go back and report on what they have seen during their visit to Newfoundland. I hope they will be able to go back and give a good report to induce others to come here. This could become a profitable industry in this province as it is in Nova Scotia and especially in Prince Edward Island.

MR. SMALLWOOD: Mr. Speaker, I should like to congratulate the honourable and learned gentleman on the excellent speech just delivered, at least on the second section of his speech. The first part just stated the opposition for the sake of opposing, which was the honourable gentleman's duty. The second part was very pleasant, and he quite evidently favours the tourist industry. Quite evidently he knows private enterprise unaided won't or can't do it, and quite evidently he knows that the Government must assist.

I would like to deal with two or three points: (1) Inspection: We have a full-time inspector who is constantly travelling—To begin with, before a man is allowed to build, after the question of financial assistance has been settled, he must then submit plans of his establishment. Now we have a large number of plans ourselves in the Tourist Board. We have gone to a great deal of trouble to get plans from all over

North America. The University of Minnesota is quite famed for the contributions it has made, and they have designed a great many plans. We have all of them and we have plans from other organizations all over North America and from Ottawa. So that the Tourist Board itself has a great many plans. In fact, in the course of deciding whether or not the Tourist Board will recommend to the Tourist Loan Board Mr. Vardy will ask—"What have you got in mind"—A man either has a clear cut idea or has not. That gives Mr. Vardy a chance to ask if he has something like this in mind, and to insinuate that thought into the mind of the applicant if the applicant needs help. He usually falls in line, and in that way we are able to influence the type of building and also we are able to insist, as we do, on toilet facilities and hot and cold water and the kind of bedding, mattresses and furniture that go into the tourist accommodations. Indeed we do not give a permit—no one is allowed to build in Newfoundland today, by law, without a permit—I mean to build for tourist accommodations. It is not permitted. One of the first things we did when we took office was to ask the House to pass legislation setting up a system of inspection. We then appointed an inspector. That inspector inspects before building, while building and after it is built, and when it is in operation, quite frequently throughout the year he inspects the premises. That has to be so. As my honourable friend said, the standards must be high and must be kept high. Nothing disgusts tourists, whether a visitor or a Newfoundlander travelling within the Island, more than to get accommodations which are dirty, which are drafty, which are lacking in the proper facilities—Nothing would disgust travellers

as much as that, and would give Newfoundland a bad name.

Now on that point which the Honourable Leader of the Opposition seemed to disbelieve—I did not think it was very courteous on his part. I have yet to tell the honourable gentleman he is a liar. I have yet to indicate or to think he is a liar. If he makes a statement in this House I accept it—I always do and hope I always will. But I think he owes me the same courtesy.

MR. HOLLETT: I surely do.

MR. SMALLWOOD: I made the statement that for, I think, ten years Nova Scotia, New Brunswick and Prince Edward Island, in all these three Provinces, the government of these three Provinces financed all tourist establishments. Then I went on, "they may not be doing it today because they don't need to do it today." But there was a time when they needed to do it and if the government did not do it, nobody would do it. It was not done—No tourist accommodations were built unless the government assisted. They did so to an extent running into many millions of dollars. Little Prince Edward Island spent a couple of million dollars; or at least guaranteed a couple of million dollars for tourist accommodations in that province. Prince Edward Island which is two thousand square miles; which you could drop down in the heart of Newfoundland and lose, in fact you would have to have some pretty good men to go out and find it in the heart of this Island, it is that small, that small Province has twenty times as much tourist accommodations and establishments as we have in Newfoundland. Practically everyone of them were built with government guarantees—practically every one of them.

I remember being driven there by Walter Jones when he was Premier, and he pointing out, this cost this and that cost that amount. The same thing was done in New Brunswick as we are doing—It is well precedented.

Now one final point—

MR. HOLLETT: Mr. Speaker, may I be allowed just a minute—I want to clear up that misunderstanding that I was insinuating that the Honourable the Premier told us something not true. That was as far from my mind as anything I could think of this afternoon. I merely said that I have no way to check that—If anybody can construe that to mean I called the Premier a liar, I certainly had no intention of attributing any such thing to the Premier.

MR. SMALLWOOD: Well, thank you!

Now on the procedure, the honourable and learned member for St. John's West conceded that I helped when I reminded him of that fact that the great Humber Deal was done in precisely that way; he conceded the fact and then went ahead to say how much bigger that deal was than this six hundred thousand dollars worth of loans or guarantees; to compare the merits of the two propositions. I am not interested at the moment in the comparison of the merits of the great paper mill that was built by government guarantee in 1923 and a number of small tourist cabins and motels that are being built in Newfoundland in 1956. It is like comparing a peanut with a football or with an elephant or anything you like—they are not comparable—So I don't think it is a case of comparison of the merits of the two propositions. What deserves to be compared is the procedure, how it is gone about. I say what we are doing

is not only what was done to bring in the great Humber Deal but it has been done ten thousand times. If you were to take the history of the Legislature of Nova Scotia and the Legislature of New Brunswick and the Legislature of Prince Edward Island and the Legislature of Newfoundland and the Provincial Legislatures across Canada and the Parliament of Canada, if you were to take the history of those parliamentary bodies you will find it runs to thousands of occasions—The government of the day negotiates some agreement or some contract and then signs it and then when the House was called later into session that contract was laid on the Table of the House and the House was asked to ratify it. The honourable and learned gentleman shakes his head. I have heard it said of one man, he is so solemn and so eloquent that just the bare lifting of one eyelid is worth ten speeches—and the honourable gentleman need not think that by shaking his head he is waving out of existence historical facts, something that happens every year.

MR. BROWNE: May I ask a question?

MR. SMALLWOOD: Certainly!

MR. BROWNE: I have the Public Accounts of Nova Scotia here, the contingent liabilities. I know exactly what they are.

MR. SMALLWOOD: What has that to do with what I am saying? Talking about contingent liabilities, I am talking about the procedure. He even went so far as to say it is unconstitutional. I said: "show me." He did not show me. It is lawful, it is constitutional, it is precedented a thousand times. Governments all over the world go out and negotiate, indeed they sit down with the principals and they talk them

over and they hash them out and iron them out and finally they agree and sign it. Then it is an agreement but it is not law until it is confirmed in the House. Now what else could they do? Say to everyone coming to the government to make a deal—"We are sorry the House is not in session.—We cannot talk to you until it is.—We have to wait until the House meets"—Does the Government say that, does any government anywhere in the world say that? No government on the earth does that. But all governments do this:— They meet the principals, they negotiate the deals and when the negotiations are completed they write out the contract and sign it. But it is still not law until it is brought in here and confirmed. That is all we are doing.—That is all we are doing.

MR. BROWNE: You guaranteed a loan.

MR. SMALLWOOD: The guarantee is the contract. We have negotiated a contract with John Jones under which we will guarantee the bank. The bank says it will lend the money to John Jones if the government guarantees the loan. The government says, all right. Then after negotiations the government says all right, here is the guarantee, that of course is subject to ratification in the Legislature, and the bank says, that of course is subject to ratification in the Legislature—and we agree it is subject to ratification in the Legislature. The ratification is brought about by a bill. Now what is unlawful in that, what is unusual in it? Is not that the customary way that governments function—How else can governments govern? The honourable gentleman shakes his head. He cannot tell me any other way that governments can govern. It is customary all over the world for governments to negotiate and sign agreements and

then submit them to the Legislature when the Legislature meets.

MR. BROWNE: That is different.—These people got the money.

MR. SMALLWOOD: In the case of the Humber Deal thousands of men were at work and the contract had been signed and the guarantee of ten million dollars had been signed, and the bonds had been sold and the money had been received and the men were at work; then the House was called together.

MR. BROWNE: The bonds had not been sold then.

MR. SMALLWOOD: Yes, the bonds had been sold. They had money raised on the bonds. This procedure, the honourable gentleman tells us, is unconstitutional. He won't tell us why or how. He does not give one single instance—I say on the other hand that all over the British World, in the Provinces of Canada, in the States of Australia, in the States of South Africa, wherever there is a British flag, wherever there is a British Parliament this is the way it is done. I am absolutely surprised now—the honourable gentleman is a lawyer and as a lawyer he ought to know that—and to hear him argue the way he has done is just surprising—it is surprising. Now the Honourable Leader of the Opposition is not a lawyer, he is not an old-time parliamentarian, but he is a new hand like myself, only here a few years, but the honourable and learned member for St. John's West is an old hand at it.

Mr. Speaker, I have very nearly finished, but I thought perhaps I would like to cite a number of cases where in addition to the Humber Deal, they were brought into the House in pre-

cisely the way we have done this. Why was this not argued a year ago?

MR. BROWNE: It was.

MR. SMALLWOOD: No it was not. There was not a word of objection raised to the procedure—they might have argued against the merits but never a word against the procedure.—Every year we have brought in bills to confine, to ratify, to give legislative confirmation to contracts the government had negotiated and signed, and no one ever objected to that procedure, though they might have objected to that procedure, though they might have objected to the particular merits of the particular bill.

MR. HOLLETT: What about the cash loans—converting the guaranteed loans into cash loans.—That is a thing we objected to last year, when you converted guarantees into cash loans.

MR. SMALLWOOD: The opposition had every right to object to that—Even then they did not object to the unconstitutionality of it but objected on its merits, as they can object now to the whole policy of lending money to bring about tourist hotels and motels and cabins—That is legitimate, that is understandable—You can argue that it is good policy or bad, but to come in here and argue that it is unconstitutional to do it the way we do it. Maybe we should not do it at all, but if we decide to do it we do it constitutionally. Anyway, Mr. Speaker, perhaps you would be willing to call it six o'clock?

MR. SPEAKER: It being now 6:00 of the clock I do leave the Chair until 8:00 of the clock tonight.

NIGHT SESSION

The House resumed at 8:00 of the clock.

Mr. Deputy-Speaker returned to the Chair.

MR. SMALLWOOD: Mr. Speaker, when the House arose at 6:00 of the clock, I was discussing the question that had been raised by the Opposition, i.e., the question of the proper and improper procedure to be followed in such matters as the matter contained in the Bill now before the House.

The Bill before the House is one, which if it becomes law, gives the government authority to grant certain guarantees, certain bank loans to certain private individuals and companies for the purpose of building tourist hotels and motels and cabins etc. The guarantees were given by the government in recent months, two, three, four, five, ten and twelve months ago, to the bank. Now the government comes in and asks the House to ratify what it did—In other words, the government assumed when it gave these guarantees that the Legislature would in fact confirm what the government did, by passing the bill. The purpose of this bill is to ask the House to confirm what we have in fact done before the House opened at all.

That, the Leader of the Opposition says, is an improper procedure. That is his argument. In that argument he is supported by the Honourable and Learned Member for St. John's West, his colleague. Now my answer to that is this: We have followed in a path that is well beaten, that is unmistakable and that has been followed many hundreds of times by previous governments in Newfoundland. Previous governments here in Newfoundland, and it was followed, furthermore, by every government in Newfoundland, and still more, followed by governments in

which the Honourable and Learned Member for St. John's West was a prominent and ardent and active supporter, sitting, as he did at that time, on this side of the House and as a supporter of the government of that day—Not as a member of it but as a supporter.

I say indeed that it was the common way of doing it for obvious reasons. For example—Picking at random or if not exactly at random deliberately picking up. In the years when there was in power a government supported by the Honourable and Learned Member for St. John's West. Now I could have picked a year when other governments were in office and it would have been exactly the same. There are the statutes. Here is one. That is an example. St. George's Coastal Mail Services Act, 1927. An Act respecting the ratification of a contract for St. George's Bay of Islands Coastal Mail Services. The Bill was passed July 21, 1927. Now what was this thing that was passed July 21, 1927? Notice the date July 21, 1927—This is a bill giving confirmation (just as we now ask the House to give confirmation in this present bill) to something the government had done. When had the government done it? The 2nd day of May in the same year. It is precisely the wording except that in our case it does not say the Legislative Council, now it says "The Lieutenant Governor in Council." It then goes on and gives the contract. Now what is this contract? It is a contract under which Susan A. Baggs and Thomas Butler were to operate ship service and it sets forth the terms and conditions of operating that service. This is just one. I would say that in this one volume, 1927, there would be a dozen such cases.

MR. BROWNE: So what?—I have read that confirmation of agreement—How does that resemble this?

MR. SMALLWOOD: This is identically the same thing. There is no difference whatsoever. Two governments, one in 1927, one in 1956, the House not being in session, there being no House of Assembly sitting, two governments go out and make a contract and sign the contract and they come into effect, but they are subject, of course, in each case to ratification by the House—So that when the House meets—

MR. BROWNE: Is there any note guaranteed by the bank there?

MR. SMALLWOOD: Yes, subject to ratification.

MR. BROWNE: Did the government go on a note there?

MR. SMALLWOOD: Let us give another one, in 1926, that is the previous year, the Monroe Government came in.

MR. BROWNE: May I just say a word in explanation—If the Premier is trying to convince the House that the Government must ask the House to ratify agreements which were made he does not need to do it. We all know that. But when the Government actually loans money by signing a guarantee at the bank.

MR. SMALLWOOD: There is no difference at all, none.

MR. BROWNE: There is no argument. This is just a contradiction.

MR. SMALLWOOD: My honourable friend is doing the same thing.

On May 14, the House of Assembly confirmed a contract that had been made the 15th of June one year ear-

lier, an agreement made between the parties hereto dated 15 June 1925, but never submitted to the Legislature for approval and ratification. This is the agreement. This is not the Bill. It is the agreement which the bill ratified. This is an agreement between the Newfoundland Hotel and the Government:

“The Colony of Newfoundland will guarantee the due payment by the company of the principal and interest of an issue of mortgage debentures bonds of \$450,000 to be secured by the trustees in such form and containing such provisions including said guarantee as the government shall approve and to be accepted by the government creating a specific first mortgage upon the fixed property and assets of the company and floating charge upon its other assets. Interest shall be at the rate of 6% per annum which shall be payable half-yearly and shall not commence to run before the first day of May 1926. The said Trust Deed shall provide in a manner in all respects satisfactory to the Government for the redemption of said Bonds by the Company at the rate of \$13,500.00 per annum commencing on the first day of May 1927, by means of a sinking fund or any other means or method approved by the Government and the redemption of the balance of said Bonds then remaining unredeemed on the first day of May 1936, unless the Company shall not desire to redeem said balance in which event it shall be provided in said Trust Deed that the time for payment of such balance or sum of \$315,000.00 par value of said Bonds shall be extended for a further period of ten years to be secured and guaranteed in manner similar to the total issue, and so on for a further period of thirteen and a third years expiring on the first day of September 1959.”

This is the very agreement under which the Newfoundland Hotel was built, a guarantee by the Government of Newfoundland of bonds and principal and interest of a bond issue. The government guaranteed it. The government signed it. The government made the agreement and almost one year afterwards it was passed on May 14, 1926. But the agreement was made on the 15th of June of the previous year, the House not being in session. When the House came in session then they brought forward the bill and asked the House to confirm what they had done.

Now that is 1926. If you take all the statutes year by year, I would say anywhere from the year 1900 and come down to the day of the coming of Commission of Government and you will find in that period, that is a period of 34 years, an average of say ten a year. It may be not quite that much, but say five a year. That would be 160 Acts in those 34 years when the governments did exactly what we are doing here, exactly, no difference whatsoever in it.

Now I am not comparing the cases, I am only comparing the procedure.

MR. BROWNE: What was the date of the agreement in that case?

MR. SMALLWOOD: The agreement was in 1925 and the Act was in 1926.

Now let me give the House another one: This is an Act passed May 20, 1926: This is to confirm an agreement made between the Government of the day and the Newfoundland Coldstorage, Fresh Fish Corporation Limited, under which the Government of Newfoundland agreed to pay a bonus, subsidy of one half a cent a pound — Incidentally the Colonial Secretary was W. J. Higgins, father of the honour-

able and learned member for St. John's East. The president of the company was Charles O'Neil and the witness P. J. Summers. I think that would be the Deputy Minister of Justice of that day.

MR. BROWNE: Mr. Speaker, I wonder if the Premier could tell what was the date of the agreement about the hotel?

MR. SMALLWOOD: I will come back to that.

MR. BROWNE: Because the legislation was passed in 1925.

MR. SMALLWOOD: There were two different years. The one I read was the other year.

MR. BROWNE: I have here the Speech from the Throne for 1926—"The construction of the hotel in St. John's legislation of which was enacted last year." That was 1925.

MR. SMALLWOOD: That was perfectly true. There were two agreements, two different years.

MR. HOLLETT: It is confusing.

MR. SMALLWOOD: Not a bit confusing if you read both of them. I am sorry that I did not have a chance to read these before I came into the Chamber. I just read them as I stood on my feet to speak, so I am not as readily prepared to quote the different sections—But this is an agreement that the government had made with a private company, the government to pay them half a cent a pound subsidy on fish they would freeze in their cold-storage. Having made the agreement and having signed it.

MR. BROWNE: What was the date of the agreement? The act was passed the 20th of May. It was evidently a

new agreement amending the agreement of 1917.

MR. SMALLWOOD: But made when the House was in session. When the House was in session they came in and got confirmation. The original agreement was in 1917.

MR. BROWNE: Is there not an agreement in that Act.

MR. SMALLWOOD: Yes, the schedule says, this agreement made the 27th day of November, 1917—

MR. BROWNE: They did not wait until 1926.

MR. SMALLWOOD: No. This is an amendment to that agreement. The point is that the amendment itself was made when the House was not in session, an amendment under which the government was to pay half a cent per pound. They made the agreement and then came in and got it sanctioned in the House of Assembly.

It would be possible to cite acts like that for every year the House of Assembly met, yet it is argued here that the government don't negotiate contracts, that they don't make contracts.

MR. BROWNE: I did not say that.

MR. SMALLWOOD: It was argued that they don't negotiate contracts, that they don't make contracts, and that they don't come in when the House meets and get these contracts ratified. That is just plain silly.

MR. BROWNE: We don't say that.

MR. SMALLWOOD: And to go on and say it is not proper to do it unless in the case of some large sum of money, and in the case of the Corner Brook Paper Mill, is again, I contend, plain silly. Whether it is for a dollar or ten million dollars, whether it is to

guarantee a loan to a motel or a bond issue of ten million for a great paper mill it is proper and it is constitutional to do it in either case, and then come in when the House meets and get legislative sanction. The honourable gentleman opposite must know that to be the case.

MR. HOLLETT: I wonder will the Honourable the Premier allow me to comment on this section? It is the Audit Act. It is only a section, but it is an important point.

MR. SMALLWOOD: Go ahead, yes.

MR. HOLLETT: Section 42 of the Audit Act—The Comptroller shall see that no payment or commitment to the payment of any public money is made:

(a) for which there is not direct legislative appropriation;

(b) for which no other appropriation has been provided pursuant to this Act;

(c) which is in excess of any portion of such appropriations; or

(d) which is in excess of such sums as may have been deposited with the Government of the province in trust for any person,

and he shall report to the Board any case which comes to his notice in which liability has been incurred by any minister, deputy minister, or other officer or person which contravenes the provisions of this Act and the Board may take such action in the matter as it deems necessary.

MR. SMALLWOOD: Of course, without legislative sanction; not one single item of that six hundred thousand dollars is legal until it is passed in this House. That is why it is before the House.

MR. HOLLET: The commitment has been made.

MR. SMALLWOOD: It is still not binding until it is passed in the House. The bank accepts it only because they believe the House will ratify it. That is not the point they have been trying to make. They have no argument on that point. I made that point clear—The fact that we have brought the Bill in here is pretty clear evidence we believe it ought to be brought in. The fact that we bring it in is pretty clear evidence we know it is not law until we bring it in and until the House passes it. We would not have brought it in if it were not necessary and if the bank would accept our guarantee without legislative sanction—we would not seek legislative sanction—But because we know our guarantee is not binding, not lawful until passed by the House we are here now in the House asking for sanction. But to argue, as the Opposition has done here today, that we ought not to sign anything, we ought not to offer any guarantees—that is what they have argued—That is what they have argued, that we ought not to have offered the guarantee, we ought not to have given the guarantee until first we had come in and gotten sanction in the House. I say to argue that, and that is what they have argued, is to fly in the face of the commonplace actions of governments anywhere under the British flag, at any rate all over the British Commonwealth.

The honourable gentleman did not mention that section until now. We argued that same section—that is what we argued—that is what we are acting under—That is why we have it in here, to get legislative sanction. Suppose for the sake of argument that between last session and this session the government guaranteed twenty thousand

dollars to some tourist establishment, at the bank, and suppose the bank in the belief that the government would get legislative ratification for it here in this House, had advanced the twenty thousand dollars. Suppose that happened, and suppose by some omission they had failed to insure the establishment built with that money, then suppose the establishment burnt down—Let us take an actual case. Let us say the Thomkins Establishment, had it not been insured. When the bank lent twenty thousand dollars to Mr. Thomkins, and with that twenty thousand he built certain facilities, and that establishment burned down two weeks later. They were insured. Let us suppose they had not been insured. Then the bank would look to the government for payment by the government. Suppose the government had passed an order in council ordering it to be paid—would Controller of the Treasury pay it? Would the Auditor General pay it? He would not until we brought in a bill and until that bill became law, it would not be a lawful payment. That applies to every one of these twenty odd loans, to the six hundred odd thousand dollars. They are not guaranteed. We are seeking authority to guarantee them.

MR. BROWNE: I would ask the Attorney General, would the government be liable to action, and see what the answer would be.

MR. SMALLWOOD: I don't know. I am not a lawyer. I only know this—Under the Revenue and Audit Act no money is permitted to be paid by the government except under certain conditions laid down in that Act. No money is allowed to be paid out by the government. The Auditor General, the Controller of the Treasury won't allow it unless provided by legislation. There is one exception to the rule, and

that one is you can move the Governor to issue a warrant for a very special purpose, some matter of grave urgency where the public interest would be damaged if the Governor did not issue his warrant, and on the Governor's warrant the Treasury will release the money. But without this warrant, without it is voted by the House—Now I am aware of that—We have to be aware of that in the government. In the light of that, whether a court would award damages against the government, I don't know, not being a lawyer. I know the House of Assembly and only the House of Assembly can authorize the spending of public money. The government cannot do it unless the House first authorizes it.

Mr. Speaker, the Opposition, of course, have every right and indeed every duty to oppose anything that comes before this House on its merit—on its merit—They have done that this afternoon. They have opposed a good many of those proposed guarantees. That is all right. That is perfectly proper. The Opposition also have the right and indeed the duty to oppose the government when the government's procedure is wrong. That they have attempted to do this afternoon. But they themselves are wrong. The Government's procedure is right. The Government's procedure is exactly right, it is constitutionally right and proper, there is great propriety in it. It is not only right, it is not only correct in a constitutional sense but there is also propriety in it, there is nothing about it that is not completely proper. That is to say, the Government has negotiated in the past twelve months or less certain contracts which are subject to ratification by this House. We had a right to do so, we did what we had a right to do. We had a duty then to bring it before this House and get

the confirmation, and that is precisely what we have done. So that to argue, as the Opposition has done, is to argue something without foundation, and I believe in their hearts they believe that to be true.

MR. BROWNE: Where do you get the right? Where is your authority?

MR. SMALLWOOD: The authority of being Cabinet Ministers, the authority of being the Government, the authority of having been elected and being responsible to this House between sessions, the fact that we command a majority of the support including our own support in this House, that we have the confidence of the people's House. This is our authority. Could there be a better?

MR. BROWNE: Let me ask this question—Suppose you endorsed a note for one of these, a note on demand, and the bank demanded the note before the House opened, what are you going to do then?

MR. SMALLWOOD: That is precisely the case I put a moment ago. I said, suppose Mr. Thomkins' place that burned down the other day, suppose we guaranteed a loan for \$20,000. The bank lent the \$20,000 on our guarantee, they accepted our guarantee in the belief we would get it confirmed here today—So they lent twenty thousand dollars. The place was insured for twenty thousand. So that if it burned the insurance company would make good. But suppose it had not been insured—I brought up this point a moment ago.

MR. BROWNE: You would be liable.

MR. SMALLWOOD: I don't know. I am not a lawyer. This House would not be liable until it passed the bill,

whether the government would be liable or not—I am not a lawyer. I just don't know. I do know this, the only monies the government are allowed to spend is what the House votes it to spend and then in addition to that what the Governor issues only by warranty on the Treasury, and the Government himself is limited as to the things for which he can issue his warrant, and he can do it then on the advice of his ministers, and his ministers can advise him only in accordance with the Revenue and Audit Act—Whether a court would order the government to pay it, I don't know, not being a lawyer.

MR. MERCER: No it would not. How could the government be liable when it has not the authority.

MR. SMALLWOOD: Let the lawyers argue that. What we are doing here is constitutionally proper, the legalistic side of it I don't know anything about.

Mr. Speaker, I move the second reading.

Motion that the Bill be now read a second time, carried.

On motion, Bill read a second time, ordered referred to a committee of the Whole House on tomorrow.

Committee of Supply:

On motion, Mr. Deputy-Speaker left the Chair.

Mr. Norman, Chairman of Committee of Supply.

Department of Fisheries:

MR. BROWNE: Mr. Chairman, I wonder, with the permission of the Committee, if I could deal with that last item which we hardly had time to

complete last night. Heading 1422-03 (01) Experimental Fishing.

It was eleven o'clock. I think the Chairman might have passed it. I understand from the Minister that that ten thousand dollars is to be divided into two parts, four thousand dollars to be used to purchase nylon nets for the Esquimaux to catch seals and the other is going to send a vessel that was fishing in Dildo last year down to Labrador to catch a whale. I was going to ask where they were going to bring it when they catch it. I wonder would the Minister tell us a little more about it?

HON. W. J. KEOUGH (Minister of Fisheries): The idea is to catch more than one whale. Apparently in Denmark there is a procedure—The Danes look after Greenland, I believe. They have a procedure in Greenland of sending out a whaler each year and landing a certain number of whales at each Esquimaux settlement, which the Esquimaux use for two purposes, human consumption and for dog food. Our idea is to send down a whaler to the Labrador Coast this year, possibly one of those fishing out of Dildo last year, and the idea is this year to go along to four or five settlements down there.

MR. BROWNE: In northern or southern Labrador?

MR. KEOUGH: The settlements contemplated are Utek, Hebron, and Hopedale. The idea is to furnish a whale or two into each settlement, and leave it there for the population to deal with as they think best.

MR. SMALLWOOD: Is this to be done before polling day?

MR. KEOUGH: If polling day is not until some time in July.

MR. BROWNE: Better count your whales.

MR. SMALLWOOD: Don't count your whales until they are hatched.—That is some bait.

MR. KEOUGH: And let the population deal with it as they see fit, use a certain portion for human consumption and the rest for dog food. It seems like a feasible experiment. Then the idea is that the Northern Labrador Affairs people will train a crew and equip a boat to do that sort of thing each year. Possibly they will acquire a cold storage to hold the meat after a period.

MR. HOLLETT: I think it would be better to buy about ten thousand tins of bully beef and send it down there.

MR. SMALLWOOD: Bully beef is not fat enough. Esquimaux need a fatty food.

MR. BROWNE: Mr. Chairman, I would like to ask the Minister, where are you going to fish for these whales? Are you going to send experienced crews down, because if they are not experienced I don't think it is much use in looking for whales.

MR. KEOUGH: Well, arising out of our work with whales in the last two or three years we have one or two experienced crews, and one of these crews will go.

MR. BROWNE: You have only been dealing in Trinity Bay with potheads and minke whales. I have the report of the Newfoundland Fishery Development here, and they have a short section dealing with whales. I took the trouble to read the section. It is not very long.

DR. ROWE: It has to be kept in mind that the caribou population in Labrador has become extremely scant, and the odd polar bear may come down

on the ice floes, and seals are erratic. Yes, the Esquimaux of Labrador must have a very high protein diet and they must have a highly fatty diet, for reasons well known to everybody. In view of the virtual disappearance—in fact last year was the first time they caught any caribou in Northern Labrador in five years—in view of the virtual disappearance for long periods of the caribou and in view of the erratic habits of the seals, possibly due to the warming up of the Atlantic Ocean which has been going on in recent years, it has become a very serious problem in Northern Labrador. Our post managers down there and welfare officers and others have been greatly concerned—Last year, as a matter of fact, although we did not publicize it, we were so greatly concerned about the protein shortage that we engaged an airplane to fly in fresh beef to certain parts of Northern Labrador. We did not publicize it at the time. We did not want to panic the people. What happens when news gets out of a shortage is that the people who have the money go in and buy all that is left, and then we get a general shortage. This protein shortage in Northern Labrador is a very serious matter. Now whales are very plentiful down there in Hawks Harbour, where one of the biggest factories was operated for many years. The whale factory closed down due to the decline in whale oil markets, as did many other whale factories on this side of the world and in the Pacific as well. But the point is that whales are plentiful down there at all times. I have myself seen them many times.

This experiment is partly the recommendation of the people of Labrador themselves, intelligent people who attended the conference, who felt such an experiment was certainly desirable at this stage.

On motion item 1422-03 carried.

MR. BROWNE: Mr. Chairman, here is a vote of \$80,000 for minke. We have also voted a large amount for cold-storage, and \$300,000 for bringing them down here—Could the Minister explain precisely what this means, and if we are going to catch them what is to be used to catch them?

MR. KEOUGH: That provision is for the refitting and equipment of three whaling boats, the "Arctic Venture" and "Matthew" and to operate them during the coming summer.

MR. BROWNE: And send one to Labrador?

MR. KEOUGH: I said we may hire another to go down there.

MR. HOLLETT: Does this mean the Government is in the mink business as far as catching whales are concerned? I thought there was a co-operative over there to take care of that?

MR. SMALLWOOD: If the Honourable Leader of the Opposition will allow me in all sincerity to make a point here— If by any chance there is any suggestion of a government, any government anywhere in Canada, subsidizing minks there is the greatest possible danger and the greatest threat that the United States would put an embargo on the importation of all mink pelts from Canada. Now within that reasoning two things fall (1) that the governments are not, will not and cannot subsidize the mink industry and (2) that no one ever should suggest that we are. If the government does for this particular industry what governments notoriously around the world do for industries, i.e. promote it. It is not subsidization if we carry an experimental fishing in Newfoundland proving economic and sound ways and hu-

mane ways of taking whales. That is good government practice. That is not subsidization. If we lend monies to co-operative Societies, to start feed co-operatives, where they bring the whales in, cut them up, wash them, freeze them and subsequently every day take out some, so much whale meat and so much ground fish and deliver it daily to mink ranchers—if we lend money to co-operatives to do that, that is not subsidizing. Unless it is a gift if they have to pay interest on that money and pay back the principal it is a loan—and that is not subsidizing—It is assisting the industry but not subsidizing it.

I would appeal to the Honourable the Leader of the Opposition, now that I have explained the dire danger to that industry throughout all Canada, including Newfoundland, that lies in the hint or suggestion that a government is subsidizing, that the mink industry is being subsidized. If we bring in a high class veterinarian as we have done in Dr. Kennedy, we are doing what the governments do all over the world by way of legitimate assistance to an industry. If the government gives Dr. Kennedy the opportunity, and foot the bills, for the experimental mink ranch, as we have done, that again is legitimate assistance to an industry and is not subsidizing.

This particular vote is the cost of a straight government operation of experimental fishing. I hope no one is going to suggest that it is subsidization.

MR. BROWNE: Mr. Chairman, what has become of the company operating over there, Arctic Fisheries?

MR. SMALLWOOD: It is still operating. But they are not in the whaling business any more. They are a cold storage. They buy from the co-operative the fat and the oil—The Mink

Breeders Co-operative Feed Society is interested in feed for their mink, they are not interested in oil and fat. These they sell to Arctic Fisheries, whose plant is not a gun-shot's distance. Then Arctic Fisheries buy blueberries and freeze them and salmon and fish generally and all kinds of things. But they are not any more in the business of catching whales.

MR. HOLLETT: I would say, Mr. Chairman, I did not even hint or suggest that the government was subsidizing the mink industry. I asked the simple question, when that came up, if it were for catching whales. I asked if that meant the government were in the mink business. That is all I asked. The government could be in the business and still not be subsidizing it, I suppose.

MR. SMALLWOOD: Yes.

MR. BROWNE: Has the government given any consideration to the possibility of reviving the Bank Fishery?

MR. SMALLWOOD: In Cabinet recently we have had a very warm discussion on it.

MR. KEOUGH: We hope that this Commission on the South West Coast would make some concrete recommendation on this point.

MR. SMALLWOOD: We have made no decision.

MR. HOLLETT: I see.

On Motion items 1422 through 1453 carried.

Department of Economic Development:

MR. BROWNE: That is the principal department of the government in a way, because it was on its policy of economic development that the govern-

ment was elected to office in 1951. It would be very interesting to hear from the Minister of Economic Development some report, a four and a half year report, of the activities of that. I would certainly like to hear something for the past year.

According to the information we have received in the answers to questions the situation is not any better this year than it was last year from the point of view of the amount of loans and the amount of interest received or installments on the principal.

There is supposed to be a bill brought in here in connection with Adler's Chocolates. We have not seen that yet. I asked a question about how much money was advanced to them. We did not receive any answer to that question. The loan authorized is five hundred thousand dollars. The actual cash loan, it says here, is \$350,000. But we have no way of knowing whether any more money has been advanced under a guarantee or by way of another cash loan. I cannot tell. I cannot figure out this system of high finance practiced by the Premier, but it seems to me a little unorthodox and rather dangerous. However, here is an agreement regarding Adler's repayable in fifteen equal installments, commencing the first of June 1961. So no principal is repayable until 1961, which is five years time. The interest payable on the 1st of December this year is not repayable until June 1959. Now what I would like to know about that company is this—Why the government has not acted in regard to Superior or in regard to Koch Shoes or Gold Sall or Eckhard's Limited. What is the proportion of the actual investment by the Company compared with the amount of money advanced by the Government? We would like to know that in connection with all of them.

But the principal thing we would like to know in order to get a true picture of how that amount of \$25 millions now stands, we would like to know how is their balance sheet, how is their trading? It is very hard for us on this side of the House to know whether these various companies that have received all that amount of money are justifying themselves.

Atlantic Films got another five thousand dollars in 1954—How much does that leave the Atlantic Films?

It would be helpful if there was some compilation. If we had secretarial services we might be able to do it. It might be very interesting to see the total amount each one got. Take Atlantic Gloves, they have here \$629,000—It seems an awful lot of money to put in a glove factory.

It seems to me that the government is reluctant to deal with these companies and so they are putting it off from day to day—There is an answer here now—Agreement in course of preparation—Terms of payment not yet in the hands of the Finance Department. Why? What has happened?

Then we come to Atlantic Hardboards Industries Limited. I wish I had the Act here to see how much money was intended to be put in to that originally. We find that now they have obtained \$1,616,000, at 4½%, which up to last year was less than it took the government to borrow—And they are given various times to repay and their dependants in case of accident. The amount of compensation which workmen in case of accident and dependants in case of debt is not sufficient. Therefore consideration of this matter invites such action as may seem to be best calculated to safeguard the welfare of workmen in the industries.

I note that that year I seconded the address in reply, and dealt with the matter of workmen's compensation, a subject which had given me a great deal of thought.

Now I am grateful for the remarks of the Premier, but it is news to me that we collaborated so fully on that. I don't remember I collaborated with him. I remember distinctly getting the Workmen's Compensation Acts of the United States and Canada and of England, and drafting the bill and having it printed. I remember it being introduced here. But, as he said, owing to the fact that several members of the party left, and there was only a majority of one, the government thought it inadvisable to prolong the session. The result was that a compromise was accepted, set out in the second reading of a new bill drafted by me, which raised the Workmen's Compensation from fifteen hundred to three thousand dollars, and for the first time in the history of this country made provisions for all surgical and medical benefits to be paid by the employer. In addition to that the lid was taken off the amount of compensation to which a person would be entitled. Prior to that time it was fifty per cent of his average wages but no more than ten dollars a week. So that was taken off. He would get, if he was earning fifty dollars, twenty-five—I remember the Premier coming into my office from time to time. Our ways have gone different routes since that time. I don't go to his lectures now like I used to then.

MR. SMALLWOOD: The honourable gentleman has not kept up.

MR. BROWNE: However, that bill was drafted and printed and circulated in this House. It also provided for a Workmen's Compensation Board, as

a matter of fact, at my suggestion. I visited the Workmen's Compensation Board in Halifax, Nova Scotia and discussed the matter of a board there and got the whole set up from them. It was along the lines, principally, of Nova Scotia that the Workmen's Compensation Board of that time was drafted.

There is a little difference today in the Act we have before us, but it is undoubtedly a wonderful provision for workmen, and one of the things that the government have been able to do successfully. All across Canada and in the United States the Workmen's Compensation Boards have been carrying on a great business, and the Minister of Labour should not overlook the suggestion I made to him about their loans. And up to the 31st March 1956, none of these loans have been repaid in either principal or interest in any way. The first loan of \$475,000 is four years in arrears. Of course I am aware that the government gave them a three years extension of time for the payment of interest. But it seems to me that they ought to be in a position to make some payment now—Now agreement is in course of preparation and terms of payment are not yet in the hands of the Finance Department—

The only company which has repaid its loan is Atlantic Optical Company Limited. That never started.

MR. SMALLWOOD: Mr. Chairman, to a point of order— May I suggest to you that this is all out of order. A casual and passing reference is, I think, in order. I don't think it is in order for any honourable gentleman to go into details on a matter disposed of and debated earlier in this present session.

MR. BROWNE: Mr. Chairman, the Minister of Economic Development is now asking us to vote money for his department, and I think that he should give us an account of the work of his department. He should tell us about these different companies. He has given us very little information regarding them. Most of the information we got is contained in these answers to questions. He has not answered the important question of how much money was invested by the promoter of Adler's.

MR. BROWNE: Mr. Chairman, may I say in reply to the point of order introduced by the Premier, he is referring to the debate which took place in the amendment which I moved to the Address in Reply. At that time I singled out one industry, the Superior Rubber Industry—I deliberately concentrated on that one industry, and any reference to the others was just passing. That was not a debate on the other industries, it was a debate almost entirely, as far as I was concerned, on Superior Rubber.

MR. SMALLWOOD: As far as the House was concerned it was on all the industries. It does not matter what the honourable gentleman was concerned with—it was a debate on all the industries.

MR. BROWNE: That was such a glaring example of government financing to one hundred per cent.

MR. SMALLWOOD: Mr. Chairman, the honourable gentleman is defying the rules. He is now going on debating and not addressing himself to the point of order.

MR. BROWNE: On the point of order—I say the reason I took Superior Rubber Company is because it was such an outrageous example of government financing—

MR. SMALLWOOD: Mr. Chairman, to a point of order—the honourable gentleman insists on debating the very point I raised as a point of order. He is not permitted to debate nor is anyone permitted to debate the new industries tonight. It is not permitted under the Rules of the House.

MR. HOLLETT: I would like to support my colleague here. I was always of the opinion that on the introduction of the estimates for a department that any member either of the Opposition or the government could address the Chair more or less fully on the department and go right into detail. I don't know what the ruling would be on that.

MR. SMALLWOOD: On that point of order, Mr. Chairman: If that were so, then Mr. Speaker was wrong in the Budget Speech when he ruled that there could not be a debate on the new industries. He only ruled so for the simple reason there had already been a full-dress debate on the industries earlier in the session on the occasion of the Address in Reply. That having been disposed of then it could not be debated in the budget debate and still less on the estimates.

MR. BROWNE: Mr. Chairman, on a point of order—I just looked for information, enumerating the various industries—and I pointed out the large amount of money lent by the government.

MR. SMALLWOOD: The honourable gentleman is still debating. My point is that he is now debating the matter.

MR. CHAIRMAN: The ruling of the Chair was by Mr. Speaker—No debate on the industries could be entered into—

MR. BROWNE: I don't want to debate—Could the Minister tell us how much money was put into Adler's of Canada Limited, by the promoters of that company?

MR. SMALLWOOD: The Premier could but won't for the very good reason that later in this same session that matter has to come before the House. It is already before the House in another Bill. The opportunity will therefore be provided to every member of the House to debate that very matter—It is therefore out of order to debate it now.

MR. BROWNE: Would the Premier indicate now what subjects we may debate while considering the estimates for his department?

MR. SMALLWOOD: These estimates one by one—and Adler's is not mentioned. I will deal with Adler's when Adler's comes before the House.

On motion Item 1501 carried.

MR. HOLLETT: Mr. Chairman, I find Deputy Minister \$10,000 contractual. I take it that is Mr. Arthur Johnson, is that correct?

MR. SMALLWOOD: That is right. He is in receipt of a contractual non-pensionable salary, on a non-established basis.

MR. HOLLETT: Mr. Chairman, on that point, I wish to raise a question. We have here a Deputy Minister who undoubtedly is serving the Crown faithfully and well, and I have no criticism whatsoever to make of Mr. Johnson's capabilities. But I find on looking through an answer to a question which I tabled that Mr. Johnson and his company, an insurance company, are the agents for a considerable number of companies who carry the insurance for several of these new industries.

MR. SMALLWOOD: If the honourable gentleman would allow me—There is a firm called "Arthur Johnson Limited." That is not Mr. Arthur Johnson, Deputy Minister of Economic Development. There is a man named Arthur Johnson. He is Deputy Minister. There is a company named "Arthur Johnson Limited" and it is the company that are the agents.

MR. HOLLETT: Surely Mr. Johnson is the man who is agent for these various insurance companies?

MR. SMALLWOOD: No he is not. There is a firm called Arthur Johnson too.

MR. HOLLETT: His firm. His firm is Arthur Johnson's and he is agent for British American and all these companies. I had it checked very carefully—and as agent Mr. Johnson and these companies have secured the insurance from these industries. I am a bit concerned about that because I wonder in what position it puts the Deputy Minister. It is true that Arthur Johnson is only contractual but he is nevertheless the Deputy Minister. He has to do with all these companies which come under Economic Development and consequently he is in a position where he could, if he were so minded, guide the fire insurance in every case, I am not saying Mr. Johnson is doing that, but he is put in a rather precarious position. I wonder what, if any, comments the honourable Minister would have on that situation?

MR. SMALLWOOD: I think it is—I can't begin to say what I think. I won't even think—I will say this—No insurance has been placed by the firm of Arthur Johnson since he became the Minister of Economic Development. None has been placed since he became Deputy Minister and none will be

placed through him or by him or through his influence.

MR. BROWNE: I would like to ask the honourable Minister if he has yet located the agreement with regard to Cement and General Development, regarding fifty thousand dollars?

MR. SMALLWOOD: No, I have not. Frankly I don't know where it is. I believe it is in the Attorney General's office. He says it is not. I believe it is. If not it must be in the vault of Provincial Affairs, or if not it must be up at Natural Resources. We have not got it in my office. I have an uneasy feeling we tabled it here in the House. That is what I am afraid of.

MR. BROWNE: If it were tabled would it not be among the files of the clerk? Would there not be a copy with any minutes of council regarding it?

MR. SMALLWOOD: Not one with orders in council.

MR. BROWNE: Well, where are the official records the government kept?

MR. SMALLWOOD: The Department of Provincial Affairs.

MR. HOLLETT: Surely, Mr. Chairman, if it is around it could be found.

MR. SMALLWOOD: I would have thought so.

MR. HOLLETT: As for it being tabled. I know there was no question went from this side of the House, to my knowledge, until this year.

MR. SMALLWOOD: The question was asked here on the floor of the House as to the matter of there being an agreement costing fifty thousand dollars. It is pretty reasonable to say

it was tabled. I won't say it was. I don't know.

MR. SMALLWOOD: Mr. Chairman, we have to add the car allowance—1501 Heading as amended, carried.

Headings 1602, 1603-1605 on motion carried.

Department of Labour:

1601: Amendment 1601-02 car allowance \$500, 1601-03 office \$370.—Carried.

MR. SMALLWOOD: Mr. Chairman, I cannot resist the temptation to point out that the Workmen's Compensation Board is truly a tremendous contribution. I spent a good many years making a close study of Workmen's Compensation. It was a habit of mine to write to governments all over the world asking for copies of their labour relations and especially of their Workmen's Compensation Acts. When I came back to Newfoundland I undertook a one-man cruise to get a new Workmen's Compensation Law for Newfoundland.

MR. BROWNE: When was that?

MR. SMALLWOOD: The first opportunity I appeared to get was under the Premiership of Honourable Walter Monroe, when I lead a delegation of the Wabana Mine Workers Union, it was then called, before the Cabinet of that day. The Attorney General was the late W. J. Higgins, the father of the highly popular and respected member for St. John's East in this House. We met virtually all day in the council chamber, and I put up a series of points, the principal one of which was that they should agree to enact a new Workmen's Compensation Act. They agreed. Mr. Higgins promised me to bring in something on that in the coming session of the House.

He spoke up in the presence of the Premier and the other Cabinet Ministers. The upshot of that was that the government of that day, I believe the Attorney General of that day, requested a member of this House of that day, who sat on this side of the House as a supporter of that government to collaborate with me in the drafting of a new Workmen's Compensation Act for Newfoundland. That member is now in the House. He is the gentleman who is now the honourable and learned member for St. John's West. He and I collaborated in the drafting of a new Workmen's Compensation Act. The session met, and in the Speech from the Throne there was the statement that a new Workmen's Compensation Act was to be introduced.

Unfortunately, however, the pressure and urgency of that session prevented the introduction of the new bill, which I had drafted, or which the honourable and learned member for St. John's West, with my assistance, had drafted—And instead there was introduced and passed here an amendment, a rather important amendment to the legislation that was then on the statute books.

It was a great disappointment to me because the principle of Workmen's Compensation was not introduced into that legislation. It was an amendment merely to increase the amount of compensation. It was a substantial increase, and it was a good thing as far as it went. The trouble with it was it did not go far enough. It did not introduce the great principle that is embodied in our present legislation.

The next opportunity came when there was a change of government, and Sir Richard Squires became Premier. I remember as well as though it were

yesterday going to him, going to him and saying—You know things don't look so good for the party (I meant the Liberal Party as it was that day) and I said: You know what I would do if I were in your shoes? He asked me what I would do. Well I was naive enough to offer to show my grandmother how to suck eggs. And I offered to show Sir Richard Squires how to win popularity. I said, "Bring in a new Workmen's Compensation Act." It probably sounded in his ears like the babbling of an idiot. Nevertheless he was a keen and very penetrating man, and he saw I was extremely keen about the matter. As I was a close friend and strong supporter, I suppose, he did not want to offend me. He said—I will tell you what I will do, Smallwood—(I can hear him now) I will get this fellow I have down there, Dunfield, to work with you, and we will get a new Act drafted.

So he took up the phone and called the then Deputy Minister of Justice, Mr. Brian Dunfield, who is of course now the well-known Sir Brian Dunfield, one of Her Majesty's Justices of the Supreme Court. Mr. Dunfield was then the Deputy Minister. He got an order from the Minister of Justice, who was the Premier, to meet me when I called there and to collaborate with me in the drafting of a new act.

Well, I went and saw Mr. Dunfield. I imagine—it may only be imagination—that Mr. Dunfield must have been as interested in me as, or as little interested as it was humanly possible to be in another man. I feel to this moment that he regarded it as just a complete nuisance. Nevertheless his Minister had ordered him. So he went to work, Mr. Dunfield and I, the present Justice Dunfield, and drafted a Workmen's Compensation Act. It was even better than the one that had been

drafted by the present honourable and learned member for St. John's West, and he and I in collaboration.

So the House met. The very session when this was to be introduced, that session ended with not a window left in this building. It was the session of the riot. So everything came to be in a state of helpless chaos and confusion, and the Act was not passed.

A good many years passed—I strove hard with the Commission of Government to get them to pass this Workmen's Compensation Act, and they would not. So the years passed, from 1925 when I made the first attempt with Mr. Monroe as Premier to 1950 when I occupied that exalted position myself. I had the pleasure in collaboration with my colleague here, of introducing what was at the time it was passed one of the best Workmen's Compensation Acts in the whole world, and if not the best, certainly one of the best. I have the great joy tonight of hearing the honourable and learned member for St. John's West remark that this Compensation Board seems to be doing wonderfully well. They have four or five million dollars in the kitty and everyone is happy over a magnificent piece of social welfare brought about by the present government. I think we can congratulate ourselves and look forward to the day when it won't be five million but nearer ten millions that they will have and need to have in the kitty against the tremendous turnover there will be in the industry in that time.

MR. BROWNE: Mr. Chairman, may I make a few observations in regard to the remarks of the Premier. I have the proceedings of the House of Assembly for the year 1926 here. I had it for the purpose of another matter. I note that in the Speech from the

Throne that year the Governor said that the development of our industries within recent years and the increasing number of our people engaged therein makes it desirable to provide the best possible protection to workmen and there earlier in this session that he might consider extending the benefits to sickness. It seems to me it could very well be enlarged to cover sickness, with the fine amount of money there in reserve, nearly five million dollars. I am sure it must be five millions by this time. That should be able to cover workmen for sickness. The payments out of it last year were only five or six hundred thousand dollars, so that the reserves seem ample to cover sickness as well as accidents.

MR. C. H. BALLAM (Minister of Labour): Mr. Chairman, I would like to make a speech on this here, but I do want to finish these estimates before eleven o'clock. Because, Mr. Chairman, with all the work my honourable friend did in 1927, I am the one —

MR. HOLLETT: There is no vote for reminiscences.

MR. BALLAM: I am the one who helped greatly in writing this one, and had the honour of introducing it in this House. I know we have a board that does the work, but I am still the administrator. But we won't go into that now, as I want to get the estimates through.

On motion, Headings 1601 through 1606, Department of Labour, carried.

On motion the Committee rose to report progress and ask leave to sit again.

Mr. Deputy-Speaker returned to the Chair.

MR. NORMAN: Mr. Speaker, the Committee of the Whole on Supply

have considered the matter to it referred and have passed items of current expenditure under the following headings:

XIV—Department of Fisheries and Co-operatives: Items 1422 (03) (05) to 1453 (02) (02); Department of Economic Development 1501 through 1505 inclusive, with some amendment to 1506 (01) (02); Department of Labour to 1601-1606 inclusive with some amendment to 1601 (02) and to 1605 (01).

On motion report received—Committee ordered sit again on tomorrow.

On motion of Mr. Smallwood all remaining orders of the day were ordered to stand adjourned.

On motion of Mr. Smallwood, the House at its rising adjourned until tomorrow, Friday, May 4, at 3:00 of the clock.

FRIDAY, May 4, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Deputy-Speaker in the Chair.

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

None.

Giving Notice of Motion

HON. I. R. CURTIS (Attorney General): Mr. Speaker, I was hoping I would not have to give notice of any more Bills this year, but I have been asked by the Mayor if I would give

notice of a Bill, "An Act to Amend the Bowring Park Area (Control) Act." I understand it is largely a nominal Bill dealing with a change in the area. Therefore I give notice.

Answers to Questions

HON. J. R. SMALLWOOD (Prime Minister): Last night I believe the honourable and learned member for St. John's West, when we were debating the estimates for tourist development and in particular the item dealing with advertising and publicity asked if they referred to pamphlets and literature put out by the Tourist Board. These are the relatively recent pamphlets that have been published.

Orders of the Day

Second Reading of Bill, "An Act Further to Amend the Public Utilities Act."

MR. CURTIS: Mr. Speaker, in the year 1953, at the request of the Public Utilities Commission we passed an amendment to the Public Utilities Commission Act, which had the effect of covering the situation in so far as the production and distribution of gas in St. John's was concerned. By "gas" I mean, not gasoline, but gas that had up to then been produced by the St. John's Gas and Light Company.

It will be remembered that some years ago the St. John's Gas Light Company produced gas from coal and distributed it through the city through mains and through pipes into homes. But shortly before Confederation the pipes rotted out in a number of links, and they decided to abandon that and in lieu of it to import and distribute propane gas. And the Public Utilities Commission felt that just as long as

they were maintaining a manufacturing base on Water Street West for manufacturing gas, and while they were doing such manufacturing that the Public Utilities Board should also control the distribution of propane gas. Consequently in 1953, 23 passed an amendment giving them the right to control and distribute, as a public utility, the actual delivery, manufacture and transmission of gas through mains, cylinders or other containers directly or indirectly to or for the public for compensation.

Now, Mr. Speaker, when gas is distributed in cylinders there would seem to be no real reason why it should come under Public Utilities.

MR. BROWNE: No reason why it should be a monopoly.

MR. CURTIS: Yes, And unless it is a monopoly it should not come under Public Utilities. Actually it has never been a monopoly at any time. On the other hand I don't see why they should be charging people fees for controlling it. I found out from the Public Utilities Commission that although they were controlling the price, etc., of propane gas, they do not in connection with ordinary carbon dioxide used for aerated water, nor oxygen nor hydrogen nor acetylene gas being produced by other manufacturers here. So the Government decided to wipe out that section altogether and to take from the ambit of the Public Utilities Board the production, storage and transmission and stocks of gas either through mains or any other way. Actually there is none, I understand, now being produced through mains. All gas being sold is sold in cylinder form. And I do not see why it should be sold other than in the regular course.

MR. BROWNE: Mr. Speaker, could the minister tell us what the effect was of the amendment in 1953?

MR. CURTIS: Mr. Speaker, in 1953 the amendment redefined public utilities and expressly referred to gas, the progress, storage, transmission, delivery or the furnishing of gas through mains, cylinders or other containers either directly or indirectly for the purpose of compensation. That is the section we now propose to take out of the amendment, to delete the section from the Act.

Mr. Speaker, I move the second reading of this Bill.

MR. BROWNE: Mr. Speaker, I was misled by the number (4) on the Bill here. Paragraph (4) of the main Bill deals with the furnishing of electrical power, water or steam heat.

Well I take it the effect of this is to remove this section altogether. Of course the other one would then stand. It would take away from the Public Utilities Commission all dealings in gas. In other words, it would be commercially free and a person may put any price he likes on it. It would be open to competition.

MR. SMALLWOOD: I may say, Mr. Speaker, I telegraphed, I think, to every Premier across Canada asking if in any province the control of propane gas was a state monopoly or whether it was under the control of and the jurisdiction of the Public Utility Boards or any other boards of the Government, and whether in any province the distribution of propane gas was a monopoly granted by the state or by the province or by any provincial board. The replies I got indicated that in no province of Canada was the distribution of propane gas a state monopoly or Government

monopoly or a monopoly granted by the Government, not anywhere was it regulated by the public utilities commission.

Now here in Newfoundland the distribution of propane gas was carried on solely for several years past by the St. John's Gas Light Company as an activity which they began in succession to their distribution of gas by pipe line, underground, which they discontinued. But latterly at least one other company, I believe, has been formed to engage in the distribution of propane gas. And so, as the Public Utilities Commission have no intention of granting a monopoly to any one company and as in any case it renders no service to distribute propane gas, it seems perfectly logical to remove from the control of the regulations of the Public Utilities Commission propane gas and everything connected with propane gas. I think that is the purpose of my honourable friend's bill.

On motion Bill read a second time—ordered referred to a Committee of the Whole House on tomorrow.

Second Reading of Bill, "An Act to Amend the Local School Tax Act."

HON. J. R. CHALKER (Minister of Education): Mr. Speaker, in moving the second reading of this Bill, certain amendments have been made as a result of the findings of the commission which recently went out to the West Coast. And other amendments are requested by the officials of the Department of Education.

Clause 2 of the Bill merely provides that a person who is a member of a school tax authority may not at the same time be a paid employee of the authority.

Clause 3 permits a school tax authority to appoint clerks and other employees not members of the authority, to fix their remuneration and pay them out of the money raised by the authority. Under the Act, as it now stands, the authority cannot now use funds raised as school tax money to remunerate their employees.

Clause 4 provides for an audit of the accounts of the School Tax Authority.

Clause 5 provides for the exemption of pensioners or widows whose yearly income is less than fifteen hundred. Before this amendment the amount was \$600.

Clause 6 is intended to provide that persons employed in a school tax area residing in and supporting a school outside the tax area shall not be liable for school tax solely because of their employment in the school tax area.

Clause 7 of the Bill provides for methods by which the taxes imposed under Section 8 of the School Tax Act is to be assessed, namely as if it were a comparable tax imposed under the Local Government Act.

Clause 8 enables a School Tax Authority to have recourse to and make use of the assessment roll prepared in communities or municipalities where there is a school tax area or any part of it as situated in a city or municipality. In respect of those portions of the school tax area that are not included in a city or municipality the school tax authority shall make an assessment in accordance with the Assessment Act, Chapter 70 of the Revised Statutes of Newfoundland 1952.

Clause 8 enables the Minister of Education on the unanimous recom-

mendation of the school tax authority to grant exceptions or remission of the school tax in certain cases of hardship.

Clause 9—Section 10 of the Act provides for the distribution of school tax money at the end of the authority's financial year. Clause 9 of the Bill makes possible a distribution of tax monies on a date or dates not exceeding four in the aggregate in each of its financial years (for the apportionment and distribution in accordance with this Act of all monies raised by the Authority under Section 6, and one of the dates so prescribed in each financial year shall be the last day of that financial year). At the same time the School Tax Authority is authorized to withhold six per cent to take care of any unforeseen contingencies or services. All monies so withheld during the financial year shall be used to make any adjustments necessary to secure an apportionment and distribution in accordance with this Act at the end of the financial year.

Sub-sections (3) and (4)—Clause 9 of the Bill sets forth the basis of distribution of tax monies to boards of education. Sub-Section (5) amends the present method of computing enrollment for school tax purposes. Section 10 (sub-section A) of the present Act provides for the enrollment of pupils who have attended not less than fifty days. The amendment reduces the period to forty days.

The new Section 10 (Sub-Section 5) (a) (i) and (ii) provides that attendance for forty days and more applies to children of the age of six years as well as those who have attained the age of sixteen. Sub-Sections (b) and (c) are a duplication of the present Act and contain no amendment.

The Council of Education has approved this Act, Mr. Speaker, and those amendments. I move the second reading of the Bill.

MR. HOLLETT: I wonder, could we have that adjourned until Monday, Mr. Speaker?

MR. SMALLWOOD: No, let us go on with it. There is nothing controversial about it. It was passed on by all the superintendents.

MR. HOLLETT: I want to ask a question or two relative to this. I am thinking of the Corner Brook incident out there. And there are people in this House who have closer knowledge of that than I have, including the honourable minister of Labour and, I dare say, the Premier. I understand that there is the greatest objection in that area to the effect that the local tax authority was appointed and not elected. I would like to be corrected if I am wrong. Has anything been done, has anything been done in these amendments here to clear that? Is there any intention on the part of the Government to correct that? There have been objections to the whole thing as far as I can gather now—I must say I am not too familiar with it, although there has been quite a rumpus about it. It appears, as far as I can find, their greatest objection is to the fact that the school tax authority is an appointed body and not an elected body. Of course, there should be no taxation without representation. I am not familiar with the parent Act. That is one of the reasons why I wanted to have this adjourned until Monday, so that I might look into the matter. I would like to ask the minister if he could give us some idea about that when he replies.

MR. SMALLWOOD: Mr. Speaker, if this were earlier in the session I would

be quite happy to have the deferment requested by my honourable friend, the Leader of the Opposition. He is quite well aware of the fact that we are coming close to the end of the present session. We have no desire to move for the suspension of the rules of the House. We have not done it for years and years. We did not do it last year nor the year before nor the year before that. Indeed I think it was done only once in the last seven years. But that is because honourable members on the other side of the House have collaborated in a very fine fashion with the Government so that there was no need to suspend the rules.

Now there is another reason why I was hoping that the honourable gentleman would be ready to proceed with this Bill. If a controversy is desired I am fully equipped and ready and able and willing to enter into that controversy. I doubt, however, that a controversy is desired.

These amendments to the School Tax Act of Corner Brook are from two sources, the Commission of Enquiry that recently investigated the whole situation. (A commission of enquiry made up of three magistrates of the bench—Magistrate Abbott of Grand Falls, Magistrate Sheppard of Harbour Grace and Magistrate White of Bell Island). These three magistrates were removed from the bench temporarily for the one special purpose of conducting that enquiry. They did so and made their report, and made their recommendations. And their recommendations are embodied in this present Bill.

Then, secondly, there are one or two other matters which are here at the request of the School Tax Authority itself. Then finally, under this head-

ing, the Council of Education, which represents all the denominations, has approved this Bill. We do not bring bills before this House bearing on education unless and until they are approved by the Council of Education, who are the official representatives of the Religious Denominations in a province in which education is denominational.

So for these reasons, that the amendment comes from the commission of enquiry, from the school tax authority and have also been approved by the Council of Education itself, we see no reason whatsoever for controversy. We see only the need to bring in the amendment and ask the unanimous concurrence of the House on the bill.

MR. J. HIGGINS: Mr. Speaker, if I may be allowed one question—You say that it has the support of the Council of Education—Is that the unanimous support or a majority?

MR. CHALKER: It is unanimous.

MR. SMALLWOOD: We don't bring bills before the House which merely represent a majority. We bring bills affecting education before the House only when unanimously approved by the religious denominations. We do not promote nor do we countenance division between denominational matters so far as concerns education in bringing bills before the House. That would not be sound policy to have legislation here result in a division of opinion between the major denominations who are represented in the Council of Education and who indeed are the Council of Education.

Now I regret my honourable friend, the Leader of the Opposition, expressed even the slight opinion he did express, the opinion that the fac-

tor of major disagreement in Corner Brook is the fact that the School Tax Authority are not elective but appointive—I regret that he expressed that opinion. I think his opinion is wrong. I do not think that that is the major reason for disagreement in those who disagree. I think it is another matter altogether. I am sorry he expressed the opinion. I was hoping there would be no controversy whatsoever in the House, but that the House would merely adopt the amendment at the suggestion, and on the recommendations of the three magistrates and at the request of the school tax authority and with the approval of the top authority, next only to this House the top authority in Newfoundland on education, i.e. the Council of Education.

MR. BROWNE: Mr. Speaker, our reason for asking for an adjournment was so as to have an opportunity of discussing this report of the commission of enquiry, which was distributed during the past week. There are 37 pages in the report here that went into the subject pretty fully. And personally I have not had an opportunity of studying or even skimming through it. And since this Bill arises out of that report I would have liked the opportunity to give more time to it. As it is at the present time, I don't feel qualified to discuss the Bill, but I don't see the third. I wish the Premier were not in such haste to close the House. I cannot understand why he is in such haste. The one I was referring to was the one which refers to the residents of Meadows and Summerside.

MR. CHALKER: The recommendation is there in the Bill.

MR. SMALLWOOD: The honourable gentleman rather frightened me

for a moment. I thought one of the three had been left out. They are all in Sub-section 6—Section (2) of the Bill.

MR. CHALKER: Mr. Speaker, Section 6 is intended to provide that persons employed in a school tax area presently residing, and supporting a school, outside the school tax area shall not be liable for taxes imposed by the school tax authority solely because of employment in the area. That is a recommendation of the commission.

On motion bill read a second time—Ordered referred to a Committee of the Whole House on tomorrow.

Second reading of Bill, "An Act Further to Amend the Education Act."

MR. CHALKER: Mr. Speaker, this Bill provides two amendments to the Education Act. Section (2) states that no school fees of any kind whatsoever shall be charged in any school operated in a School Tax Area in which an order made under the Local School Tax Act, 1954, imposing a School Tax, is in force. If this amendment is not passed, the amendment to the School Attendance Act referring to charges of fees in a school tax area will make it possible for a board to charge a fee which will be in addition to the tax levied by the school tax authority.

The second amendment merely takes cognizance of the fact that the Legislature and not the Lieutenant-Governor in Council votes public funds. In other words the amendment merely corrects an error in the existing legislation.

Mr. Speaker, I move the second reading of this bill.

On motion bill read a second time, ordered referred to a committee of the Whole House on tomorrow.

First Readings:

Honourable the Attorney General asked leave to introduce a Bill, "An Act to Amend the St. John's Housing Corporation Act."

On motion bill read a first time, ordered read a second time on tomorrow:

Honourable the Attorney General asked leave to introduce a Bill, "An Act to Provide for the Payment of Accelerated Pensions to Employees of the Newfoundland Government Transferred to Services of the Government of Canada At the Date of Union."

MR. BROWNE: Mr. Speaker, on a point of order, I wonder if I could again draw the attention of the honourable the Attorney General to this being a money bill, which should be introduced by way of resolution.

MR. CURTIS: May I ask to have that deferred, Mr. Speaker.

On motion first reading deferred.

On motion the House went into Committee of the Whole on various bills.

On motion Mr. Deputy Speaker left the Chair:

Committee of the Whole on Bill, "An Act to Amend the Companies Act."

On motion clause 1 and 2 carried: Clause 3.

MR. BROWNE: Is there any provision in this that companies now existing and having those names may continue using them?

MR. CURTIS: There is nothing to stop them from using them.

MR. BROWNE: I think we will still have companies formed with those

names. They may get permission. I take it the authority will not be unreasonable?

MR. CURTIS: That is right.

MR. BROWNE: I don't think anybody has to have a license from Her Majesty or anything like that?

MR. CURTIS: The only object, as I said, is to keep from duplicating over Canada.

MR. BROWNE: You mean so that any two companies throughout Canada may not have the same name?

MR. CURTIS: If there is any likelihood of there being any conflict.

MR. BROWNE: How are you going to find out what the names of companies are in British Columbia? Is there a registry of companies.

MR. CURTIS: Actually our agreement is not to deal with provinces but with Ottawa. And our agreement is with the Secretary of State for Canada.

MR. BROWNE: I suppose the Canadian Government has a list of their companies.

MR. CURTIS: Federal, of course. We don't want companies over the Dominion using the name "Newfoundland" without consulting us. Why should they use our name if they are not going to come here?

On motion Sections 3 through 7 carried: Part VI:

MR. BROWNE: There is no definition of what carrying on business means. This section here says, "Every Domestic and Foreign Company having gains for its object or part of its object and carrying on business in Newfoundland shall be registered under this Part within thirty days

after commencing business in Newfoundland." What is meant by "carrying on business"? Does it mean that it has an agent or it has a store or that it sells goods through some arrangement?

MR. CURTIS: I would think a company would be carrying on business here who made any contract within Newfoundland at all. In other words, I don't think a company would be carrying on business here if it were outside and people sent mail orders to it. I don't think that is carrying on business. But if it had an agent and contracts were made here it would be carrying on business. I think in a case of a dispute it would be a matter the Court would have to decide.

Mr. Chairman, I have an amendment to Section 258—a copy of which I will give to Mr. Clerk. The amendment will read 258—

(1) Every domestic and foreign company having gain for its object or part of its object

(a) which carries on business in Newfoundland shall be registered under this Part within sixty days after this Part comes into force; or

(b) which commences business in Newfoundland after this Part comes into force shall be registered under this Part within thirty days after commencing business in Newfoundland.

The distinction is between companies which are now carrying on business and which may in future carry on business. I don't know whether thirty days should be enough or not. Perhaps we ought to make it sixty days. We had better make sixty days, Mr. Chairman.

On motion clause as amended and carried.

On motion Clause 259 carried; Clause 260:

MR. CURTIS: The honourable the Premier is moving this amendment, Mr. Chairman—Deleting Sub-Section 3, which reads: "the statement shall be accompanied by a copy of the charter and regulations of the company verified in a manner satisfactory to the registrar. Instead of that the motion is that this sub-section be deleted and add a new section, which reads as follows:

(a) a copy of the charter and regulations of the company verified in a manner satisfactory to the registrar; and

(b) a statutory declaration by a solicitor of the Supreme Court that this section has been complied with and the registrar may accept the declaration as sufficient evidence of compliance with the requirements of this section.

Mr. Chairman, I think that is an amendment which will commend itself to the House. It really just puts foreign companies under the same heading as our own.

On motion Section 260 carried.

On motion, Section 261 through 268, carried.

MR. BROWNE: Wait a minute—Every foreign company to which this applies shall

(a) paint or affix, and keep painted or affixed, its name on the outside of its head office and every other office or place in which it carried on its business in Newfound-

land, in a conspicuous place, in letters easily legible; and

Suppose a company has an agent and has a firm of solicitors—where would the office be?

MR. CURTIS: Well, where its agent is its office would be. If it has a registered office with a firm of solicitors its registered office would not be there.

MR. BROWNE: But it says "head office"—The head office would not be here.

MR. CURTIS: I think this is a protection—This is uniformity of legislation. It is not exactly uniform but is copied from the most suitable, I think, probably Ontario.

MR. BROWNE: I don't know how far it is going to make an agent or solicitor responsible for what the company does.

MR. CURTIS: I don't think it does at all.

MR. BROWNE: You know if we have a company and we are assisting them and representing and assisting them to lend money here—and a good many solicitors are in that position—but it could hardly be called their head office or even their office—They are not paying any rent. They are paying fees for work that we do for them. At the same time I don't suppose that we can be liable for city taxes.

MR. CURTIS: I will give thought to that before third reading, Mr. Chairman.

On motion sections 269 and 270 carried.

MR. CURTIS: Mr. Chairman, in section 271 the honourable the Premier wants to make an amendment to the first line sub-section (3) "a dir-

ector, officer or solicitor of the company shall certify the contents of any return made under this section." The amendment is to add the word "solicitor."

MR. BROWNE: Mr. Chairman, on page 16, sub-section (4)—could we not say a fine not exceeding five dollars for every day, etc. The solicitor may be ill or out of the country or engaged in an election or something of that kind and forget it. Amendment that the words "not exceeding" be inserted in the fourth line between the words "fine" and "of."

On motion clause as amended carried.

MR. BROWNE: All these insurance companies doing business here have to become registered now? Arthur Johnson is going to have a busy time,

MR. CURTIS: A good man to have it. These are all protections. There is no reason why people should come here and use our facilities and make money in Newfoundland. We found that our companies, the companies we started here, such as the Cement Company and the Gypsum Company, before they could do business in Toronto had to go and register and go through all this. We decided it was only fair they should do the same thing when coming here—What is sauce for the goose is sauce for the gander.

On motion section 272 through 279 carried.

MR. CURTIS: Mr. Chairman, I was going to ask the Premier to strike out the last two lines, that no such company shall be required on registration to pay more than two hundred dollars. We may be limited by the Tax Rental Agreement, but in view of the fact that our companies have to pay more,

I am hoping we may be able to collect more fees.

On motion 280 carried: 281 through 288 carried. Clauses 8 and 9 carried.

MR. BROWNE: This is going to be very unpopular with the companies.

MR. CURTIS: Well we have never kicked about having to do it everywhere we go outside.

Motion, that the committee report having passed this Bill with some amendments, carried.

Committee of the Whole on Bill, "An Act For the Protection of the Water Supply From Larkin's Pond and Other Contiguous Lakes."

On motion, the committee was ordered to report having passed this Bill without amendment.

Committee of the Whole on Bill, "An Act Respecting the Appointment of Commissioners to Enquire Into the Present Use of a Wharf Constructed in the Harlour of St. John's During the Second World War and To Make Recommendations as To The Future Use of the Wharf."

On motion, Clauses 1 and 2 carried. Clause 3:

MR. BROWNE: Is not eight months a long time?

MR. CURTIS: My feeling was that we should have the recommendations for the next session of the House, because any corporation which would be created to look after it might have to be created by the House.

MR. BROWNE: Why call it the right-of-way? A right-of-way means that someone has a right to go over somebody else's property.

MR. CURTIS: I think that word is poorly chosen. It was always referred to in the old days as the "approach."

MR. BROWNE: Is not that what they are to find out? What should be done about this property as far as a public right-of-way down the whole South Side is concerned?

MR. CURTIS: That is the idea. The idea of the legislation is to stop anybody barring that up, and having a full enquiry so we may know best how to handle it. I don't think there is any question of closing it. The only question is who is going to repair it. John Jones has a piece of property which up to now he has repaired at his own expense. He has to keep the property in repair. Why should he do so that people might pass over it to give business to the next person? The idea is that the commission will go into the whole matter and work out a programme agreeable to all. And I would hope we may make this retroactive to the date of this.

MR. BROWNE: I took that right-of-way to mean the right-of-way coming from the South Side. I now realize what is intended is the right-of-way along the wharf.

MR. CURTIS: Suppose we take out "right-of-way" and say: "make recommendations as to the future use of the wharf and the access thereto."

MR. P. J. LEWIS: Suppose St. John's is constituted a national harbour? Suppose next year the port of St. John's were constituted a national harbour by the National Harbour Board, then all this is abortive, because if they wish to constitute the jetty on the South Side a public wharf for the purpose of extending the railway they could do it and nobody could stop them.

MR. SMALLWOOD: If it becomes a national harbour—They can do that any time they like. It is not likely to become a national harbour.

MR. LEWIS: I am not saying it would—but if it did, they then would have jurisdiction over all the jetties and all the wharves and the whole business.

MR. CURTIS: This is only a temporary thing.

MR. LEWIS: It does not seem sensible to pass legislation which on the face of it—

MR. SMALLWOOD: It has passed the Cabinet. It is a party measure brought here to the House by the Cabinet. The principle has been adopted at second reading. I doubt it is in order to discuss it now in Committee of the Whole.

MR. CHAIRMAN: That is right. It is out of order.

MR. CURTIS: Perhaps we might strike out the word "Right-of-way" and substitute approach thereto.

On motion clause as amended carried.

Motion, that the committee report having passed the Bill without amendment, carried.

Committee of the Whole on Bill, "An Act Further to Amend the Public Works Act."

MR. BROWNE: Mr. Chairman, here is a bill introduced here the other day to define the words "municipal authority," and here is a bill now confiscating people's property for the benefit of anybody. And I object to it, and I think certainly it is a wrong thing to do in committee.

MR. CHAIRMAN: I think the committee has to take the first bill,

and if it wants an amendment, will have to amend that.

HON. E. S. SPENCER (Minister of Public Works): Mr. Chairman, if it is out of order I won't have anything else to say. I don't want to be out of order—Enough people are out of order. I do want to clarify this point, Mr. Speaker. The idea merely was this—after we presented the bill somebody came forward suggesting that we should put in two additional sections merely to help clarify the expropriation clause, and we asked permission to have it put in the other day. At that time while in committee on this bill, we decided there would be another reprinting for some reason or other, not that it has any further meaning but simply changes the form—if because of that it appears we are slipping something over, there is absolutely no intention in the world of doing that. It is merely a matter of clarifying that clause. However, if the committee now decides that be withdrawn, we in Public Works are perfectly satisfied, but would ask the possibility of having sub-sections (3) and (4) added to that bill. Actually to Section 21, page 146, Department of Public Works Act, 1952.

(3) For greater certainty it is hereby declared for the express use of Her Majesty in right of Newfoundland or of the public in sub-section (1) including use by or on behalf of Her Majesty or by any other person for road purposes including the construction, repair, and widening of roads, for agricultural purposes and for tourist purposes including the construction and operation of a tourist establishment and defined in the Tourist Establishment Act."

Now that is the proposed sub-section (3).

"(4) Subject to the approval of the Lieutenant-Governor-in-Council the Minister may sell, lease or otherwise dispose of any land acquired under this section for such case and on such terms and conditions and for such considerations, if any, as the minister deems fit."

These are the two amendments.

MR. HOLLETT: Does that mean that you may expropriate land for the benefit of the Tourist Industry.

MR. SPENCER: For public purposes.

MR. HOLLETT: The Tourist Industry. In other words, take a piece of land now owned by a person may be expropriated and given to somebody else who has also received a loan from the Government to build a tavern, if you like.

MR. SPENCER: It is hardly likely in that sense.

MR. HOLLETT: There is no question of likely—That can be done, is not that correct?

MR. SPENCER: No minister would authorize it.

MR. HOLLETT: The Act is there to give you authority. If that is the intention I personally am very much opposed to it.

MR. SMALLWOOD: Leave out "tourist" altogether. Just roads and agriculture—That is enough. These are good reasons for expropriation of land. I don't know how that got in there, frankly.

MR. CURTIS: We were asked to put it in.

MR. BROWNE: Mr. Chairman, we have here now two sets of amendments. We have this, which the min-

ister of Public Works requests to be passed, and we have this that somebody else.

MR. SMALLWOOD: Forget that—tear it up.

MR. CURTIS: It is the same thing only worded differently.

MR. BROWNE: But here is a bill which I know to be of vital importance, and I don't think it should be rushed through without giving it proper consideration. I must say I, as a lawyer and know what is involved in this, must request that it be adjourned until Monday for consideration of these amendments.

MR. CHAIRMAN: Regarding the second printing, the second printing does not exist as far as the committee is concerned. The committee is debating clause (3), the new amendment.

MR. SMALLWOOD: As a matter of fact, Mr. Chairman, I don't know whether any of that amendment is necessary. Surely we can appropriate land for roads or agriculture. The Attorney General says, not for agriculture. This adds agriculture.

MR. BROWNE: The Government can appropriate land for its own purpose.

MR. SMALLWOOD: Here we want to expropriate land for agriculture. We can already do it in another Act for industrial purposes. We could strike out all references to tourists, then it should be a reasonable thing.

MR. HIGGINS: Yes, if we strike out all reference to tourists.

MR. CURTIS: If the committee would only accept the new printing. It is exactly the same thing only the wording is a little better.

MR. BROWNE: All we ask is that we be given time to consider it over the weekend. That is not unreasonable. I know this is a very important thing and should not be rushed through.

MR. SMALLWOOD: I have no objection. I won't be here on Monday.

MR. HIGGINS: Is the local roads policy envisaged within the scope of this?

MR. HOLLETT: I have not yet seen a copy. Why rush it through? My honourable friend on my right requests until Monday to study the thing. Surely goodness he is entitled to that much courtesy.

MR. SMALLWOOD: Let it stand.

MR. BROWNE: May I say, I believe there are other amendments on the Statutes, passed last year, on this very section. Therefore, it has not been mentioned in the Bill and I want to see how it fits in with this.

MR. SMALLWOOD: I think it is making a mountain out of a molehill. If it is thought we are trying to railroad it, I move the committee report progress and ask leave to sit again.

On motion, committee ordered to report progress on this Bill and ask leave to sit again.

Committee of the Whole on Bill, "An Act to Amend the Act to Provide For the Transportation of Timber Over Streams and Lakes, and For Other Purposes in Connection With Other Lands."

Motion, that the committee report having passed this Bill without amendment, carried.

Committee of the Whole on Bill, "An Act Respecting the Distribution of Electricity in the Grand Falls, Wind-

sor, Bishop's Falls and Botwood Areas."

On motion, clause 11 amended by leaving out the word "on condition" in the side title:

Motion, that the committee report having passed this Bill without amendment, carried:

Committee of the Whole on Bill, "An Act To Amend The Local Authority Guarantee Act, 1952."

MR. BROWNE: Does this mean that the minister or the Government has given guarantees to local councils between the last session and this one and now wish to be indemnified? Is that the position? The minister was kind enough to give a list of 62 councils who have received various amounts up to \$266,000.

MR. SMALLWOOD: That was grants, this is not.

MR. HEFFERTON: Mr. Chairman, I might say the Council of Windsor, \$800,000 had tantamount to that commitment we are approving — They had to go ahead and make preliminary arrangements.

MR. BROWNE: Have they actually raised the money yet?

MR. HEFFERTON: Their bond issue? Not yet.

MR. BROWNE: They cannot do it without this.

MR. BROWNE: Was there a question of a definite amount for Lewisporte?

MR. HEFFERTON: Yes, \$35,000—Last July they got that loan.

MR. BROWNE: By a guarantee, from the bank?

MR. HEFFERTON: That is right.

MR. BROWNE: Now this \$180,000 is extra?

MR. HEFFERTON: That is right.

MR. BROWNE: This is the same principle as in connection with tourists, having given them a guarantee—I must say it seems to me to be wrong to do that.

MR. BROWNE: Placentia, is that a new one?

MR. HEFFERTON: We passed last year, sixty thousand dollars. They have not taken it up yet. We are putting twenty thousand on to it.

Motion, that the committee report having passed this Bill without amendment, carried:

Committee of the Whole on Bill, "An Act to Amend the Tourist Development Loan Act."

MR. HIGGINS: How does the department check?

MR. SMALLWOOD: All vouchers, all receipts are produced. We have auditors going over every one of these as well as inspectors and engineers. We have a good organization. We felt we had to. We are going to have probably as much as that again next year and probably again the year after. And with dozens of people scattered about the Island financed at least as to half by us, naturally we have to have a pretty good system of checking and we have.

Motion, that the committee report having passed the Bill without amendment, carried:

Committee of the Whole on Bill, "An Act To Provide For the Establishment and Administration of Local Road Boards."

MR. CURTIS: I would make one amendment there, Mr. Chairman, in 2 (c)—after the word "elected" insert the words "or appointed."

On motion clause 2 as amended carried. Clauses 3 through 18 carried.

MR. CURTIS: Before adjourning, Mr. Chairman, I would like to say that when we come to clause 34 I have an amendment to make. I am tabling it now so that honourable members may have a chance to look at it in the meantime. Actually, Mr. Chairman, it is really a clause to preserve the existing local road boards because otherwise this Act might not come in to full operation for a long time.

MR. BROWNE: That is what I said before.

MR. CHAIRMAN: It being now 6:00 o'clock I do leave the Chair until 8.00 P.M. of the clock.

NIGHT SESSION

The House resumed at 8:00 of the clock.

Committee of the Whole on a Bill, "An Act To Provide For the Establishment and Administration of Local Road Boards."

MR. CHAIRMAN: The committee was considering clause 19.

MR. BROWNE: I was going to ask, Mr. Chairman, if this money was going to be allocated in the exact proportion to the population?

MR. SMALLWOOD: No.

MR. BROWNE: Include St. John's, say 70,000 and Corner Brook 20,000?

MR. SMALLWOOD: It does not include Corner Brook. We have a special arrangement—There is a special grant to Corner Brook to assist them.

Quite apart from that there was a special grant towards the maintenance of the city Government.

MR. BROWNE: Say there are a hundred thousand people to come off the four hundred thousand, will the money then be divided in proportion to the three hundred thousand population?

MR. SMALLWOOD: We just deduct some of the population, and what is left divide into seven hundred thousand, and that makes a per capita sum.

MR. BROWNE: Because, as the Premier knows, and the honourable member for Harbour Main, the way it used to be done, the population used to be taken exactly in proportion to the amount of money, one place one hundred, another place two hundred and another place five, hundred, in proportion.

MR. SMALLWOOD: I think before it was divided by districts. The Government voted a total and that was divided by districts and the members for the districts determined how much of the district money went to certain settlements in that district.

MR. BROWNE: My recollection was every settlement got a proportionate part of the money allocated.

MR. SMALLWOOD: I don't think that was so. Each part of the district got what the member for the district decided it would get, and it was left to his judgment. Each district got its proportion.

MR. BROWNE: So it mostly worked out according to the proportion. Is it the definite and positive intention that this money will be spent in that way?

MR. SMALLWOOD: The answer to that is yes. I said that when I introduced the Bill.

MR. BROWNE: Now the rates of pay are going to be determined by the Minister. Does that mean there may be variations. How are you going to determine it?

MR. SPENCER: On the standard of rates all over the island. At the present time it is 70c an hour. That is applicable all over Newfoundland.

MR. BROWNE: You cannot get people to work for 70c an hour in Corner Brook, for instance.

MR. MURRAY: They are mad to be at it.

MR. BROWNE: Mostly men over sixty-five and seventy.

MR. SMALLWOOD: Yes—There is not much else for them to earn.

Clauses 19 through 33 carried.

MR. CURTIS: I gave notice Mr. Chairman, before the committee rose, that there was an amendment to be made to clause 34, but the minister has not seen fit to bother with it. I would move that clause 34 be renumbered 35 and that the following be inserted as clause 34.

Clause as read by Mr. Clerk.

34. (1) Subject to this section, the Minister may declare a local road committee appointed by him before the passing of this Act for the maintaining of local roads and holding office at the date of passing of this Act to be a local road board.

(2) If the Minister declares a local road committee to be a local road board subsection (1) he shall

- (a) issue a certificate under Section 6;
- (b) subject to subsection (5) of Section 4, appoint a sufficient number of persons to bring the board up to the number which he determines the board shall consist of, and
- (c) subject to paragraph (b), appoint the members of the local road committee to be the first members of the board,

and a board appointed under this subsection shall function under this Act as if it had been elected under Section 4 and subject to this section, for that purpose the provisions of this Act shall apply mutatis mutandis to the board so appointed.

(3) The members of a board appointed under subsection (2) shall hold office in accordance with Section 9 as if they had been elected under Section 4 and until an election is held or the members of the board are appointed under Section 9.

(4) The chairman of the local road committee referred to in subsection (1) shall be the chairman of the board appointed under subsection (2) and for the purpose of Section 8 the chairman shall be deemed to be the member who received the highest number of votes in the election referred to in subsection (2) of that section.

(5) The board appointed under subsection (2) shall hold a meeting within one month after its appointment and at that meeting shall appoint a vice-chairman.

(6) When a new board is elected or appointed under Section 9 to replace a board appointed under subsection (2) of this section the number of persons who shall make up the new board shall be not fewer than three and not more than five as the meeting

or the Minister, as the case may be, decides.

MR. HEFFERTON: Mr. Chairman, I wonder would it help any, or would I be permitted to explain the reason for this amendment?

This amendment has been drafted by members of the Attorney General's Department at our specific request. The whole reason for this amendment, written on two sheets now, is simply, if we do not have authority to accept road boards that are actually in operation now at the present time, then under this new local road Act we are putting through, these people will have to publish a notice—first of all they will have to give notice or a meeting, call a public meeting and elect their members. And our thought is that this will absorb so much time that it will make practically impossible for local road boards to operate this year, at least very early in the year. There are over six hundred boards in actual operation. Some of them we would not deem advisable to reappoint as they have not been efficient. But where they have proved their efficiency we would be very happy to recommend they carry on until such time as a new board is elected. That is the only purpose for this amendment, Mr. Chairman. That is all it amounts to—just so that we can get these existing working and functioning this year. There is no other reason for this. I feel that explanation should help the committee to understand it.

MR. HOLLETT: We on this side of the House are in perfect accord with that amendment. I think it is a very good idea. That amendment is absolutely necessary and essential for the smooth running and smooth operation of this scheme.

MR. BROWNE: Well, I feel, Mr. Chairman, when the new boards are appointed the rest of the functions outlined in the bill will have to be carried out. They will have to make out their programmes and send them in to the minister, etc. The money won't be thrown at them, in other words.

On motion clause 34 as amended, carried.

MR. BROWNE: There seems to be an enormous amount of legislation here, especially this last few days, to be given consideration. It does seem reasonable that where a body functions and functions efficiently it should be given the appointment, I would not say for two years, but for a brief period, until this is confirmed by a vote of the necessary number of voters in the area. I don't know how it is going to fit in with other provisions in the bill, but in itself this section seems to be very good, and we support it.

Motion, that the committee report having passed the bill with some amendment, carried.

Committee of the Whole on a Bill, "An Act to Incorporate the Newfoundland Association of Architects."

Mr. Norman, Chairman of Committee of the Whole.

MR. J. R. COURAGE: It will be remembered that I have explained the recommendations of the committee that studied this bill and agreed to by the petitioners themselves. Since that time I have also had a copy typed of the amendments, and they have been incorporated in a new printing. And the new printing does not in any way change the principle of the bill at all. If the committee is in agreement, I think it would be agreeable to consider

this second printing, which was substituted, I think, yesterday.

On motion clauses 1 through 6 carried. Clauses 7 through 25 carried.

MR. COURAGE: This was one of the clauses which were changed a little. This is to permit certain other members to come in.

Amendment to clause 26, sub-clause (K), on motion, stricken out.

Clause (1) becomes Clause (K): On motion Clause 26 as amended, carried.

Clause 27 through 29 carried. Clause 30:

MR. SMALLWOOD: "Any architect who wilfully makes any false certificate in respect of the costs, value and condition of any work or building shall be guilty of an offense and, in addition to being liable to damages for any injury or loss thereby suffered shall incur a penalty not exceeding \$100.00." A hundred dollars for a man making a wilful false oath. He should go to jail.

Motion, that clause 30 be amended by deleting \$100.00 at the end of the clause and inserting \$1,000.00 carried:

On motion Clauses 30, 31, carried.

MR. BROWNE: But the courts may order costs against the plaintiff or that each side bear the costs. — I think that should be left out.

Motion, that the words "with costs of the suit," in the third line of Clause 32 be deleted, carried.

On motion clause 32 as amended carried.

On motion Clauses 32 and 34 carried:

Motion, that the committee rise and report having passed this Bill with some amendments, carried:

Mr. Deputy-Speaker resumed the Chair:

MR. G. NORMAN: Mr. Speaker, the Committee of the Whole has considered the matters to it referred and have passed the following bills with some amendment:

A Bill, "An Act to Amend the Companies Act."

A Bill, "An Act Respecting the Appointment of Commissioners to Enquire into the Present Use of a Wharf Constructed In the Harbour of St. John's During the Second World War and to Make Recommendations As To The Future Use Of The Wharf."

A Bill, "An Act To Provide For the Establishment and Administration of Local Road Boards."

A Bill, "An Act to Incorporate the Newfoundland Association of Architects."

On motion report received—Bills ordered read a third time on tomorrow:

MR. NORMAN: Mr. Speaker, the Committee of the Whole has considered the matters to its referred and has ed the folowing bills without amendment:

A Bill, "An Act For The Protection of the Water Supply From Larkin's Pond and Other Contiguous Lakes."

A Bill, "An Act Respecting the Distribution of Electricity in the Grand Falls, Windsor, Bishop's Falls and Botwood Areas."

A Bill, "An Act to Amend the Tourist Development Loan Act."

On motion report received. Bills ordered read a third time on tomorrow.

HON. G. J. POWER (Minister of Finance): asks leave to Move the

House into a Committee of the Whole to consider Certain Resolutions in Relation to the Guaranteeing of Certain Bonds or Debentures for the Guaranteeing or Advancing of Certain Loans:

MR. SMALLWOOD: Mr. Speaker, may I ask Your Honour's guidance as to the proper procedure. I propose to move the House into committee of the Whole to consider certain resolutions. The resolutions, of course, are in one sentence, i.e.—"that it is expedient to bring in a bill to provide for the guarantee of the repayment of bonds or debentures etc. in an amount of ten million six hundred and seventy-two thousand five hundred dollars—When and if the House goes into Committee of the Whole on these resolutions, how much debate can there be, and if that is by arrangement and by agreement amongst the honourable members, and is rather extensive, then how proper would it be to have an extensive debate in the latter stages on the bill? In other words, here are resolutions and here is a bill—Upon which of the two would the debate, the detailed debate take place? Because it seems to me, Your Honour, that there cannot be a debate on both, and that once a thing has been debated it cannot again be debated. I think that is a fairly firm rule of parliament. So I would seek Your Honour's guidance in this matter.

MR. BROWNE: Mr. Speaker, may I rise to a point of order. It is not customary to ask a hypothetical question of Mr. Speaker. He is not supposed to give answers to hypothetical questions. The second thing that the procedure on resolution is well set—The motion that the House go into Committee of the Whole to consider resolutions is a debatable motion. When the House gets into committee you have a resolution before it, and

it is debatable as long as anybody wants to speak and as often as anybody likes. I have right here now the Hansard of the House of Commons of Ottawa for April 22, where the Honourable Robert Winter, Minister of Public Works moved the House to go into Committee to consider resolutions to deal with provisions for contributions to municipalities etc. And the debate went for 37 pages of Hansard. Then on second reading it is debatable again, and on going into Committee of the Whole House. But who wants to be repetitious? I don't think we want to do that here. But the purpose of the resolution stage is to explain to the House what it is so that we go into second reading prepared. Honourable members know that usually we have second reading and we are not prepared to debate and the result is no proper discussion.

MR. SPEAKER: The honourable and learned member for St. John's West rose to a point of order and then proceeded to debate the question put by the Premier to the Speaker. I don't think it is actually a hypothetical question. I think he asked for guidance.

I have given some thought to this since I have had these resolutions yesterday. And I have looked through May and Beauséjour on the subject. I cannot find anything that would help me whatever in answering the question. So I presume there is much in what the honourable member for St. John's West said regarding the point that in committee on resolutions it is customary to debate the resolutions and what is in the resolutions. On the other hand honourable members would be governed by the rule against repetition. In other words an honourable member having raised a point and debated that certain point on the resolutions

would not want to debate that point again in Committee of the Whole. That would be repetition, would it not? I hope that will help the honourable member. There is no hard and fast fixed rule on the matter that I can find.

On motion Deputy Speaker left the Chair.

Resolutions read by the Clerk.

MR. SMALLWOOD: Mr. Chairman, there is not much I can say about these resolutions beyond this—During the year past, since the last regular session of the House the Government have been called upon by various school boards and school authorities and by various financial firms and by various industrial firms and by various other people asking them to guarantee loans to such concerns at one bank or another, to enable them to establish schools or to enlarge their schools, to establish housing accommodations, because some of it is for housing—approximately a million dollars of it is for housing; to establish hotels, to establish rinks, to establish ferries and to increase the working capital of some of the new industries.

The Government guaranteed these loans at various banks and now wishes to bring in a bill outlining all of the loans, and which bill, if passed, would give the Government the authority to implement, to legalize the guarantees of the Government during the year for these various loans. Of course if the committee adopts these resolutions the bill will be brought in, and the bill will be specific. And I will be able to give a great deal of information and a great deal of detail on the matter, and the House then would be able to debate the matter quite thoroughly.

Mr. Chairman, I move the resolutions.

MR. BROWNE: Mr. Chairman, I think the Premier ought to give us that information in his speech now. Here is a resolution to amend the Loan and Guarantee Act of 1954 to provide for the guarantee of the repayment of bonds or debentures issued by the guarantee of the repayment of loans made to, and the advance of loans to certain persons, companies and Boards of Education, the sum of such guarantees and loans amounting to ten million six hundred and seventy-two thousand five hundred dollars (\$10,672,500)—nearly eleven millions of dollars.

Since the House closed last year the Government have gone to the banks, I don't know how many times, and said—You give a loan to John Jones and give a loan to John Smith Brothers Company and give a loan to the Millertown School Board and give a loan to the industry over in Harbour Grace or in Carbonear or in Holyrood. We will guarantee it. And we guarantee to come in to the House and get legislation passed in favour of these guarantees.

Now, Sir, last evening the Honourable Leader of the Opposition drew to the attention of the Government the clause of the Revenue and Audit Act which is supposed to prevent this very thing. In my opinion there should be some explanation from somebody on the other side of the House. I am sorry the Minister of Finance is not here because it comes under his department—

The Comptroller shall see that no payment or commitment for the payment of any public monies is made—

- (a) for which there is no direct legislative appropriation;
- (b) for which no other appropriation has been provided pursuant to this Act;
- (c) which is in excess of any portion of such appropriations; or
- (d) which is in excess of such sums as may have been deposited with the Government of the province in trust for any person,

and he shall report to the Board any case which comes to his notice in which liability has been incurred by any minister, deputy minister or other officer or person which contravenes the provisions of this Act and the Board may take such action in the matter as it deems necessary.

Now, Sir, every year the House makes an appropriation of monies. We voted here in the past week or ten days monies under the fourteen or fifteen different departments of Government for the financing of the expenditures of the government on current account for the next twelve months. And we are now ready to go into committee to consider an appropriation on capital account. And last year the total expenditure on current account which was voted was \$38,369,900 and on capital account \$21,280,000, nearly sixty millions of dollars. And on top of that the Government now comes in and asks for guarantees in regard to nearly eleven million dollars more. How long can this country stand expenditure at this rate? This is a most extraordinary situation, that after voting the government sixty million dollars last year they now come in and tell us that during the year they had guaranteed the sum of nearly eleven million dollars. I say, Sir, that it is not only unconstitutional but it is certainly

very unwise for the government to go to these lengths. The government seems to be an easy mark for everyone that comes along, and the result is that they have incurred commitments, they have gotten into things and they cannot help themselves. With certain of these industries they have to give money to keep them going—and they are pouring a lot of it down the drain, never getting it back. I have one right here I was looking at just before the House opened this evening, in connection with the Superior Rubber Company. I think I saw it referred to in the Auditor General's Report. Where is the thing going to stop? The government have certainly committed themselves up to their neck, and the financial condition of the country seems to me has been jeopardized with expenditures at that terrific rate, going on to seventy million dollars a year. A few years ago we were down to very much less than half of that. And the seventy millions cannot be said to be an indication of prosperity. It is an indication of bad judgment. And many of these commitments that have been made now have been unwisely made and not sufficiently protected.

I have not heard it said whether in connection with some of these fishery companies, Fishery Products Limited, for example, which has, I believe, nearly five million dollars in loans, and sinking fund is provided. And it seems to me that where a loan is made, such as the loans to Fishery Products Limited, say the one on the first of June 1954 for one and a half million dollars—

MR. SMALLWOOD: Mr. Chairman, to a point of order. I cannot see anything here in these resolutions which mentions Fisheries Products Limited nor Superior Rubber Company.

MR. BROWNE: No—But they are there just the same.

MR. SMALLWOOD: I see no reference whatsoever to them in these resolutions. And I am wondering, quite frankly, to what extent common sense will allow detailed debate on these industries, fish companies and the like, that are not named here at all in the resolutions. If the resolutions went further and stated an amount opposite the name of each of these companies I could well understand a detailed debate with these companies being brought into it. But the resolutions are in the most general terms. Then a bill is to be brought in. The bill itself obviously contains all these names and amounts necessitating detailed debate. But in the resolutions no company whatsoever is named. Now if my honourable and learned friend is in order in mentioning any company whatsoever—there is no company named here—and if he can name one or two he can name a hundred or five hundred. He can go right on through every company operating in Newfoundland today, as so far as these resolutions are concerned.

MR. BROWNE: No, Mr. Chairman, before you give any ruling you have to listen to this side in answer to that point of order.

MR. CHAIRMAN: I was just thinking that myself.

MR. BROWNE: You cannot give a ruling until you hear us on that point of order.

MR. CHAIRMAN: I am hearing the honourable member and interpreting him. He will hear me too. I will hear the honourable member out.

MR. BROWNE: Yes—The Premier said; if I wished to mention the af-

fairs of any company in Newfoundland I could do so. Obviously I am not going to mention any company in Newfoundland, I am only going to mention the ones concerned with this guarantee.

MR. SMALLWOOD: We will deal with them in the bill not on the resolutions.

MR. BROWNE: Mr. Chairman, the Premier is not entitled to direct this debate the way he wants it. He has no right to tell you what way the debate should be carried out.

MR. CHAIRMAN: The Chairman knows that. I have been in this Chair seven years. I know.

MR. BROWNE: I know. But he wants it conducted in his way.

MR. CHAIRMAN: I would like the honourable member to confine his remarks to the point of order.

MR. BROWNE: Mr. Chairman, the point of order is this: The Premier says we may not discuss anything not included in these resolutions. No persons to whom monies are being guaranteed are named. We cannot make any reference to anybody. I submit, Mr. Chairman, here is a resolution which will authorize the Government to introduce a bill to guarantee nearly eleven million dollars, and eleven million dollars is not peanuts—that is big money in anybody's language.

MR. SMALLWOOD: Mr. Chairman, is this the point of order?

MR. BROWNE: We must get information, Mr. Chairman. If they won't give the information then it is our duty to bring it up.

MR. CHAIRMAN: This is rather a difficult point for me to make. Far be it from me to throttle free speech.

MR. HOLLETT: Mr. Chairman, I would like to speak on that point of order.

MR. CHAIRMAN: Very well. The honourable member will confine his remarks to the point of order.

MR. HOLLETT: Mr. Chairman, the point of order is that we are not allowed to name companies in connection with this resolution.

MR. CHAIRMAN: No that is not right.

MR. HOLLETT: The resolution is that it is expedient to bring in a measure further to amend the Loan and Guarantee Act, 1954, the Act No. 59 of 1954, to provide for the guarantee of the repayment of bonds or debentures issued by, the guarantee of the repayment of loans made to, and the advance of loans to certain persons, companies and Boards of Education, the sum of such guarantees and loans amounting to ten million six hundred and seventy-two thousand five hundred dollars.

Now if it is expedient to bring in a measure we must be given some reason why it is expedient. The honourable the Premier neglected to tell us the names of the companies.

MR. SMALLWOOD: I have told why the government have—In fact I said that since the last general assembly, except for the special one, the Government have in fact met their requests, firms, individuals, school boards, met their loans at the bank, and now seek legislative indemnification. I gave that as the reason.

MR. HOLLETT: I then quoted section 42 of the Audit and Revenue Act.

MR. CHAIRMAN: Order—Section 42 does not have anything to do with

this. If the honourable Leader of the Opposition will let me. I just want to make this point. These are resolutions to bring in a money bill. The resolutions call for the advancing of loans to certain persons and companies up to a certain amount. Therefore it is in order to discuss these resolutions. But I don't think it is in order to go into a discussion on the firms that are not mentioned in the resolutions.

MR. BROWNE: That is it—There is nothing mentioned in the resolutions—

MR. CHAIRMAN: Please do not interrupt the Chair. The honourable member knows that is out of order.

MR. BROWNE: Mr. Chairman, may I speak to a point of order.

MR. CHAIRMAN: I am giving a ruling on a point of order now and am being interrupted. I want to make this point—There will be sufficient opportunity given.

MR. BROWNE: No, Sir.

MR. CHAIRMAN: And these companies will be named in the bill when brought in. At the present time I am not able to say, as I sit here, what these loans are for. I do not know what companies they are for. I take it that when the bill is brought in these companies with the amounts opposite will be named. As far as I am concerned any company in Newfoundland might be named and discussed if I permitted discussion on any companies. I don't know. There is nothing to say. While discussing Bowring Brothers or Royal Stores or some other companies I do not know, but we will see these when the bill comes in. They will be put down in black and white, therefore I am only going to allow discussion on the resolutions. I am not going to al-

low a discussion on companies at this point.

MR. BROWNE: Mr. Chairman, you are entirely wrong—with all due respect—I have here, Sir, the debates of the House of Commons.

MR. CHAIRMAN: You cannot debate the House of Commons here.

MR. SMALLWOOD: Mr. Chairman, to a point of order. The point of order is—Is it in order for any member to debate Your Honour's ruling?

MR. CHAIRMAN: No, I have given the ruling. Order—I have given the ruling and it is not debatable. I have given it.

MR. BROWNE: Mr. Chairman, I dispute your ruling, and I ask that the Speaker be called to rule upon it. I ask that this debate be adjourned until the Speaker is called to rule upon it.

MR. CHAIRMAN: I am not going to agree to that, and don't have to agree to it. I am acting as deputy-speaker.

MR. BROWNE: You shall have to agree. You are acting in two capacities. You cannot logically act as speaker and chairman at the present time.

MR. CHAIRMAN: If the honourable gentleman knows as much as he thinks he knows—An appeal lies from the Chairman of Committees to the House. And I can put it to the House not to the Speaker. Mr. Speaker is ill at the moment and may not come back during the session. Therefore I am not going to grant the request. It is preposterous. When a ruling of the Chairman is disrupted, the committee may be raised. And I will take

the Chair. Then the motion is put before the House—But not to the Speaker, certainly. Will the honourable member make a motion that the committee rise?

MR. BROWNE: Mr. Chairman, I move the committee rise and get the opinion of the House upon the ruling which the Chairman has given.

MR. SMALLWOOD: Mr. Chairman, it is a matter of challenging Your Honour's ruling, and could be done right now without the committee rising.

MR. CHAIRMAN: No. The House must deal with it.

Motion, that the committee rise, and beg leave to sit again presently, carried.

Deputy-Speaker resumed the Chair.

MR. BROWNE: Mr. Speaker, while the House was in committee of the Whole dealing with a certain resolution, and while I was speaking on this resolution I was referring to the report of the Auditor General, where he set out certain additional bank loans which has been guaranteed by the Government since the last financial year—When the Premier was speaking he gave us no details at all, but said he had retroactive requests for loans to certain persons and companies and boards of education. I took down his words. The words he used were—"From financial firms, from industrial firms and for working capital for the new industries, for housing, which amounted to a million dollars, for hotels and and for certain ferries"—without mentioning anything about them. And knowing what the Auditor General had said about the Eckhardt Mills I referred to two loans which had been given to them since the House closed last year, and having here an

answer to a question asked by the honourable Leader of the Opposition for the guaranteed bank loans and cash loans from April 1, 1949 to March 20, 1956, and having here a number of loans which were given by the Government, outlined here, since the close of the last financial year, I wished to draw these loans to the attention of the committee. The Premier then rose to a point of order and said that it was not in order to go into any detail nor to mention any names of any companies nor persons who had received loans; that an opportunity would be provided after the Bill was introduced. And I objected to his point of order. And the Chairman ruled that it was not in order to make any comment upon any companies, because accepting the argument of the Premier that any company in Newfoundland might be mentioned even Bowring Brothers. Well, Sir, I was only going to refer to the companies named here.

MR. SMALLWOOD: This is out of order, Mr. Speaker.

MR. BROWNE: I am reporting to the Speaker.

MR. CURTIS: Tedious repetition.

MR. SPEAKER: I think the honourable member is about to make his motion.

MR. BROWNE: I was going to say Mr. Speaker, that the Chairman ruled that it was not in order to make any reference to any of the companies, and I appealed from his decision to the House. Now, Sir, I presume that you are prepared, in your capacity as Speaker, to hear arguments.

MR. SPEAKER: No.

MR. BROWNE: You are not prepared to hear any argument?

MR. SPEAKER: No. It is not debatable.

MR. BROWNE: But surely Your Honour will be prepared to follow Beauschesne on the question?

MR. SMALLWOOD: Mr. Speaker, to a point of order—No honourable gentleman at this stage is allowed to say one word except to move that Your Honour's ruling be upheld or be not upheld.

MR. SPEAKER: I am now reading—according to our own House—No appeal shall be made to the Speaker from the Chairman's decision. Appeal may be made to the House, however, when the Chairman shall report the point of order in writing and the Speaker shall put the question "that the Chairman's ruling be maintained." No discussion is allowed. Is not that plain enough. "No discussion is allowed." I have not been here seven years, I would like to inform the House, without knowing a little parliamentary procedure.

MR. CURTIS: Mr. Speaker, I move that the chairman's ruling be upheld.

MR. SPEAKER: The motion is that the Chairman's ruling be upheld. I shall now put the motion without any further question.

MR. SPEAKER: The "ayes" have it.

MR. BROWNE: Mr. Speaker, may we have a division on that.

MR. SPEAKER: It is not usual to have a division.

MR. BROWNE: I would like to go on record at any rate as being opposed to this ruling of Your Honour's.

On motion, the House went into Committee of the Whole to consider certain resolutions.

MR. BROWNE: Mr. Chairman, before that interlude—

MR. CHAIRMAN: The honourable member cannot refer to that now.

MR. BROWNE: I cannot refer to it?

MR. CHAIRMAN: No. When a ruling has been given.

MR. BROWNE: I did not say anything derogatory. Surely I am allowed to speak. What is the purpose of having debates if we cannot speak. This is a debatable motion anyhow—

MR. CHAIRMAN: Order—I have read parliamentary procedure. I have read Hansards. I never before saw people who always want to argue with the Chairman. I suggest the honourable member please confine his remarks to the resolutions.

MR. BROWNE: Alright, Mr. Chairman, if I am allowed. Mr. Chairman, I was debating this before the interlude—that it is expedient to bring in a measure to amend the Loan and Guarantee Act of 1954 to provide for the guarantee of repayment of loans and/or debentures to certain persons. I am sorry to say, Mr. Chairman, to certain unknown persons.

MR. CHAIRMAN: Order.

MR. BROWNE: What is wrong with that?

MR. CHAIRMAN: For one thing the persons won't remain unknown. They will come in later on.

MR. BROWNE: They are unknown at the present time. Is there anything out of order in referring to the fact we are going to agree to resolutions to give loans up to eleven million dollars to certain unknown companies.

MR. CHAIRMAN: The motion is that a bill be brought in.

MR. BROWNE: Yes, bring in a bill to give loans to certain persons. This is a resolution that it is expedient to bring in a bill to guarantee the repayment of loans and debentures made to certain unknown persons and companies and unknown boards of education to the tune of eleven million dollars. This should be called the loan and guarantee Government. They are right into the business on a big scale, the biggest loan company in the country today is the Government of Newfoundland, away ahead of the banks. Now in the year 1954 loans were brought in to the tune of eight million dollars and in 1955, last year, three million, three hundred thousand dollars, but this year beats all because we are up to eleven million dollars. Last year Andrews Labrador Fisheries Limited, or rather the year before, one hundred and twenty-five thousand and Atlantic Films, Atlantic Hardboards, Bonavista Cold Storage, Gold Sail Leather, Fishery Products, Newfoundland Asbestos.

MR. CURTIS: Mr. Speaker, is all this in order—The honourable member can read every Act we have ever passed. This is a bill—The Honourable the Premier has said that during the year the Government made certain guarantees. Now then, it is expedient to bring in a bill. It does not say to pass a bill, not to adopt a bill, but it just says to bring it in. And the only motion before the House is will we get the bill or won't we. We will pass on it or we won't. I don't think the honourable member is in order.

MR. CHAIRMAN: I don't understand all these references to last year and the year before and all that.

MR. BROWNE: Because, Sir, this is a bill to amend the Act.

MR. SMALLWOOD: We are not discussing the bill.

MR. BROWNE: This is a measure to amend the Loan and Guarantee Act of 1954.

MR. SMALLWOOD: It is no such thing. It is a motion to bring in a Bill.

MR. BROWNE: It is expedient to bring in a measure.

MR. SMALLWOOD: That is all it says—a measure to deal with amendments.

MR. BROWNE: Surely it deals with the resolutions—it is expedient to bring in a measure to amend the Loan and Guarantee Act of 1954—Now, Sir, being asked to do that without having been told how that amendment is going to be made, because if we are told now that amendment is to be made we will have to be given the particulars of the loans. And we in the Opposition feel we are entitled to get that information and get that information now. Because otherwise we have no argument. Why is it the government declines to give us that information? Why do they not give us the information?

MR. CURTIS: You will get it.

MR. BROWNE: Why not now?

MR. CURTIS: How many times does he want it?

MR. BROWNE: Why did the Premier on introducing this resolution speak for about three minutes and give us no information at all, except that we have the information contained in the Auditor Generals' Report and that which was contained in the answers

received by the honourable Leader of the Opposition. It seems to me all this debate would have been avoided, this part of the debate at any rate would have been avoided, if the Premier had only given the information he has to the House. He has declined to do so, so we are faced with the situation that we are asked to approve of a resolution and we don't know what it contains. We don't know how much money is going to be guaranteed for repayment of loans made to certain persons, companies and boards of education. We do not know how much money has got to be guaranteed for the advances of loans. All we know here is that loans have been guaranteed to the tune of ten million six hundred and seventy two thousand, five hundred dollars. Now, Sir, that is a very big item, and it is greater by far than either 1954 or 1955. And it seems to me that the Premier should give us that information now. Otherwise we don't know what we are talking about. Last year there were loans for ten of the new industries under this Act, the Loan and Guarantee Amendment Act. Then how many are going to be given loans this year?

MR. SMALLWOOD: Bring in the bill and see.

MR. BROWNE: Why does not the Premier give it now.

MR. SMALLWOOD: The Bill will give it.

MR. BROWNE: Of course the bill has to give it, otherwise—

MR. SMALLWOOD: That is why I say, bring in the Bill so that we can debate it.

MR. BROWNE: Why does the Government wish to cover up the story so much.

MR. CURTIS: The honourable gentleman wants to speak three times.

MR. SMALLWOOD: The honourable gentleman is the greatest fanatic in the history of Newfoundland, an absolute, utter fanatic.

MR. BROWNE: What do you think of that, Mr. Chairman?

MR. CHAIRMAN: Personalities are out of order—The honourable the Premier is definitely out of order.

MR. CURTIS: May I interrupt now, Mr. Chairman, to say one thing—The Government is perfectly willing to discuss this Bill, this proposed bill, item by item. Now we are prepared to discuss it on second reading and we are prepared to discuss it in Committee of the Whole, but not at all three times. Now, then, if the honourable member wishes it to be discussed, we are not going to have three debates on every bill that comes up, that happens to be on money matters—that is all.

MR. BROWNE: No, Mr. Chairman, I think we ought to have information from the Government on this resolution, the resolution the Government has brought in. We have the resolution here and it is treated in the most cavalier manner and they want to rush it through this stage.

MR. CURTIS: It is purely a formal stage.

MR. BROWNE: It is not a formal stage but a very important stage. I drew the attention of the House to a debate that took place in the House of Commons. It occupies 37 pages of Hansard, dealing with an amendment to the Housing Act. And I know perfectly well, because I have been observing them, almost every resolution was brought in sometimes the debate goes on for days. Here we are at a

terrible disadvantage with only three members here active in the Opposition, and the Government have five times as many on the other side of the House. And it is very difficult for us to keep on a debate at all when we get on a subject like this. I think we are entitled to get the information, and when I accuse the Government of concealing it at this stage I am called a fanatic.

MR. CHAIRMAN: That was ruled out of order.

MR. BROWNE: All right, Mr. Chairman, that was wrong. But what is wrong with asking the Government to give us the information that it is going to give us at a later stage. The Attorney General said they were prepared to debate it now and at second reading and are prepared to debate it in committee of the whole again.

MR. SMALLWOOD: He said either one of the three, not the three.

MR. BROWNE: Well, unless he makes new rules for the Legislature he cannot have it that way.

MR. CURTIS: We make no new rules.

MR. BROWNE: I expect the Attorney General would like to have new rules so that there would be no debate. But we should have the fullest of debate—that is what the House is here for.

MR. CHAIRMAN: Order—no personalities.

MR. CURTIS: For one debate on a question.

MR. BROWNE: One debate. No, Mr. Chairman, we are entitled to full debate at this stage and we are not getting it because we are not getting the information. Now, since the hon-

ourable Leader of the Opposition referred to this provision in the Revenue and Audit Act which should prevent the Government from giving these commitments as I pointed out at the beginning of my remarks the Government was given sixty million dollars, the authority to spend sixty million dollars last year, and it exceeded that by ten millions. And then they bring in a balance of two thousand dollars surplus last year, with ten million dollars debt hanging over them, ten million contingent liability—and they had two thousand dollars surplus.

MR. SMALLWOOD: First we spent ten million, then it is a debt and then a contingent liability—which is it?

MR. BROWNE: It is hard to say because the Premier won't give us the information. Nobody seems to know what it is.

MR. SMALLWOOD: And you won't bring the bill in to find out.

MR. BROWNE: We should be told now.

MR. SMALLWOOD: In the bill—that is the time.

MR. BROWNE: No, Mr. Chairman, I submit we should be told now. Why should we be left in the dark about this thing?

MR. SMALLWOOD: Only as long as you are doing it. The minute the resolution is adopted you can have the information by bringing in the Bill.

MR. BROWNE: Why are we not given it now?

MR. SMALLWOOD: Because it is not right to give it now. It is not because the honourable gentleman wants it he is going to get it now.

MR. COURAGE: That has been said over two or three times—the debate becomes repetitious.

MR. BROWNE: Mr. Chairman, we are here as representatives of the people of Newfoundland.

MR. SMALLWOOD: The poor opposition again.

MR. BROWNE: The people of the country are entitled to know at this stage. We as their representatives here are entitled to know at this stage what this money is required for. What is the purpose of having the resolutions in committee?

MR. CHAIRMAN: Order—I would like to hear some debate on the resolutions. The honourable member has said two or three times what he is saying now. I must remind the honourable member of the rule against repetition.

MR. BROWNE: Well, Mr. Chairman, the resolution, first of all, is divided into several parts, one to provide for the guarantee of repayment of bonds or debentures. This is the first one. Now we don't know whether they were issued by certain persons or companies or boards of education. I find it very hard to give my consent to resolutions when I don't know what they are for.

The second guarantee is for the repayments of loans made. Now, I don't know whether loans have been made to certain persons, companies or boards of education or to any one of them. And the third reading is the advance of loans to persons, companies and boards of education. So that I do not know which applies to which or whether they all apply, whether they be bond issues or loans made to or guarantees for. I am not making any poor mouth, Sir, but I am quite sure that if we had

greater numbers here the Government would never attempt to get away with a resolution in that way.

MR. HIGGINS: Mr. Chairman, I would like to support the position taken by my honourable and learned colleague. This is a resolution which, to say the least, does not give very much information. As has been pointed out, it is guaranteeing the repayment of bonds, the repayment of loans and also covers the advance of loans.

MR. SMALLWOOD: The resolution does not. The resolution is that a bill be brought in to deal with that.

MR. HIGGINS: The resolution says a bill is going to be brought in to cover these things, but gives no information at all as to what the bill will in fact—

MR. SMALLWOOD: How can it? Then there would be no need of the bill.

MR. HIGGINS: Mr. Chairman, if you don't mind, I would like to make the point I was going to make. I was going to say—I don't mean to delay the House long at this stage—I say at this stage a little more information would probably have greased the wheels and been a whole lot further along. The only thing to do is to get on and give us the bill and let us find out what we are talking about, as we are still in the dark at the moment.

MR. HOLLETT: Mr. Chairman, I have not much to say. All I would say has been said. The resolution says it is expedient to bring in the matter. I do think the House should be given enough information to show that it is expedient. It is hardly sufficient to say we have guaranteed ten million dollars worth of loans and therefore it is expedient to bring it in. I could

understand why a guarantee would be given before looking for it before the House in case of emergency or in case of where the best interest of the country could be served. And looking down the list at some of these loans, for instance one ten thousand dollar one for a person to set up a cabin—I know that is not a great emergency—I don't think any of these should be guaranteed until brought before the House.

At any rate it is evident we are not going to get information. We have to take it as read—it is expedient—and therefore the only thing to do is to accept that particular dictum, and it is a dictum from the other side of the House—and let us have the resolution passed and bring in the bill, when I hope we shall get the desired information.

MR. CHAIRMAN: Is this resolution carried?

MR. BROWNE: No, Mr. Chairman.

On motion resolutions carried.

Motion, that the committee rise and report having passed certain resolutions, carried.

Mr. Deputy Speaker resumed the Chair.

MR. NORMAN: Mr. Speaker, the Committee of the Whole have agreed to certain resolutions and instructed me to report same.

On motion report received. On motion said resolutions read a first and second time.

Motion, that a bill be introduced to give effect to the same, carried.

On motion bill read a first time, A Bill "An Act Further to Amend the Loan and Guarantee Act, 1954, ordered read a second time now.

MR. SMALLWOOD: Mr. Speaker, the first thing to which I would invite the attention of the House is to Clause 4 in the Act. Now I know in a sense at second reading we are not supposed to discuss a thing clause by clause, but I do want to explain the principle of this bill. I will begin therefore with the fourth clause which says:

(a) by deleting there from the item

"Corner Brook Amalgamated Regional High School Board and the Roman Catholic High School Board of the Greater Corner Brook Area \$1,100,000."

Then you will note, Mr. Speaker, in (b) it goes on to add—

"Corner Brook Amalgamated Regional High School Board \$800,000
The Roman Catholic High School Board of the Greater Corner Brook Area\$300,000

I want to explain—Originally the thought was that one bond issue would be made by the two groups jointly, i.e., the Corner Brook Amalgamated Regional High School Board and the Roman Catholic High School Board of the Greater Corner Brook Area together would have a bond issue of one million one hundred thousand dollars. We agreed to do that in a bill which passed here a year ago. But it was subsequently decided by the two school boards that they would rather act separately than together in this matter. Therefore there are two separate amounts totalling the same, one million one hundred thousand dollars. I may say, for the benefit of the House, that the amounts are as suggested by the Ecclesiastical and School authorities in Corner Brook. These divisions are not the divisions of the Government. It is three hundred thousand

and it is eight hundred thousand because the Corner Brook Authorities asked it to be so. I may say further that these two bond issues which this bill asks the House to authorize the Government to guarantee are being serviced by the proceeds of the new school tax which has been imposed in Corner Brook. I am sure the House understands that position. The new school tax is estimated to bring in, I believe, a hundred and sixty five thousand dollars a year. And that will be enough to pay the interest and the sinking fund on these two bond issues, totalling one point one million dollars.

So that although the Government are asking authority now to guarantee these two bond issues and will guarantee them if the House authorizes us to do so, we have no expectations that we will ever be called upon to meet either of these two bond issues because we are quite confident that the School Tax Authority will raise enough money to meet all costs of these two bond issues. That accounts for a little over a million dollars of the total.

Now, A. Adler of Canada Limited \$650,000—this I will explain in some greater detail further along. That is, of course, the amount to establish that company in Bay Roberts. And about Atlantic Gloves Limited I will have something to say later in my remarks.

About Atlantic Gypsum Limited, \$1,500,000 and Newfoundland Hardwoods, Limited, \$1,200,000, my honourable friend and colleague, the Attorney General, will have something to say to the House.

But the other industries, Eckhardt Mills Limited, \$345,000; Hanning Electric Company Limited, \$150,000, and Koch Shoes \$300,000, and Newfoundland Tanneries—William Dorn Limited \$163,000 and Superior Rubber Com-

pany \$200,000. I will have something to say later on in my remarks, because these altogether make up the new industries for which we seek authority to guarantee certain loans. I will deal with the others now:

First I will deal with the fisheries companies—Gabriel Billard \$16,000; Bonavista Cold Storage Company Limited \$350,000; Bonavista Fish Meals and Oils Limited \$18,500; Canada Bay Cold Storage Company Limited \$100,000; Fishery Products Limited, \$1,274,000; Ronald J. O'Brien \$20,000; William Morry \$10,000; Manuel Fisheries Limited \$30,000. All these are fishing concerns and the guarantees which we request authority to give will be for a total of \$1,829,500.

Now, Gabriel Billard, as the bill says, is for \$16,000. This is an additional loan in cash which it is proposed to make to Mr. Billard, and it is for a period of ten years and it is repayable in equal amounts, annual installments, commencing in March 1957. Interest is payable annually at five per cent. This loan is for the purpose of enabling Mr. Billard to improve and expand a small fresh fish filleting plant at Margaree.

MR. HIGGINS: Where is Margaree, Mr. Chairman?

MR. SMALLWOOD: Ten miles east of Port aux Basques. It is to enable him to improve and expand his small fresh fish filleting plant and also to install some pickling facilities.

In the case of Bonavista Cold Storage Company, Limited, this company is operating two plants, one at Bonavista, from which it gets its name, and one at Grand Bank. The loan is to be guaranteed at the Bank of Nova Scotia for a period of five years, if the House passes this Bill, and it will be repay-

able in fourteen installments of \$87,500 beginning in 1958. The company needs this money as a short term loan for working funds. The reason we have to guarantee the loan at the bank is that we have a mortgage, the Government have a complete mortgage on all the property of the plant at Grand Bank, and so the bank naturally won't lend money to them for any length of time. They lend it on a straight inventory of fish for a short time but they won't lend it for as long as five years. So that the Government are asked to guarantee a bank loan at the Bank of Nova Scotia for five years in this amount of money, repayable in four equal installments.

MR. BROWNE: Is there any interest on that?

MR. SMALLWOOD: The interest I don't know. But I can certainly get that. I presume it is five per cent. It is the bank that is lending it you see, and the bank will charge its regular interest.

Bonavista Fish Meals and Oils Limited: This is a little more complicated and a little more difficult to understand. A company was formed in the Town of Bonavista some four or five years ago, or somewhere around there, I think four or five years ago. It was formed by three way financing; but the company who then owned the Bonavista Cold Storage Company, which is not the present owner. The present owner is principally Mr. Russell. The owner at that time was Northlantic Fisheries and Job Brothers. Since that they have separated and today Bonavista Cold Storage is a separate company altogether from Job Brothers and Northlantic Fisheries. But at the time Bonavista Fish Meals and Oils Limited was formed the company at Bonavista was still asso-

ciated with the company in St. John's, and the company on the one hand and the government on the other hand, or for the other part, and a German company with whom the Bonavista company had made a deal, who were the inventors and manufacturers of a new process for making fish meal from fish waste, entered into an agreement to set up in Bonavista a new plant for manufacturing fish meal and oil. This loan of \$18,500 was made pursuant to a guarantee which was given by the Government to the company in an agreement dated June 6, 1952, which agreement was tabled in this House some years ago; to pay the balance due the German manufacturers on their fish meal machinery at Bonavista, as the company itself found itself unable to do so. The amount was advanced as a loan, and a second mortgage was obtained on the property in favour of the Government. Repayment in nine equal installments commenced in September 1956, payable annually at three and a half per cent.

The next is Canada Bay Cold Storage Company Limited, \$100,000; The Canada Bay Cold Storage Company, Limited, is situated at Englee, on the French Shore in White Bay. A loan was guaranteed at the Bank of Nova Scotia to this company, to expire on the 30th of April 1956. The bank advanced money to the company under section 88 of the Bank Act, and the loan has been reduced to \$50,300. There is sufficient inventory and the like to retire the loan, and the company has until June to do so. Meanwhile discussions are taking place about this year's operations, and indeed it is quite likely—not in time for the present session of the House but within the next two weeks or so, two or three weeks—that the government will make another advance or at least guarantee the bank to make another loan to the

Canada Bay Cold Storage Company to enable that company to install additional flat freezers and other facilities that will enable the plant to handle another five hundred thousand pounds of fish in the present year.

MR. HOLLETT: Who is behind that?

MR. SMALLWOOD: Bernard MacDonald. It was John Williams and Bernard MacDonald also, and I believe they have some sort of management arrangement with Job Bros. who also, I believe, act as agents for them in the United States markets. That is to say, Job Bros. themselves have an agency for the sale of fish in the United States and acts also in that same capacity for Canada Bay Cold Storage Company, Limited.

Fishery Products Limited, \$1,275,000—Actually that is in three amounts: two for half a million dollars each and one for two hundred and seventy-five thousand, making up that total.

The first, \$500,000, October 1955—This loan to that company was guaranteed by the government at the Bank of Nova Scotia for a period of one year and was intended to defray the cost of the expansion to the fish plant at Twillingate. The government is to pay the bank within one year and the company to pay the Crown in 1976. The second loan of \$500,000, April, this past month, 1956—This is a loan by the Bank of Nova Scotia to the company on the governments' guarantee, and is in fact a revolving credit for a period of five years. The money made available annually under this loan is to provide the company with badly needed working capital. The third amount is \$275,000. This is to provide additional funds to them to complete the plant at Catalina, and

will be under guarantee at the Bank of Nova Scotia for one year.

Now, I may say in connection with these three loans, and indeed nearly all loans prior to these three made by the government or guaranteed by the government for Fisheries Products Limited are all presently under intensive review. The total runs well over four millions of dollars now of public funds or public credit, as the case may be, put behind Fisheries Products Limited to assist them and in cases more than assist, to enable them wholly to launch a very large scale fishery development throughout Newfoundland. The Fisheries Development Authority and the Cabinet and the Bank of Nova Scotia and Fisheries Products Limited, that is to say Mr. Monroe, and his immediate senior associates, have all four parties been meeting frequently lately to review the whole position. And greatly increased control over the affairs of the company have been insisted on by the government and agreed to by the company, and is presently being worked out in some considerable detail.

J. J. O'Brien \$10,000. That is J. J. O'Brien of Cape Broyle; a small loan of \$10,000 to him to enable him to install at Cape Broyle a new fish drier. The loan is to be repaid over a period of five years in equal annual installments, the first of which will be due on the anniversary of the initial advance.

MR. BROWNE: When was that?

MR. SMALLWOOD: The initial advance was made a week or two or three or a month or two ago, very recently.

MR. BROWNE: The second of February.

MR. SMALLWOOD: It was not very long ago. William Morry, Ferry-

land, \$10,000. This is to enable him to erect a fish drier on his premises in Ferryland. It is to be repaid over a period of six years commencing at the end of the second anniversary of the first advance, and will be repaid in five equal installments of two thousand dollars. Interest on each of these loans is five per cent.

MR. BROWNE: Has that loan been actually made?

MR. SMALLWOOD: No, it has not been made. Ronald J. O'Brien \$20,000. That is at Cape Broyle, and is a loan to assist him in the erection of a fish drier on his premises. Payment will be made in equal installments over a period of ten years, with the first installment due one year after the first advance.

Manuel Fisheries Limited, \$30,000— This is an additional loan from the Fisheries Development Authority for the costs incurred by that company at Twillingate in the installation of the drying facilities in their plant. The loan is to be repaid over fifteen years, the first installment to be made two years after the first advance. Interest is at five percent. This is for the installation of a drier on Manuel's premises in Twillingate.

Now that is all of the fisheries loans, and they total one million eight hundred and twenty-nine thousand dollars. I may say, by the way, that the educational loan is for a total of one million four hundred and forty-five thousand—roughly one and a half millions, and fisheries are just under two million dollars. There is an amount then of a million dollars for the St. John's Housing Corporation. This is a guarantee at the bank of a loan to them to enable them to erect this large new, sixty apartment building and some other buildings as well as some houses.

They are also erecting a number of houses. Now the income of the St. John's Housing Corporation is such as to enable them to do all this on their own. It won't cost the government anything because their own income is such as to enable them to pay the government annually all they are due to pay and to service this debt and more besides this debt. The St. John's Housing Corporation is in a very flourishing and healthy condition financially. It is a deal between them and the bank.

Now there are three items here of a hundred thousand dollars each—Humber Gardens, Limited, \$100,000; The Random Regional Exhibition Association, \$100,000 and the Harbour Grace Recreation Centre Limited, \$100,000. Two of them, the Humber Gardens, Limited and the Random Regional Exhibition Association are outright cash loans from the government. In the case of the Harbour Grace Recreation Centre, Limited, the one hundred thousand is a guaranteed loan. We don't advance the cash. We guarantee the loan and the bank advances it.

MR. BROWNE: When are these cash loans made?

MR. SMALLWOOD: I am not sure if they have been made or are to be made. The Humber guarantee one was made last year sometime, last summer or last spring, sometime after the closing of the House, late in the year, last year. That is a total of a hundred thousand dollars. Then ferries: There is an amount of sixty thousand dollars here to C. F. MacLellan. That is the man who began the present bus service and who now operates the ferry service between Portugal Cove and Bell Island. That sixty thousand dollars was guaranteed at the bank and is due for repayment in another month or two.

because he is replacing it with a bond issue. He is floating a bond issue for that, and some more, I think, a hundred thousand dollars or more maybe a hundred and fifty thousand. I think that out of the proceeds of that bond issue he is repaying this sixty thousand and that he has borrowed on the government's guarantee. In that case, of course, the guarantee will be retired.

Now finally, there are two amounts here for totals. There is the Trans-Island Development Corporation, Limited, \$1,355,000 and Commercial Caterers Limited, \$125,000, a total of \$1,481,000. I will take the smaller one first:

Commercial Caterers Limited are at Gander and they have the contract for some time past, a year or two or longer perhaps with the Department of Transport of Ottawa in Gander, to operate the catering and hotel system at Gander Airport. The Government of Canada have notified them and notifies others in Gander that they are closing down the hotel at the airport and closing down the restaurant at the airport. So there will be no restaurant and no hotel at Gander unless one is built by some one. The Department of Transport are not at all interested in building a hotel nor maintaining a restaurant. So Commercial Caterers are negotiating to build a hotel-motel at Gander, in the new town that is being built, or that is largely built and is to be built larger. And they have come to us and asked us to guarantee them a loan of one hundred and twenty-five thousand dollars, which is rather less than half the amount that they will spend in the hotel-motel at Gander.

MR. BROWNE: Who is behind that? Could you tell us?

MR. SMALLWOOD: There are two men in Toronto. Actually one is a

native-born Canadian and the other is a Scotsman I think. They are two young men. They have no great amount of capital. They have been very successful already operating Commercial Caterers. But they have no great amount of capital. We think they will make a success of that hotel in Gander. We think a hotel in Gander is needed. Now we are not a bit interested in a hotel to serve the Department of Transport or the airlines. But we are interested in a hotel for Gander as a town, because it is a Newfoundland town and on the Trans-Canada Highway, and we would like very much to have a decent hotel down there, decently run. And these people are prepared to do it with this amount of financial assistance.

Trans-Island Development Corporation, Limited are the firm concerned with building the five new hotels in Newfoundland, about which I made a comment some weeks or a month ago. These hotels are to be at St. John's, Grand Falls, Corner Brook, Stephenville and Port aux Basques. The proposal is to build three of them this year, one at Grand Falls, consisting of a hundred rooms, at a cost of \$875,000 for building and land. And we are proposing to guarantee seventy per cent of the cost of the building and land. That would come to \$600,000. The company would put in the other \$275,000 and would furnish the hotel and would provide the working capital. So that the government's guarantee would represent considerably less than seventy per cent. It would be something between fifty and sixty per cent.

The other hotel they propose to build this year is at Stephenville. This hotel would be seventy-five rooms. That is the cost for building and land \$650,000 and the Government proposes

to guarantee four hundred and fifty thousand of that. The company will provide furnishings for the hotel and at the same time find the working capital.

The third one they will build this year is at Port aux Basques, a hotel of fifty rooms, costing, for the building and land \$425,000. And the Government proposes to guarantee \$300,000 of that, with the company furnishing the hotel and providing working capital. That comes to a total of \$1,355,000. The bond houses are H. C. Flood and Company, Montreal, investment brokers. They are floating the bonds for the company on the government's guarantee.

I sent across the floor of the House, to the members of the Opposition, a photograph of the artist's plans of the hotel, and there are two copies which might go down to the press box. Now these are to be very handsome hotels, and I think that Newfoundland will be proud of them. These hotels are part, of course, obviously, of our policy of making basic preparations for a tourist industry, the basic preparations being, of course, the building of roads and the providing of accommodations.

MR. BROWNE: Do you say the money has already been guaranteed?

MR. SMALLWOOD: No, not until this Act passes, until the Bill becomes an Act, if it does. Then the bond houses will immediately float the issue, enough to cover the expenditure at Grand Falls and the one at Port aux Basques, and as the hotel at Stephenville is begun they will float enough to cover that. I may say, Mr. Speaker, that the company is required to spend their money and have it all spent in each case before they can draw any money under this guarantee.

That I think covers it, Mr. Speaker. —Fisheries \$1,829,000; Housing \$1,000,000; Hotels \$1,480,000; Education \$1,445,000; Three areas \$300,000; Ferries \$60,000 and Economic Development \$4,556,000, bringing it to a total of \$10,672,500.

Now the Attorney General is going to tell the House about the Atlantic Gypsum project for which one and a half million is proposed here. He is also going to give an account of \$1,200,000 set down for Newfoundland Hardwoods, Limited. So that is \$2,700,000, which is a little over half of it.

Now the other half of it is made up of the firms that are here. A. Adler's of Canada Limited—That is the chocolate factory at Bay Roberts. Atlantic Gloves Limited; Eckhardt Mills Limited; Hanning Electric; Koch Shoes and Newfoundland Tanneries — That, I think, is the lot.

Atlantic Gloves—The amount there is \$50,000. That is for working capital to enable them to purchase raw materials to meet their requirements for six months in advance, which they have to do. They have to have their raw materials for six months in advance. They have received the fifty thousand, and they have about ten thousand of that on hand.

Eckhardt Mills, Limited, \$345,000—That is for working capital and to put in stocks of wool, exclusively to put in stocks of wool for the plant, as they have to stock up a considerable amount in advance.

Hanning Electric \$150,000 of which about \$15,000 is on hand. This guarantee is for working capital, for the purpose of raw material.

Koch Shoes Limited, \$300,000, again for working capital, the purchase of raw materials, stocks of leather and

other raw materials they must have to keep a considerable amount on hand. Further all these companies have to have a considerable inventory at any one time.

Newfoundland Tanneries \$163,000, of which \$45,000 is on hand, roughly a third of the guarantee or less than a third is for working capital to enable them to stock heavily on raw materials due to a considerable increase in production.

Superior Rubber Company \$200,000, working capital—all spent—all gone—all used up.

I may say that with regard to Eckhardt Mills, Koch Shoes, The Newfoundland Tannery and Atlantic Gloves, these will be the last amounts, to the best of our knowledge and belief, that we will have to pay. These have been paid them, and we think that is the end of it. These are nearly all breaking even and there is no need for their getting any additional working capital from us.

MR. BROWNE: Could you repeat that list again?

MR. SMALLWOOD: Atlantic Gloves, Eckhardt Mills, Koch Shoes and Newfoundland Tanneries will not need any more capital from us. They are paying their own way and breaking even, and this cleans up the additional capital we have had to give them. Hanning Electric are not breaking even. I said here in the House some weeks ago that there were, I think it was, five that were not breaking even. Hanning Electric is one of those. And we may have to give Hanning Electric another small amount, but it will not be much. Hanning Electric are still not breaking even on straight operations.

Mr. Speaker, let me make it clear again—Eckhardt Mills will need no

more. Atlantic Gloves will need no more. Koch Shoes will need no more and Newfoundland Tanneries will need no more. They are all breaking even and have their own working capital. They are now functioning themselves, with their own turnover, their own income from sales, enough to meet all their operating expenses.

MR. BROWNE: When do you hope they will start paying back?

MR. SMALLWOOD: It is very good to get them breaking even. We are happy we don't have to be paying them any more. We think that is the first step, to have them breaking even. The second step will be when they can begin paying interest on the loans and the third will be when they can begin repaying some of the principal. But I don't see the repayment of principal for several weeks yet. We do see in some cases the beginning of payment of the interest. But the first step is that they break even in their straight operating account.

I don't think the House wants to meet beyond eleven o'clock tonight, and would be willing to expediate things so that we can close at eleven o'clock, in which case I would move the adjournment of debate now so that we can move on to another. We are trying to save a day. If we get another resolution done, ready for debate on Monday. I don't propose to suggest that the House meet tomorrow. I thought we would all take tomorrow off and get some work done. We should be able to finish off the remaining business in a fairly few days next week by meeting afternoons and night.

Mr. Speaker, I move the adjournment of the debate.

On motion debate adjourned.

Motion, that the honourable the Minister of Finance move the House

into Committee of the Whole to consider certain resolutions in relation to the raising of a loan on the credit of the province, carried:

On motion Mr. Deputy Speaker left the Chair.

Mr. Courage, Chairman of the Committee of the Whole.

MR. SMALLWOOD: I guess all members of the Committee are aware of the Government's desire to float a bond issue this year in the amount of fourteen million dollars. And as these resolutions themselves say, that is for the purpose of enabling the Government to embark again this year upon a programme of road construction, on the construction of schools and hospitals and fishery development. These are mainly the purpose for which the proceeds of the bond issue would be devoted. Further details can be given, of course, on the bill.

MR. HOLLETT: Mr. Chairman, I don't know just how far we can go in debating this item. I may say we on this side of the House are a bit concerned about bringing in a loan bill every year practically for the last four or five years, since 1952. I think there was a skip of one year, 1954. Now again we have a loan brought in in 1956. Altogether they amount to fifty odd million dollars, I believe—fifty two million dollars. To us on this side of the House it appears rather serious and in particular does it appear serious in view of the fact of the second reading we have just gone through in connection with guaranteed loans.

We must know that there is a limit to the borrowing capacity of this Province, as is so of all provinces. Now we know, and we think we are right in thinking we are right anyway, that we have not yet reached the limit of our borrowing capacity. But I put it

to the Government that they are endeavouring, I believe, to do perhaps a little bit too much in their short term of office, particularly when they have to do most of what they do on borrowed funds. After all there are other years to come. There will be other governments after this one, and the credit will be needed in order to carry on the work of Government and the welfare of the people. Why this Government should be insistent on increasing our national debt so quickly, so fast, I fail to see the sense of it. I don't believe it is fair either to themselves, to the people or to the country at large. Some of these loans we know are essential. If money is needed for schools, if money is needed for the further development of the fisheries, we have no objections to the government borrowing. But certain of these monies which have been borrowed in the years that have gone, and I take it also in this particular loan certain of these monies will be spent in a way which appears to us not to be very sound. Take these loans which we were talking about a moment ago. I cannot very well discuss them now because the time will come on Monday to do that—But some of the expenditures to me do not seem very sound particularly when you have to borrow money in order to convert your guaranteed loans into cash loans. We have done exactly that.

Just where the expediency lies here, the honourable the Premier who introduced this resolution has not told us. He has not told us exactly how this fourteen million dollars will be spent. We know they need some money, the Government—but where the money is going to be spent and what it is to be for, whether it is to be for roads, whether it is to be for fisheries, and how much for each, we have not been told.

MR. SMALLWOOD: That is in the estimates.

MR. HOLLETT: In the estimates but not specifically.

MR. SMALLWOOD: Yes, spelled out. Capital Account Expenditure.

MR. HOLLETT: We have not come to that part in the estimates in our discussion of the estimates yet. Therefore we would not be supposed to have much knowledge of that. However we are not objecting to the loan. We know exactly where it must end because even this government cannot continue borrowing, borrowing, borrowing all the time and spend such huge amounts as they spend. For instance last year, I believe, they spent some fifty-five million dollars or something like that. And in addition to that they guaranteed some further ten million dollars. Now at that rate where are we and whither tending—a good expression that.

MR. SMALLWOOD: Yes.

MR. HOLLETT: I would ask the government to pause a while.

MR. SMALLWOOD: We are not up to twenty-five percent of what our borrowing could be.

MR. HOLLETT: Well it should be up.

MR. SMALLWOOD: Not up to twenty-five per cent.

MR. HOLLETT: Have we any authority for that? I do not accept the authority of anybody on the opposite side of the House when it comes to that. Whilst I hope the honourable the Premier is correct, I give them another five years in office, and if they have five years—with twenty-five per cent now it must then of course be up

to fifty per cent by the time they again go to the country.

I maintain that this Government is spending money much too quickly, much too carelessly, much too recklessly, because the people of this country are not getting the benefits which they should derive from the expenditures of such huge amounts. I will take the government's word for it that it is expedient to borrow this money, and I am content therefore to rest on that until we hear further particulars on second reading.

MR. BROWNE: Mr. Chairman, the honourable Leader of the Opposition has stated that there is reason for anxiety on everyone's part about the policy of the government undertaking these substantial guarantees and at the same time borrowing to the limit.

The expenditure this year, as the Premier stated, is set out, but it seems many of the things set out here are also covered in the guaranteed loans. Expenditure in capital account dealing with consolidated fund services. But I notice in the estimates themselves the expenditure on that item deals with loans and guarantees. And I notice from the Auditor General's report last year apart from Springdale Fur Farmer who got \$7,300; Atlantic Hardwoods got one million three hundred and eighteen thousand and Bonavista Cold Storage got a million, fifty eight thousand. I take it these were cash loans out of the loan or from the surplus. Atlantic Films got fifty thousand and Newfoundland Hardwoods got five hundred thousand. This year there is one million one hundred and eighty-six thousand issued under guarantees to come out of the loan. Then to finance education \$1,888,000 and at the same time there are guarantees there for \$1,450,000.

MR. SMALLWOOD: Mr. Chairman, is not this more appropriate in Committee of the Whole—questions and answers.

MR. BROWNE: Are we not in Committee of the Whole now?

MR. SMALLWOOD: Yes, we are. It is almost five minutes to eleven o'clock—Why not leave it until Monday?

MR. BROWNE: I wanted to talk until eleven o'clock and adjourn then, if I may do that now? Because we want time to consider this. We have two important measures now, amounting to twenty-five million dollars before us. I think we should be allowed five minutes to consider it. That is what it amounts to—if the Premier is agreeable to that.

MR. SMALLWOOD: That is only the resolution—in the Bill itself we can have all the debate you want.

MR. BROWNE: There is not much more information in the Bill.

MR. SMALLWOOD: In that case that is a very appropriate time to debate it, is it not?

MR. BROWNE: Economic Development—some of that will be paid for out of the proceeds of the loan. Well you can explain to us which will be paid for out of the proceeds of the loan.

On motion resolution carried.

Motion, that the committee rise and report having passed these resolutions, carried.

Deputy Speaker resumed the Chair.

MR. NORMAN: Mr. Speaker, the Committee of the Whole has considered the matter to it referred, have

agreed to certain resolutions and have instructed me to report same.

On motion report received.

On motion resolutions read a first and second time.

On motion a bill to give effect to these resolutions was introduced.

On motion bill read a first time, "An Act To Authorize the Raising of a Loan On The Credit of the Province."

On motion Bill ordered read a second time on tomorrow:

MR. CURTIS: Mr. Speaker, I know the time is late, but on the Order Paper of May 4, I gave notice of a Bill, "An Act to Provide for the Payment of Accelerated Pensions to Employees of the Newfoundland Government Transferred to Services of the Government of Canada at the Date of Union." My honourable and learned friend has raised the question as to whether or not this Bill should be introduced by resolution. I am afraid he may be right, although we in this House have not been in the habit of having this resolution stage. And I was wondering if it was in order or not to bring in suspension of the rules of the House—if the House would agree to pass the formal resolution to get past this first stage—

MR. SMALLWOOD: For railway men—mainly to give accelerated pension rates to railway men—if any one wants to oppose that—

On motion the House gives leave to the Honourable the Attorney General to introduce these resolutions.

On motion Mr. Deputy Speaker left the Chair.

Committee of the Whole on certain resolutions:

MR. CURTIS: Mr. Chairman, I do not propose to delay the House. Actually the position is this: A number of Newfoundland railway employees were transferred after the date of union to The Canadian National Railways. It has been suggested to us that, if the Newfoundland Government would consent, we might be able to make arrangements with the Canadian National Railway whereby these men might be pensioned prematurely, not all at full pension but at a reduced pension worked out accurately on the basis of the pensions they would get when they were sixty-five, calculating the life expectancy as to what they will get if they were pensioned say at sixty-three or four. The Bill can be discussed better in second reading or in committee. At this juncture I just ask leave, and move that resolutions, which have been circulated, be passed.

MR. HOLLETT: Mr. Chairman, I am just going to say a word on that. I hope this is not a Bill to assist the Canadian National Railway in paying off some of the men, laying off some of the men. We will have an opportunity to discuss that in second reading. Otherwise we are entirely in favour of the Bill although there are other points we will have to consider.

On motion the committee rose and reported having passed said resolutions:

On motion report received.

On motion resolutions read a first and second time:

On motion Bill read a first time, ordered read a second time on tomorrow:

DR. ROWE: Mr. Speaker, I wonder if the House would give me leave to table a report of some interest to the members of the House, which I

would have liked to have been able to table earlier today, but it was not in my possession until late in the day.

On motion the House gave leave to table the report.

DR. ROWE: This is a summary of the Labrador Conference. This, I think, is an appropriate time, with a weekend coming up. I think it is one of the finest and in fact the first real coverage of Labrador and all its problems. And I believe all of us would benefit by studying it. I may say also, Mr. Speaker, it is the intention of the government—although the House may be closed—to have the report of Northern Newfoundland circulated to the public and interested parties just as soon as possible. That will probably be within the next couple of weeks and about a week after that a summary of the Southern Newfoundland Conference as well.

MR. HOLLETT: Mr. Speaker, may I ask the honourable minister how many copies of that report have been printed?

DR. ROWE: I think five hundred. We will be sending them, of course, to all the Federal organizations and ministers concerned and to Provincial Ministers and officials and to all the delegates and to other interested parties everywhere. I think it is five hundred in each case, which the government ordered to be printed.

MR. CURTIS: Mr. Speaker, I move that all further orders of the day do stand deferred, and that the House at its rising do adjourn until tomorrow, Monday May 7, at three of the clock.

MONDAY, May 7, 1956.

The House met at 3:00 of the Clock, in the afternoon, pursuant to adjournment.

Mr. Deputy-Speaker in the Chair:

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I am quite sure that every honourable member of the House and a great many members of the Public will be deeply sorry to hear the fact that Mr. Speaker Sparkes who has had to be absent from the House for more than a week through illness as of this afternoon entered the hospital, the Grace Hospital, for more intensive treatment and possibly for an operation. I think, therefore, it is entirely unlikely that Mr. Speaker will be able to attend any future sittings of the present sessions of the House.

I know that all members of the House—and the Leader of the Opposition, I am sure, will speak for his group—I am sure that all members of the House deeply regret the illness of Mr. Speaker Sparkes and that we all unite in wishing him a successful and speedy recovery.

HON. M. M. HOLLETT (Leader of the Opposition): Mr. Speaker, I rise to voice the sentiments from this side of the House as expressed by the Honourable the Premier. We have a great regard for Mr. Speaker Sparkes, who, in my opinion, has filled the job as Speaker in a most exemplary manner during the years at any rate that I have been here. I am quite sure he has had a difficult time, and I am glad to hear in one way that it is not ulcers that are bothering him. If that had been the case I might, I believe, have considered ourselves perhaps the cause of the ulcers.

MR. SMALLWOOD: He has ulcers too.

MR. HOLLETT: I do hope this treatment will be very successful and that we will have him back here again within a very short time.

MR. DEPUTY-SPEAKER: Before the Orders of the Day are called I would like to say just a word. I would like the honourable members to be at ease. My purpose in saying this is not to prove myself right nor anybody else wrong but for the future guidance of this House. During the last sitting there was some disagreement as to the proper procedure to be followed and the amount of debate that was allowed when a Bill entered the House by way of resolutions. I was asked for guidance. I said it seemed that only the matters which were stated in the resolutions themselves ought properly to be debated but that I could find nothing for my own guidance either in "May" or "Beauchesne." However in reading the Hansard of the House of Commons, April 19, 1956, I note that Mr. Speaker, in that House has had the same difficulty. I would like to say that his ruling approximated mine. Here are his exact words: It is from page 3657, Hansard of the House of Commons, April 19.

"The purpose for Committee is to enquire as to the general outline of the proposal. The Minister is not even allowed to divulge the details of the Bill, and honourable members usually content themselves putting questions. See *Beauchesne*, third Edition, Citation 439." Mr. Speaker says the reason behind this ruling is that all the debate on a Bill is to be treated as one debate. It is true, he says, the major stage of a debate is on second reading when we decide the principle.

But it is also true that various stages of a Bill constitute one debate. If a member chooses to make a statement at the resolution stage and if he wants to make the same statement on second reading of the Bill then he should not have done it at the resolution stage.

I merely make these few remarks for the future guidance of the House.

MR. BROWNE: Mr. Speaker, may I—

MR. SPEAKER: I don't think an observation would be in order at this point. I am not speaking against anything the honourable member said nor what any honourable member said—This is just for the future guidance of the House.

Presenting Petitions

MR. SMALLWOOD: Mr. Speaker, I beg leave to present a petition on behalf of the people of Point May, Point Crewe, Calmer and High Beach in the District of Burin, which, as you know, Your Honour, is not presently represented in this House by an elected member.

The prayer of the petition of these people is that electricity be extended to include all the settlements in fact from Lamaline to Point Crewe. These settlements are, I believe, Point Crewe, Calmer, Point May and High Beach.

Mr. Speaker, the petitions of these people in these places are, I think, quite typical of what is going on in Newfoundland today in a great many places and in a great many parts of this Island. A demand for electricity—a demand for the same privileges that so many people already have; that they may light their homes with electricity and do away with kerosene lamps. I believe this is inevitable. I believe that whoever sits on this side of the House from now on has got to face this fact, that there is rising up all over this Island of Newfoundland a great new demand, a demand for a great new service that the people did not demand in years gone by, and that new service is electricity.

I beg leave, Mr. Speaker, to lay this petition on the Table of the House and have it go to the department to which it relates, and that happens to be the department over which I preside. But it will come to me in the formal course and I will see that it goes to Commander Desberats, the Chairman of the Power Commission, and with my strong recommendation that he give it his most careful consideration.

MR. HOLLETT: Mr. Speaker, I would like to say just a word on that, and you may understand why I would say it—because Burin is my native district, the district in which I was born and the area referred to in that petition is an area over which I have driven in a car and in a horse and buggy over a period of twelve years, and I know the isolation of that area. I know their great need for electric light and telephones and all the rest in that area. The petition has our hearty support on this side. I hope when the Honourable the Premier passes it over to, I believe it is, Commander Desberats, he will put it extra strong in order that these people might be assisted in this particular way.

On motion petition received for reference to the department concerned.

MR. SMALLWOOD: Mr. Speaker, I have here a very largely signed petition from the people of Lords Cove, Taylors Bay, Point Au Gaul, Lamaline, and the places from which I read a petition just a moment ago and from all the places, you might say, on the tip of the boot of the Burin Peninsula. It prays that a snow plow adequate to handle heavy and continuous snow, preferably a plow powered by a diesel tractor, be permanently stationed at Lamaline and adequately manned during the winter season. Secondly, it prays that a maintenance depot be

located somewhere in the Burin Peninsula area rather than at Clarenville. Then, Mr. Speaker, the petitioners, who I might say, are lead by the Anglican and Roman Catholic clergymen in this matter, set forth some pretty powerful and indisputable and convincing arguments in favour of their condition.

They say, for example, that, whereas the aforementioned section of road incorporates the settlements of Lords Cove, Taylors Bay, Point Au Gaul, Lamaline, Point May, Point Crewe, towns of a total population of approximately sixteen hundred people all of whom depend on the doctor and hospital at Grand Bank for medical care. It then goes on giving one point after the other. It then goes on to say that whereas the Roman Catholic and Anglican patients attending the hospital at Grand Bank require the services of their respective priests, both of whom live at Lamaline, they must be denied their services when the roads are impassible. Many patients have already been thus denied.

Then it goes on to say: Whereas school children from Lords Cove, Taylors Bay, Point Au Gaul and Point May, all situated eight and ten miles from Lamaline depend upon the aforementioned road for transportation to and from their schools at Lamaline. So it goes on with argument after argument very clearly and very powerfully stated. They argue that they should have a plow stationed permanently throughout the winter and the plow as well as other highroad machinery in use on that peninsula ought not to depend on the maintenance depot at Clarenville which is so far. It ought to be situated somewhere on the Burin Peninsula.

Now, Mr. Speaker, needless to say, I give this petition my hearty support

as I am sure every member of the House will do, because this once more is another cry of our people in Newfoundland against the curse of isolation. This is another prayer, another petition, of isolated people who are cut off, in this case by snow-filled roads. Now there are people cut off in a worse way than that. They are cut off by lack of roads. They have not even a road not alone a snow-filled road. They have not a road of any kind to connect them with civilization.

I support the prayer of the petition, Mr. Speaker, I beg leave to lay it on the Table of the House and have it referred to the Department to which it relates.

MR. HOLLETT: Mr. Chairman, I rise to support that petition. As the Honourable the Premier has pointed out, the reasons are obvious, particularly for people who live on that particular part of the coast who have to travel back and forth. I should think that is one of the roughest sections of the coast of Newfoundland in winter-time, when very rarely a boat can get around that peninsula. There is only one road, and if that road is snowed up of course there is complete isolation. I do hope that the government will see fit to do something about that.

On motion petition received for reference to the department concerned.

Presenting Reports of Standing and Select Committees

HON. W. J. KEOUGH (Minister of Fisheries and Co-operatives): Mr. Speaker, I beg leave to table the following documents — The Fifth Annual Report of the Co-operative Loan Board; The Second Annual Report of the Fisheries Loan Board, and the Second Annual Report of the Fisheries Development Authority.

Giving Notices of Motions

None.

Giving Notices of Questions

Notices of Questions on tomorrow given by Mr. Browne.

Answers to Questions

MR. BROWNE: Mr. Speaker, I wonder if I could ask the Minister of Supply if any tenders had been accepted regarding the supplying of Public Institutions yet for this current year, 1956-57?

HON. S. J. HEFFERTON (Minister of Supply): I might answer that right off the bat. All tenders were called for and have gone out except for meat, which is still under consideration.

MR. BROWNE: May I ask one subsequent question—Has there been any advances in the prices for any of the articles?

MR. HEFFERTON: I have not checked that, Mr. Speaker.

Orders of the Day

Second reading of Bill, "An Act Further to Amend the Loan and Guarantee Act, 1954."

MR. SMALLWOOD: Mr. Speaker, when the debate adjourned on this Bill the Second Reading of this Bill, "An Act Further to Amend the Loan and Guarantee Act, 1954," I had, I think, completed my description of all these items with the exception of Atlantic Gypsum, Limited, \$1,500,000 and Newfoundland Hardwoods Limited, \$1,200,000, both of which are to be described by my honourable and learned colleague, the Attorney General; and Adler's of Canada, Limited, \$650,000.

It is now to this latter that I propose to devote some brief attention. The reference of course is to the chocolate factory at Bay Roberts. The story of it is this:

A. Adler's and Company of London-England, operated for quite a number of years past, a chocolate factory in England, making some twenty odd or more kinds of chocolate and chocolate bars quite successfully and quite profitably. Mr. Adler himself, who is the sole owner of the business, has a daughter married in London and his son-in-law and daughter both work in the office and in the factory in London. He has another daughter who had moved to Canada. Mr. Adler himself was personally quite anxious to move out in Canada but he was not able to do so because everything he owned in the world was in England. I mean, the property that he owned was in England.

We made him an offer that, if he would move his whole factory, i.e., his machinery and equipment, from London to Newfoundland, some place in Newfoundland, we would finance him with the necessary capital to enable him to buy some land, erect the building, install the machinery, buy raw material and commence production.

The machinery that he owned was certified by chartered accountants in England as being worth some \$200,000. We had that certified by chartered accountants in England. The agreement was made subject to one condition in particular, and that was that it was null and void if the British Government did not permit him to remove his plant out of England, out of the United Kingdom. In any event the United Kingdom Government did give him the necessary permission, and acting through the Royal Bank he did

ship all his machinery and equipment from London to Bay Roberts.

The original agreement, a copy of which I can send over to the honourable gentlemen opposite, provided for our lending a sum of five hundred thousand dollars to this firm which was to be incorporated locally, was to be made a Newfoundland Company. That is why it is called "A. Adler's of Canada Limited" and is registered in Newfoundland.

We were to lend them five hundred thousand dollars. Three hundred and fifty thousand dollars of this was to be advanced to them in the last financial year, 1955-56 and the remaining one hundred and fifty thousand dollars was to be advanced to them this present year, 1956-57.

Now, this three hundred and fifty thousand which was to be advanced to them last year was not to be advanced in a lump sum. It was to be advanced to them in 1955 as follows: "135,000 on their purchasing the land—\$220,000 of it on the arrival of the machinery at Bay Roberts and \$15,000 as working capital when production began. So that made this a total of \$350,000. Then the remaining \$150,000 is to be paid to them as working capital in this current calendar year, indeed not this current calendar year, but this current financial year which began on April 1st. That \$150,000 is to be advanced to them from time to time, on the certificate of the Minister of Economic Development who in this matter acts upon the advice of the Director General of Economic Development, who in turn has the advantages of Auditors who maintain a fairly constant and strict financial control over the company and its accounts and its affairs.

The company is to repay that loan as follows: The interest, I may say, is at five per cent. The interest is first due from December 1, 1956 and thereafter and semi-annually every year on the 1st of June and the 1st of December. The first payment of interest due is on December 1st, at five per cent. They are to pay in June 1961 one-fifteenth of the loan and then each year thereafter they are to pay one-fifteenth until at the end of fifteen years the total principal will have been repaid.

In the meantime they are required to execute a mortgage, in the agreement, in favour of the government until all the principal and interest has been repaid. In addition to that they are to issue to the government a floating charge on all that might not be so mortgaged. The company must insure the property in favour of the government.

Then the Government are entitled to nominate one Director on the Board of the Company. Then the Government are entitled to exercise control over all expenditure of the company. All its expenditures are controlled by the nominees of the Government. Indeed that nominee is an Auditor from the Department of the Auditor General.

As I said, Mr. Speaker, the whole thing was subject to the British Government permitting the removal of the machinery from the United Kingdom, which they did.

Now, that is the agreement that was made last year. Now, a week ago another agreement was made with the same company, under which they are to erect a new building in Bay Roberts, with asbestos cement sides and roof over a steel framing. The building is to be forty feet by four hundred feet,

which is a pretty substantial building. This building is to be used to warehouse their new raw materials, which they have to bring in in very large quantities. They make their own chocolate, by the way, they are the seventh company, only, in Canada who make their own chocolate. The overwhelming majority of the chocolate factories in Canada do not make their own chocolate. They buy it from one of the seven companies who make it. Then they merely put it through the machines and put it into the shapes that they desire to have. So that this company in Bay Roberts is one of the seven companies in Canada making their own chocolate, actually bringing in the cocoa beans and bringing in the sugar, etc., and making the basic chocolate. That calls for a considerable volume of raw materials. In addition to this they have to bring in very large quantities of nuts and fruits for their chocolates, and chocolate nut bars. Up to now they have not made any chocolate nut bars. But recently they have had a very large shipment of nuts in, and will soon be pushing their Adler's Nut Bars. Then in addition to the nuts and fruits and sugar there are other raw materials that go into the manufacturing of basic chocolate. Then on top of that there are wrappers and so on and cartons that go into the manufacture of the finished product that is offered for sale. Then on top of that again they needed warehousing space for their finished products because when they move on from the manufacture of just one brand, one article, i.e., their milk chocolate, which is now selling in the shops, to nineteen or twenty other kinds of bars and chocolates and boxed chocolates, naturally they will have even more raw materials on hand and must have it on hand, and also they

need warehouse space for finished products to go out to customers.

Then in addition to that they want to put in a number of new lines and they are getting ready to do so. That is why they need this new building and some new machinery. We have agreed, within the last week, to make another loan, to increase the amount of the loan by a hundred and fifty thousand dollars.

They will not need any money from the Government for working capital over and above the amount of the loan.

Mr. Speaker, they began to manufacture and sell chocolate—No, I will take that back—They began to manufacture chocolate bars about three months ago. Day after day they made their big batch of chocolate bars and put them right through the final process, training their staff and that having been done they put their chocolate bars right back into the melting pot again, melted up the chocolate and every day for weeks on end until they were absolutely sure that the quality of their chocolate milk bars was equal to the best they themselves had ever made in England and to assure that their staff, (all local staff except Mr. Adlers' daughter and son-in-law and one superintendent they had brought out from England, are Bay Roberts people) was completely well-trained. Having done that they then began to market their chocolate bars. The bars have been a very great success indeed. I suppose it would be fair to say that never in our Newfoundland history was any product manufactured that had so instantaneous a success and so big a success. Honourable members of the House can go into any shop in St. John's or around Conception Bay and ask how Adler's Chocolates are going. Anyhow I went into Elizabeth Drugs,

one Saturday afternoon, a very modern drug store, I had another man with me, and I asked: "How are they going?" I was told they were selling ten to one. We can't keep Adler's Chocolates in stock. That is the greatest difficulty, keeping the shops stocked with them. As far as they go in, that fast almost, they go out.

Now, Mr. Adler informs me that, having now been selling their chocolate with only one bar so far, out of twenty or twenty-one, they are now selling at the rate of a quarter of a million dollars a year, and that by December they are expecting, with the same rate of increase, to be selling at the rate of five hundred thousand dollars a year of chocolates out of their factory in Bay Roberts. They are presently and already up to selling at the rate of a quarter of a million dollars worth a year, and before the end of December in this calendar year 1956 they will have reached five hundred thousand dollars a year turnover, and that by next summer, early summer next year, they will reach one million dollars.

The biggest manufacturer of chocolate bars in Canada who is represented in Newfoundland by a distributor had a dozen of these bars bought over the counter in St. John's, by their distributor who happened to be in St. John's at the time. He sent the one dozen bars to his head office in the city of the mainland where their headquarters are. They analyzed the bars and said—they telephoned, the top sales manager of the firm telephoned to their distributor in Newfoundland who has been selling a million dollars worth a year and said: having analyzed Adler's Chocolate Bar they now have to inform him they cannot compete in Newfoundland with Adler's Chocolate Bars. Furthermore, in a year or

two, Adler's Chocolates will be selling across Canada. It is the genuine thing. It is the real English chocolate. Anyone who has eaten it—you can be the most bigoted, the most prejudiced person alive on the earth, and if you eat Adler's chocolate you must say it is good. There is no doubt about it, it is good chocolate.

We think, on the evidence so far, that this industry is going to be successful, that it will pay back any loans to the government and we think it will pay interest on these loans in the meanwhile. We may be mistaken. We have been mistaken before. It is possible that we will be mistaken now and again in the future. That is possible. Nevertheless we believe that this industry is going to be successful in every way—in every way.

Mr. Speaker, that is the account of the six hundred and fifty thousand dollars that is contained in this list in the Loan and Guarantee Bill that is presently before the House.

I think, Mr. Speaker, that I have now given a description of all of these loans or guaranteed loans with the exception of Atlantic Gypsum Limited, which is an entirely new industry, which my honourable and learned colleague, the Attorney General, will describe—It is an entirely new industry with practically nothing whatsoever to do with the present industry in Corner Brook. It is an entirely new one and in a different part of Newfoundland altogether. Then there is Newfoundland Hardwoods Limited, one million two hundred thousand dollars. Those will both be described by my honourable and learned colleague, the Attorney General.

Mr. Speaker, some months ago I was invited to a speech night in Bay Roberts, at a celebration of the United

Church. I was very happy and proud to accept that invitation, and I proposed to fulfill the engagement there by suppertime tonight, seven o'clock tonight. For that reason I wish to leave the Chamber at five o'clock and drive immediately over to Bay Roberts. For that reason I propose with the indulgence of the House to move now the adjournment of this debate for the present and to move on to the next debate which is on the Loan Bill, so that I may introduce it at second reading and then adjourn that one until later in the day. Then after I go the House won't miss me but will be able to carry on while I am at a more congenial task, with the United Church people of Bay Roberts, to celebrate the fifteenth anniversary of the establishment of their church.

Mr. Speaker, I move the adjournment of the debate.

On motion debate on second reading adjourned.

Second reading of Bill, "An Act to Authorize the Raising of a Sum of Money by Way of a Loan on the Credit of the Province."

MR. SMALLWOOD: Mr. Speaker, there is not a great deal I can say about the actual and immediate purpose of the loan because the purposes are straightforwardly clear in the estimates where it is provided for certain capital account expenditures. I propose, therefore, to say a few words generally on the question of our credit as a province and generally on the question of our credit standing and generally on the question of our capital needs.

I stood about where I am standing now and addressed the Royal Commission on Canada's Economic Future. As the House is aware, they held their

first sitting in all Canada here in this very Chamber, I outlined to the Royal Commission Newfoundland's future needs, capital needs, her needs of capital assets. Now, I would be talking, of course, about something quite apart, quite different altogether from the ordinary day to day needs of the government to carry on the public services, the existing ones, that is to say, to maintain the schools we now have and to maintain the roads we now have and to maintain the hospitals we now have, to carry on just as she is now on an even keel. I was talking apart from that. That is ordinary current day to day, ordinary account of the government. I was talking about something else. That is not enough. Newfoundland does not grow unless she gets more roads. It is not enough to keep up the roads we now have. We got to get more roads and more and ever more and ever and ever and ever more. There is no end. We have got to build more and ever more schools and better schools. Who is going to say that our children in Newfoundland have schools good enough for them? Who is going to say that? Who dares to say it? To say that the schools, that the schools that our children have, are good enough for them—who dares to say that? Or who dares to say that we have enough hospitals when it is notorious—notorious—that we are worse off than any other province in Canada. We are the worst of all Canada's ten provinces in the number of hospitals and in the number of hospital beds. There are so many things we have got to do whether we like it or not.

When I finished addressing that Royal Commission I frankly, Mr. Speaker, I quite frankly did not know whether I should be proud or ashamed. Because I looked forward for twenty-five years to what Newfoundland was going to need in the next twenty-five

years in housing in new housing which had to be provided and water and sewerage systems throughout this island, the electricity that has got to be developed in Newfoundland for the future in the next twenty-five years to light up our towns, to light up our cities and our villages, the hospitals that got to be built and the new schools in dozens and in hundreds that have to be built. When I had it all added up it came to a thousand million dollars.

Then, twenty-five years from now, after spending a thousand million dollars to improve our capital assets we would still be the most backward province of Canada. Because, let us not forget, let us never forget that the other provinces are not standing still—they are not standing still—All of the other provinces are building more roads all the time. We have in this Island of Newfoundland today about six thousand miles of roads, taking them all as they come, such as they are, about six thousand miles of road. That includes the foot paths, the cow-paths that we call roads in many cases where there are stumps and rocks and bogs; six thousand miles. Prince Edward Island has as much as that, Prince Edward Island is two thousand miles in size—two thousand square miles in size. We are forty thousand square miles bigger than Prince Edward Island—and they have more miles of road than we have. Nova Scotia has three times as many miles of road as we have—three times as many—Yet they are only twenty thousand square miles in size. We are more than double the size of Nova Scotia and we are double the size of Nova Scotia and Prince Edward Island thrown in. They go right on year by year building more roads and more hospitals and more schools and keeping that gap between us and them. The gap is still there. We are

trying to catch up to them but they are trying to catch up to somebody else. So we find that year after year every province in Canada except one, and that is Alberta. Alberta is the exception only because they are so filthy rich in oil that you cannot dig a well but you bring in a big oil well—you cannot get a bucket of water—

MR. HIGGINS: They cannot get an oil well with coal on the side and—

MR. SMALLWOOD: And diamonds in the bottom. Except for Alberta which has taken in in the last few years since the war in actual sales and royalties from oil, hundreds of millions of dollars, literally hundreds of millions. I forget how many hundreds of millions they have taken in. Instead of having to go out into the markets and borrow and sell their bonds and borrow and finance their roads, the building of roads and the building of hospitals and the building of schools and all the rest, they have the money handed to them from their soil. That is the only province in Canada, the only one; every other province has gone on the market just as regularly as a clock. I am only going to take from 1949, not since the end of the war, from the time we became a Canadian Province.

Since we became a Province of Canada here is what has happened— In Nova Scotia they had those loans. They went on the market twice in 1949 and twice again in 1950 and twice again in 1951, once in 1952, twice again in 1953, twice again in 1954, I do not know what they did last year. But here is what they borrowed—Nova Scotia—I am taking it now from 1949 (I am adding the two together) 1949, twenty-four millions; 1950, twenty million dollars; 1951, twenty-two million dollars; 1952, twelve million dollars;

1953, twenty-one and a half million dollars; 1954, twenty million dollars. That is one hundred and twenty and a half million dollars. That is how Nova Scotia, since we became a Province of Canada, built her new miles of roads, built her new bridges, built her new schools, built her new hospitals and got herself other capital assets.

Now, she has had only two choices— No, she had three choices—(1) she could say, well, we will have no more miles of roads, no more hospitals, no more schools. We won't get any capital assets. She could have taken that course, or (2) she could have said: we will get only what we can finance from our day to day and week to week taxes taking in from day to day, week to week, month to month and year to year in regular taxes which we take in ordinary account revenue. What we can do with that is what we will do, that and no more and no less. She could have taken that course. They would not have built very many miles of roads if they had taken that course, or (3) they could have said: we will ask the future, the people of twenty, thirty, forty and fifty years from now, who will be growing up and getting the benefit of these schools, these roads and the benefits of these hospitals, to help provide these capital assets. So they borrowed a hundred and twenty and a half million dollars.

New Brunswick, giving the loans from the year 1949, total one hundred nineteen million eight hundred seventy-six thousand dollars (call it twenty million dollars), five loans in the year 1949, totalling twenty million dollars, or twenty million forty-six thousand dollars, 1950 eleven millions, 1951 eighteen millions, 1952 they did not go on the market, 1953 seven and a half million dollars; 1954 thirty-four

and a half million dollars; 1955 twenty-eight million dollars; a total since Confederation of one hundred nineteen million eight hundred and eighty-seven thousand dollars. That is how New Brunswick finances improvements, by floating bonds and using the proceeds for that very purpose.

I could go on to Ontario and get up into very fantastic figures, 1949, 1950, 1951, 1952, 1953, 1955, without a break, every year since 1949. Fifty-nine million dollars; fifty million dollars; one hundred forty-four million dollars; ninety-eight million dollars; one hundred twenty-one million dollars; nine hundred thousand dollars; one hundred million dollars; a total of six hundred forty-nine million dollars since we entered Confederation, Ontario borrowed. But then Ontario is a nation in herself, very rich and growing so fast that it would almost make you dizzy. In one year in Ontario they get more than we have had since 1947 up to now. They get that much in one year in Ontario. That is a lot of money. That is not counting Ontario's hydro-electric, which is more than that.

Manitoba, 1949, 1951, 1952, 1953, 1954: sixteen million two hundred thousand dollars; twenty-three million three hundred thousand dollars; twenty-seven million five hundred thousand dollars; twenty-five million dollars; twenty-four million dollars; fifteen million dollars; a total of one hundred twenty-one million dollars.

Saskatchewan, 1949, 1950, 1951, 1952, 1953, 1954 and 1955 every year; eight million dollars; twenty-one million dollars; seventeen million dollars; then in 1952 just a half million dollars; then twenty-seven million eight hundred thousand dollars; twenty-two million dollars; and then thirty million

one hundred twenty-seven thousand dollars.

Mr. Speaker, we entered Confederation just before the stroke of midnight on March 31, 1949, and at that moment there were ten Provinces. Before that there were only nine provinces. There were ten provinces just before the stroke of midnight on March 31, 1949. During those years since, all Canada, of course, has grown in a way that would almost take your breath away. Every province has grown, without exception. There is no exception at all. They have all grown even little Prince Edward Island, which is a sort of toy province which only has a hundred thousand people and two thousand square miles. You could drop it down in the centre of Newfoundland and lose it if you had not a good guide to find it. Even this little province of Prince Edward Island has gone ahead in those seven years. All Canada has gone ahead.

Now, any reasonable minded man, any honestly reasonable minded man, I don't care who he is nor what his politics, he may be Liberal or Tory, any reasonable-minded man, ask him this question—"Should Newfoundland be the exception?" Should she? Should Newfoundland make up her mind that it is not for her, no, Sir, not for her not for us, these things are too good for us—Not for us more roads, not for us more schools, not for us more hospitals. Should we make up our minds to that? Should that be our policy in Newfoundland? Should it? Now, should it?

Mr. Speaker, we could do that? We could do that. In a year, or six months after we announced it, if we made the announcement, if you let the public know that is what you were planning, you were going to stop building new

roads and stop improving schools and stop making new hospitals and all these improvements in the public services, the hydro-electric development, the building of more public housing, all these advantages and improvements, if you let the public know that, in six months you will lose fifty thousand of our people, in a year you would lose a hundred thousand and in five years the population of Newfoundland would be down to seventy or eighty or one hundred thousand people. People won't live here. They don't have to. If you stop building roads and bridges and schools and hospitals and hydro-electric installations and housing and the one hundred other things, if you stop that, the people will save up their family allowances money, they will save up their old age pension money, they will save and scrape and they will scratch to get enough money to get out of Newfoundland. They will! There is no fooling about that. That is what they will do. And you cannot blame them. They would be fools if they did not do that, fools to stay around in Newfoundland, a backward place that is only the Funks of Canada. If Newfoundland is only going to be a Funks to the North American Continent it is no place for good Canadians to be living. After all we are good Canadians, and it would be no place for us.

Now, that is common sense. What I have just said is common sense. It cannot be contradicted. But what an Opposition could do is not deal with it at all, not mention it, don't take it up and argue, don't face it, don't answer, don't deal with it, side-step it completely and go back to my speech of five years ago. Never mind my speech of five years later. Take my speech of five years earlier. Don't think they won't, Mr. Speaker. That is exactly what they will do. It won't get them anywhere, but they will do it

anyhow. They will point out parts of my speech. They won't read it. They will read parts of it. They won't read the qualifications. They will just read some parts of it without any qualifications. I made qualifications but they will ignore the qualifications.

I was interested in politics in Newfoundland, when I saw Newfoundland being bankrupt. I saw it happen. Newfoundland went insolvent. Newfoundland went on the rocks. I will tell you when she went on the rocks, Mr. Speaker, I will tell you when that was. That was when the whole revenue of Newfoundland amounted to seven million dollars. That is all she took that year. That is all that flowed into the Treasury, seven million dollars. Now five millions of that seven million went to pay interest on the public debt. Remember that was interest, not sinking fund. There was no sinking fund. We had never heard of it. We could not spell it. That was just interest.

MR. BROWNE: I think you are making a mistake there.

MR. SMALLWOOD: I am not making a mistake. It was straight interest, and there was no sinking fund. We never had a sinking fund in Newfoundland until the Commission of Government came. They set up the first sinking fund to go against the principal, to go towards it, not stop to wipe it out by the time it fell due. Nobody ever sets up a sinking fund big enough to wipe out indebtedness when it comes due. I am talking of Governments. But just to pay the interest on the debt was five million dollars. That left two million dollars for what? What was the two million for? What had that two million to do? To start with it had to maintain whatever hospitals there were in Newfoundland at that

time. It had to do that, put food in the hospitals, pay nurses and doctors and domestic staffs, the whole Civil Service had to be paid out of that two million dollars, all the magistrates, all the police, for all the fire halls, all the school teachers. All that had to come out of that two million dollars. The maintenance of the schools and all the roads, all that had to come out of it. All the customs officers, the pensions, the pensions for the veterans of the First World War, the pensions of the Civil Servants who had been put on pensions, the losses on the Newfoundland Railway, the runnings of the Post Office and Postal Telegraphs and all the losses they made, all that had to come out of that two million dollars; and on top of that there were eighty thousand on the dole. That also had to come out of that two million dollars. That meant Newfoundland was broke and she was broke as flat as a pancake—She was on the rocks. She was down and out. She had a population of a quarter of a million and she had an economy that was as weak as water and her people were destitute. She had a public debt of a hundred million and a floating debt of ten or more.

MR. BROWNE: It was the other way round, I think.

MR. SMALLWOOD: No, over a hundred, a hundred and ten million.

MR. HOLLETT: They were destitute in Canada too then, don't forget that.

MR. SMALLWOOD: Yes, but I am not running down Newfoundland. No one has to remind me that other parts of the world were destitute also. Because they were destitute did not make it one bit pleasanter for us, not one bit easier for those eighty thousand on six cents a day. It was no consola-

tion and no comfort to know the drouth and destitution of the prairie provinces was something appalling. That did not help them. It did not, the pinch in here was just as bad and it was just as bad eating the mouldy bread.

But, Mr. Speaker, my honourable friend, the Minister of Finance stood in this House a few days ago or a week or two ago and he told how in seven years our Newfoundland people have put into their pockets from all sources, wages and salaries and pensions, interest and dividends and family allowances and old age pensions, and what have you, they put in their pockets fourteen hundred million dollars. Our people have pocketed in seven years just about two hundred million dollars a year. On top of that—on top of that—there has been invested in Newfoundland in those seven years seven hundred million dollars in capital expenditure. I say that it would be the height of unpatriotic conduct on the part of any government in Newfoundland, it would be the last word of cowardice if we did not go on the market with our bonds, and raise the funds to build more roads, more schools, more hospitals, more houses and more of everything else for our Newfoundland people. We would not have a leg to stand on.

Mr. Speaker, that would have happened, supposing we had brought in a budget here and estimates not providing for any expenditure to build new roads, no schools, no hospitals, no capital amounts expenditure at all. What would they say? Would they not say quite properly that this government should be ashamed of itself? Would they not say quite rightly that this is the worst government Newfoundland has ever had? Here is all Canada forging ahead. Here is other Provinces of Canada going ahead in leaps and

bounds and this cowardly government, lacking in confidence in the future, lacking real belief in the destiny of Newfoundland, lacking all that, a bunch of cowards, playing it safe are not going to extend the mileage of the roads nor indeed even increase the number of hospital beds or improve or increase the number of classrooms for our children—Although, Mr. Speaker, we will have this year five thousand new school children more than we had last year and next year we will have another five thousand additional. It is going up at the rate of five thousand a year. What are you going to do? What are you going to do, keep cramming them into the schools or are you going to build new schools new classrooms for them. What are you going to do? In the last seven years there has been millions of dollars spent on motor cars, and cars are getting so numerous it is like an anthill—Are you not going to build more roads for them? Oh, what a lacerating we would get from the Opposition in this session or in any session that we would come in with the estimates for the coming year and not bring in six or eight or ten or fourteen million dollars to spend to improve the capital assets of the people, and what a lacerating we would deserve. We would deserve that laceration, every word of it.

They cannot. They have not as yet debated—the House has not gone into Committee of Supply to discuss the capital account. When we do, Members of the Opposition, quite rightly, quite properly, will criticize some of the details that we have down there which we propose to spend. One thing they will do, I prophesy now, they will not say there should not be capital expenditure. That they will not say. They won't do that it is true. But here is what they will do. This is a prophesy. I hope I am wrong. Here

is what they will do: They will admit that there has got to be capital expenditure. They will admit that. They won't deny that. They will admit that. But while they are admitting that there must be capital expenditure they will pretend (that is an unparliamentary expression. I will withdraw it) they will tell us there should not be any money borrowed to do it with. Now at that point, if I am in the Chamber, I will have the pleasure of asking them how else would they propose it should be done? How else? Out of current account? Do they think we should tax the people every month now and every day and every year enough every year to bring in enough every year to do these capital account expenditures. Must we take from the people enough not only to keep the schools going but to build new ones? Must we do that each year? They won't advocate that either. That they will not advocate.

What they will do is this and they will do it before this day is over. They will not, I hope, say anything so silly as that our credit is reaching its maximum. That would be too silly for words. They will not say that. But they will somehow say that it is all unsound. They will hope that the people will accept that. Some people will, no doubt, accept it. I don't believe they will try though. I saw it done in this Chamber some two or three years ago—and incidentally six years ago I heard it prophesied from that side of the House that we would be bankrupt in five years. That prophesy was made on that side of the House that the Government of Newfoundland would be bankrupt in five years. That is six years ago. We just ended last year, the greatest year in Newfoundland history and have entered on an even greater year. So I don't say there will be any repetition

of that. I believe the honourable gentlemen opposite have a sense of responsibility as Newfoundlanders who have to live here, and who have children and grandchildren. They want to see Newfoundland prosperous. They are not going to say a single word that will damage the standing of Newfoundland in the eyes of the world, in the eyes of the financial houses and bankers. Remember this, Opposition parties are supposed to be personable and respectable and are supposed to be responsible. When the people in Ontario, for instance, if they read in their newspapers that the Opposition in Newfoundland said Newfoundland was on the verge of bankruptcy, or a statement like that, they would assume naturally that this came from responsible minded men, those were considered words, these were measured words, they were words uttered by men fully conscious of the possible effects they might have in certain sections and in certain quarters. They would assume all that. They would never in the world think it was just a reckless debating point made for the sake of a momentary triumph in a debate. They would not dream of that. They would not believe you if you told them. So that I am quite confident that my honourable friends opposite will not hint nor insinuate or suggest that this Island of ours with its tremendous prosperity, and with its bad spots too, of course—we know that—there are bad spots. Fortune Bay is in a very bad condition and the South West Coast is in an extremely bad condition, is on the verge of bankruptcy.

Tomorrow, by the way, I hope in this Chamber to announce the name of the Chairman of the new Commission of Enquiry that is to go up the Southwest Coast and make this study. I know the Opposition won't suggest that there is anything unsound about

the position of Newfoundland. They won't suggest that. Frankly, with considerable curiosity, I have considered in my own mind what would I have said if I were in the Opposition. I have considered that. I have been thinking about it. If I were the Leader of the Opposition what criticism would I offer the government for deciding to spend this year again another fourteen or fifteen million dollars on capital account? What criticism would I offer? I would perhaps go back to the speech the Premier made five years ago, when I said the people of Newfoundland dreaded the thought of borrowing, I would carefully avoid the qualifications. I would avoid these. I would not read these out. All I would hope as I read out these quotations is that no other member of the House would happen to have a copy of that speech of five years ago. I would take a chance on that. If somebody else said: read out this or that, read the sentence before or after, I would raise my voice and drown him out and stick to that one damaging sentence. Perhaps that would be good debating, perhaps it does not do too much harm. But frankly, knowing as I think I do the sentiment of our Newfoundland people—I believe I know our Newfoundland people. I believe that our Newfoundland people want more roads. I believe they do. I believe they really do. I believe that when these people today asked to have a snow plow stationed up around the tip of the Burin Peninsula, I don't think they were considering our public debt at all. I don't believe they were. I don't believe they connected the public debt with that plow. I don't believe they did. I believe our people want roads and all kinds of things. If I were the Leader of the Opposition or just a member of the Opposition I don't think I would say anything that suggested to Newfoundland, unless I were

unreasonable, that I opposed that kind of progress. I don't believe I would. I don't believe I would utter a single word or a single hint.

Mr. Speaker, I move the second reading of this Bill. I may say for the information of my honourable friends opposite that the bonds are to be floated in two lots this year. The bond market at the moment is not too good. The Bank of Canada has been raising the rates steadily. This is being done deliberately by the Bank of Canada, with the Government of Canada, to prevent inflation. So they have raised the bank rates and Canadian Government Bonds and Provincial Government Bonds across Canada are selling at worse rates than ordinary bonds. That is a very unusual situation. So our financial advisors tell us that instead of floating the whole of the issue at one time we should do it in two lots, one now and one later in the year, watching the market carefully. It is not we who are watching but our bankers and our brokers are watching it carefully and they are ready to do that. This afternoon, the details are arriving today to my honourable friend, the Minister of Finance, and we are ready to go on. I hope that the House will expediate the passing of this Bill so that the money can be released quickly and at least some of it, as much of it as we intend to release at this stage, and work commence at once on roads, construction and other capital account work throughout the Province.

Mr. Speaker, I move the adjournment of the debate, not for the purpose of speaking again, because when I am through I will be leaving here, but so that my honourable and learned friend, the Attorney General, who will be leading the House now, will be able to plan out the further business of the afternoon.

On motion the debate on second reading was adjourned until tomorrow.

On motion the House recessed for ten minutes after which Mr. Deputy-Speaker returned to the Chair:

Third Readings:

On motion a Bill, "An Act Respecting the Trustee Board of the Presbyterian Church of Canada," read a third time, ordered passed and title be as on the Order Paper.

On motion, a Bill, "An Act Respecting the Filing, Publication and Consolidation of Regulations," read a third time, ordered passed and title be as the Order Paper.

On motion, a Bill, "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Local Government," read a third time, ordered passed and title be as on the Order Paper.

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I move that the Bill, "An Act Further to Amend the Highway Traffic Act," be recommitted later today.

On motion Bill ordered recommitted at a later hour this day.

On motion a Bill, "An Act Further to Amend the Health and Public Welfare Act," read a third time ordered passed and title be as on the Order Paper.

On motion a Bill, "An Act to Incorporate the Newfoundland Association of Architects" read a third time, ordered passed and title be as on the Order Paper.

On motion, third reading of Bill, "An Act to Amend the Companies Act," deferred.

On motion a Bill, "An Act to Provide for the Establishment and Administration of Local Road Boards" read a third time, ordered passed and title be as on the Order Paper.

On motion a Bill, "An Act for the Protection of the Water Supply from Larkin's Pond and other Contiguous Lakes," read a third time, ordered passed and title be as on the Order Paper.

On motion a Bill, "An Act Respecting the Appointment of Commissioners to Enquire into the Present Use of a Wharf Constructed in the Harbour of St. John's During the Second World War and to Make Recommendations as to the Future Use of the Wharf," read a third time, ordered passed and title be as on the Order Paper.

On motion, a Bill "An Act to Provide for the Transportation of Timber Over Streams and Lakes and for other Purposes in Connection with Crown Lands," read a third time, ordered passed and title be as on the Order Paper.

On motion, a Bill, "An Act Respecting the Distribution of Electricity in the Grand Falls, Windsor, Bishops' Falls and Botwood Areas" read a third time, ordered passed and title be as on the Order Paper.

On motion a Bill, "An Act Further to Amend the Local Authority Guarantee Act, 1952," read a third time, ordered passed and title be as on the Order Paper.

On motion a Bill, "An Act to Amend the Tourist Development Loan Act," read a third time, ordered passed and title be as on the Order Paper.

Second Reading of Bill, "An Act to Amend the St. John's Housing Corporation Act."

On motion Second Reading deferred.

Second Reading of Bill, "An Act to Provide for the Payment of Accelerated Pensions to Employees of the Newfoundland Government Transferred to the Services of the Government of Canada at the Date of Union."

MR. CURTIS: Mr. Speaker, this is a Bill which has been introduced in order to enable the government to grant pensions before they are normally due to such civil servants or railway employees as were taken over as at the date of union by the Federal Government or by a Federal agency.

Under our system of pensions none of these people would be entitled to receive a pension until they are sixty-five years of age. It is quite possible that in the near future, in fact it was suggested some months ago, that some of these employees might be laid off prematurely. The object of this Act is to enable the Government not to make it obligatory, to enable the government in such cases, if the parties in question have not reached the age of sixty-five years, to pension them at an earlier date. The suggestion is that in such cases their pensions would be recalculated to meet the new situation.

The position would be this, Mr. Speaker: If a person is pensioned at say sixty instead of sixty-five, the Government would compute his pension or the pension he would have received at sixty-five, look up his table of expectancy and calculate how many payments he would normally receive after his sixty-fifth birthday, i.e. the number of pension payments he would receive if he were not pensioned until sixty-five; and would then recalculate the pension, adding to the number of years to be considered the number of

years that he was short of sixty-five. In other words, suppose a man was pensioned at sixty-five, his life expectancy is seventy-five years. In other words he has ten years pension coming to him. Let us suppose then that his pension would work out a thousand dollars a year. That is ten thousand dollars payable to him as a pension from sixty-five to seventy-five. Well, under this Act it would be permissible for the Newfoundland Government to contribute to his pension on the basis of dividing the ten thousand dollars into fifteen annual payments instead of ten. If he was pensioned at sixty-five he would get ten payments of a thousand dollars and if he were pensioned at sixty he would get fifteen years at a reduced payment, but the actual payment he would get would equal ten thousand dollars, which he would have gotten at sixty-five.

The object of this Bill is to enable the Newfoundland Government to contribute towards his pension should he be pensioned under such arrangement by the Government of Canada or by the railway or other agency of Canada to whom he went after union.

I think, Mr. Speaker, the Bill is quite clear. Any other details, Mr. Speaker, can be discussed in Committee. I move the second reading of the Bill.

MR. HOLLETT: Mr. Speaker, having listened very carefully to the statement made by the Honourable the Attorney General in relation to the accelerated pension scheme, frankly I cannot agree that it is in the best interest of the workmen. You take an individual workman who has reached the age of sixty years who is suddenly laid off. That man is available for work and would continue to work until he was sixty-five ordinarily and then would receive his full pension.

The idea is now, if for some reason or other the Federal Government should lay off this man when he is sixty years of age the Provincial Government would establish his life expectancy and would pay him a pension, as the Attorney General states, equal to what he would receive over a period of ten years from sixty-five to seventy-five. This would be stretched out in such a way as to be the amount he would receive for fifteen years. This would mean that this man would receive what I would call a starvation pension. It is through no fault of his own that he is laid off at sixty years of age. Surely he should not be made to suffer by the Provincial Government. I maintain if he were laid off for any reason which is not his fault, any reason given by the Federal Government, I maintain that he should receive the same pension that he would have gotten had he gone on to the age of sixty-five years of age.

Now that may sound unreasonable on the face of it. But in my opinion it is not unreasonable because ordinarily a man works until he is sixty-five years of age and is entitled, say, to one hundred and fifty dollars a month pension. He will then have little enough on which to survive during the declining years of his lifetime.

Now the proposal is that if he is laid off at sixty years that amount he would have received over ten years or during his lifetime is to be lessened by an amount of almost one half, and consequently the man himself would not have been getting anywhere near enough money to live on out of that pension. Goodness knows a pension in these days is not very adequate anyway, even for foremen who really get the highest pensions. No person can really live on such a pension. But if you are going to reduce that now, as

has been hinted by the Attorney General, then I feel you are going to create a whole lot of injury to individuals who have worked say until sixty years of age and are quite willing to work until they are sixty-five. But they find themselves suddenly cut-off because the Federal Government does not want them any more and we will punish them by paying them a pension which will be reduced. Now I fail to see the justice in that. I am against that idea, and I am in favour of accelerated pensions. I believe if a man is laid off by the Federal Government and has served to sixty years of age he should receive that which he worked for all the years of his life, perhaps since twenty years of age, and should not be denied that pension and certainly much less should it be lessened.

That is my only objection, Mr. Speaker, and I am quite sure every member of the House will agree it is correct. Instead of paying over a period of fifteen years what he would have gotten over a period of ten years we should pay him the amount of pension estimated on the basis of what he would have received for ten years, in other words, pay him a full pension. I don't know whether everybody in the House can see what I am driving at. That is the way it strikes me. I feel that is the true meaning of the Bill, as given by the Attorney General, we are creating a rod (I was going to say) for our own backs, a rod for the Government's back. That is alright. But it is also a very, very stiff rod for the back of the railway man who is laid off.

MR. BROWNE: Mr. Speaker, I just sent for the Terms of Union to remind members of the Government of the provision of Term 39, which certainly did not include any provision that a pension could be substituted for em-

ployment. There, the Terms of Union, as I understand them, were that people who were employed in the Government services which were taken by the Canadian Government should not be injured in regard to their rights. This definitely is an injury. They are going to receive—instead of being maintained in their employment, they are now going to be pensioned which means considerable reduction in the amount of their pensions. Of course, I suppose, a good many of them are not old men. A good many of the men who are going to be put off are men who are hardly over middle-age, and whose pensions will be comparatively insignificant compared to their earnings. When these pensions have been calculated, it will be found, I imagine, that they will get very small pensions. It reminds me of the bad old days of 1932-33 that the Premier was talking about this afternoon, when our income was down to only seven million and our expenditures about eleven, and everybody had to take cuts, and the people in the Post Office who were considered to be unnecessary at the time were pensioned on pensions as low as ten dollars. But in these prosperous times when everything is booming it now hardly seems necessary to have men paid off in that fashion as if we were going through a depression. Here is the term that is referred to in this Bill:

Employees in the Government of Newfoundland in the services taken over by the Canadian Government pursuant to these terms will be offered employment in the similar Canadian services under terms and conditions from time to time governing employment in those services but without reduction in salary or loss of pension rights acquired by the reason of service in Newfoundland.

It then goes on to say that Canada will provide the pensions for such employees so that the employees will not be prejudiced and the Government of the Province of Newfoundland will reimburse Canada for the pensions for, or at its option make to Canada contributions in respect of, the services of these employees with the Government of Newfoundland prior to the date of union, but these payments or contributions will be such that the burden on the Government of the Province of Newfoundland in respect of pension rights acquired by reason of service in Newfoundland will not be increased by reason of the transfer

Pensions of employees of the Government of Newfoundland who were retired on pension before the service concerned is taken over by Canada will remain the responsibility of the Province of Newfoundland.

That is the famous Clause 39 in the Terms of Union. This is the first admission by the Government that the Government of Canada is under no responsibility to provide employment in these services. The Canadian Government is now getting clear of its obligations in regard to the railway. I do not know how many men are likely to be affected, but once this Bill goes through there will be no pressure to put upon the Canadian Government, and the case which has been considered subjudice, the case which has been heard by the Board of Exchequer and resolved unfavourably towards the Newfoundland employees of the Government railway, which goes before the Supreme Court of Canada, will go, I imagine, accompanied by this Bill.

MR. CURTIS: You are talking about the Pollick case?

MR. BROWNE: Yes. This is a case where men are going to be paid off.

MR. CURTIS: This deals with purely people not sixty-five. Pollick was.

MR. BROWNE: This is a case of men being paid off.

MR. CURTIS: This is only a contingency we are providing for. That is all.

MR. BROWNE: In any case there was the provision in the Terms of Union that they were to be offered employment in these services or similar Canadian services. Now the men who worked at the railway under the Newfoundland Government are going to be paid off and are going to be given a pension. Of course men who have been working with the Newfoundland Government before Confederation have been earning their pensions, and men who went as far as their age limit of sixty-five were pensioned. They have all been pensioned. Some of them have been pensioned at rather low figures and are complaining that they should be given consideration for increased pensions. But there are here men who have been employed by the Newfoundland Government and employed by the Canadian Government, not having reached the age of sixty-five and are going to be pensioned prematurely so that the Canadian Government won't have to pay their salaries. They are being paid off because of the exigencies that the management of the Canadian National Railway think now exist in connection with the railway.

We regret it should be necessary for the Government to take that attitude in regard to those men. I think it would have been better to put up a fight and claim these men should have been retained rather than to come here and ask the House to pass an accelerated pensions Bill.

MR. HIGGINS: Mr. Speaker, I am in complete agreement with my col-

league from St. John's West and my leader on this point. There may be some people, undoubtedly there must have been some people who have been injuriously affected by the circumstance of being paid off. It may be that the Government feels that they are helping these people. But behind that, Sir, is the greater danger that, if this is persisted in, we are in effect saying to the Canadian National Railway: "Look, if you find it more convenient, more economical to operate by laying off some people, all right, we will step in and bridge the gap." They are really weakening the case of these men because once this becomes law the Canadian National Railway will feel much less squeamish about laying off men of the age of fifty-five and sixty. In the meantime the Canadian National Railway is saving because of paying working men the living wages they would have to get as long as they worked.

There seems to be something about this, Sir, that smacks, as my colleague from St. John's West said, of letting down the working men.

MR. CURTIS: Mr. Speaker, I have listened with great interest to what my honourable friends have said. Actually, if they will read the Bill they will find there is no compulsion whatsoever. This is a Bill that employees can take advantage of if they want to—they do not have to—if my honourable friend will read sub-section three he can see that. What is more, he can see if he reads section nine that this Bill is not to come into force when assented to by His Honour, but is to come into force on a day to be fixed by proclamation. If the Government find there is anything advantageous to be in what my honourable friend has said, I assure them the Bill will not be proclaimed. It is a provision designed

to assist the men and not to assist the Canadian National Railway. It is not designed to assist the Government of Canada. It is a Bill designed to enable the Newfoundland Government to assist any people who are laid off before their sixty-fifth birthday, but it is not done to encourage laying off. It does not effect the position as to whether or not they are entitled to be laid off. It does not affect the situation my honourable and learned friend from St. John's West suggested at all.

This is an enabling Bill, to enable certain employees under certain circumstances to have an accelerated pension. But it does not affect the point raised by my honourable friends at all. I will suggest, Mr. Speaker, if there is any merit in their arguments, and I think there is not, if there is any merit in their arguments, I can assure them the Government, upon looking into the matter, will not proclaim the Bill, but I would remind the House that this is a Bill to assist the employees, and if we find it will have a contrary effect it will not be implemented.

I move the second reading, Mr. Speaker.

On motion Bill read a second time.

MR. CURTIS: Perhaps, Mr. Speaker, we could have the special leave of the House to go into Committee of the Whole on the Accelerated Pension Act.

MR. SPEAKER: The Honourable the Attorney General now moves that the House now consider this Bill in Committee of the Whole. This can be done only with permission of the House. Is it agreed?

MR. HOLLETT: Agreed, Mr. Speaker.

On motion the House went into Committee of the Whole on Bill, "An Act to provide for the Payment of Accelerated Pensions to Employees of the Newfoundland Government Transferred to Services of the Government of Canada at the Date of Union"; and on various other Bills.

On motion Mr. Speaker left the Chair.

Mr. Courage, Chairman of Committee of the Whole.

Committee of the Whole on Bill, "An Act Respecting the Filing, Publication and Consolidation of Regulations."

MR. CURTIS: The point is, Mr. Chairman, in this Bill actually we amended Section three and I think it will be agreed if we leave out these words now in this Bill we are going to have a difficult situation to contend with because under some legislation we are allowed—The amendment reads: "Subject to this Act a Regulation shall come into force and have effect from the date on which it was published or subject to the Act under which it is made or such earlier or later date as may be prescribed in the Regulations.

I am asking, Mr. Chairman, to reinstate the word *earlier* which was stricken out at the request of my honourable friend, the learned and honourable member for St. John's West.

The position is this—We have Acts. These Acts provide for Regulations coming in at an earlier or later date. Now, if under the Regulations Act they can be brought in at an earlier date you have got two Acts that are different. You have one Act which says the Regulations can be brought in earlier and another which says they cannot. I don't know which Act is going to govern, the Act allowing the Regulations to be made or this Regulations

Act. In order to clear up this situation I would move that the word "earlier" be placed in sub-section F of sub-section three of Section four. Then we will know where we are and whither tending. In other words, if the Act under which it is made says it may be made under earlier date than the Regulations Act says it may then it will be under an earlier date.

MR. CHAIRMAN: We have to take each of these separately. Shall Clause three as amended carry?

MR. BROWNE: No, Mr. Chairman, not without opposition! I can't see that the Attorney General has produced any reason to justify going back to the original reading in the printed Bill as it was first circulated to us. It means to say that a Regulation when it is published can be retroactive. It seems to me that is bad practice. Every person is supposed to know the law. How is he supposed to know the law before it comes into effect? The law does not come into effect until the Regulation is published and that Regulation may go back one or two years. We don't know how long it is going to go back. I note here on reading the report on the Commission of Enquiry at Corner Brook, page thirty-nine, it says in the Newfoundland Gazette of August 30th, 1955, there appeared: Ordered that the persons hereinafter named representing the School Boards, Municipalities or Areas set out opposite their names be and are hereby appointed The Corner Brook School Tax Authority for the Corner Brook School Tax Area, with effect from June 2nd, 1955. That will give an idea of what is intended now, that a Regulation can be published in August and be retroactive for months previous.

Now, I don't pretend to know how far the Government is likely to go or

how often it is likely to take advantage of that. There it is, and it does not seem to me to be sound. Unless the Attorney General can show that it is a reasonable provision I think we ought to oppose it. There was a time when it was a very rare thing to hear of a law being made retroactive. I think the first time we ever heard of it was in connection with the Housing Corporation in rent control. I believe that was the first time in this country that retroactive legislation came into effect. Here now the Regulations will be liable to be retroactive. The Government will have power under the various laws entitling them to make retroactive Regulations. At one time Regulations were few and far between but today every Minister has power to make Regulations, and not only Ministers by boards and committees and authorities of one kind and another, Fisheries Authorities, School Tax Authorities all can make Regulations and make them retroactive, I presume. It does not seem to me to be just. It does not seem to me to be fair. I trust that the Attorney General, if he cannot give a valid reason for insisting on this, will abide by the amendment we made here the other day.

MR. HOLLETT: It is my feeling, Mr. Chairman, the remarks made by my honourable colleague seem to be well taken. It seems to me to be ridiculous that we should have Regulations filed today, for instance, and then make them retroactive six months, if you like or a year. Everybody is making Regulations today, every department of the Government even boards are making Regulations. Under this particular section being brought in every board and all these departments can make Regulations which they may make retroactive away back to six months or a year as

the case might be. Personally I see nothing wrong with Clause four as it was in the printed copies which have been deleted—It says, unless otherwise stated the Regulation shall come into force and have effect on the day filed. Surely there is nothing wrong with that. Surely we cannot make it retroactive. I am strongly against the idea of making all Regulations retroactive just at the will of some chairman or some board or some department. I think that we are going to have all sorts of trouble, and people coming up before courts for breaches of regulations never even published or filed at the time they committed the so-called breach. I repeat, Sir, that a person who acts in good faith today carrying out certain regulations or certain provisions of an Act and in six months times some board or some Minister may make a regulation retroactively which would make that man guilty of an offence under the Act or under the Regulation. Now that to me seems highly undesirable and unreasonable and I don't think it is in strict keeping with good parliamentary practice in making laws.

On motion clause carried, Opposition voted "Nay" (Mr. Hollett, Mr. Browne).

On motion Clause four as amended carried. Opposition voted "Nay."

MR. CURTIS: Mr. Chairman, "Subject to this section, the Minister may decide (a), (b) and (c):

(a) whether any regulation, rule, order or by-law is a regulation within the meaning of this Act and his decision shall be final; we struck out the words, at the request of the Honourable Member for St. John's West "and his decision shall be final" and my honourable friend waxed eloquent because the Lieutenant - Governor - in -

Council might vary a decision and the decision therefore was not final. But my honourable and learned friend omitted to note that the first words of the Section says "subject to this Section" his decision shall be final. So that I would ask to have these words put back—"and his decision shall be final." If they were not taken out that was the Order of the House. We certainly made that amendment in the House here. But as the Clerk apparently has not taken note in his copy there is no need to move the amendment.

MR. HOLLETT: My note says it was allowed to stand.

MR. CHAIRMAN: It was allowed to stand.

MR. CURTIS: So that these words—"and his decision shall be final" shall remain in the Bill.

MR. BROWNE: So I did not wax so eloquent after all.

MR. CURTIS: You did; but the Clerk must have missed it.

On motion Clause as amended carried.

MR. CURTIS: I am not going to ask the Committee, Mr. Chairman, to report having passed the Bill, number thirty-eight, the Highway Traffic Act, without amendment. I am going to amend that Bill by putting in the word "only" as my honourable friend suggested. It only spoils the reading and the sense of it. I move that the Committee report having passed the Bill without amendment.

Motion, that the Committee passed a Bill, "An Act Further to Amend the Highway Traffic Act," without amendment, carried.

Committee of the Whole on Bill, "An Act Further to Amend the Department of Public Works Act."

MR. BROWNE: Mr. Chairman, this is the Bill which was considered by the Attorney General, and he did not know whether he was going to have it withdrawn and a new Bill introduced or whether he was going to amend it in Committee. It will be remembered, when this Bill was first introduced it had one amendment included, which was a definition of the words "Municipality Authority." This Bill was passed and included in the Revised Statutes for 1952. It was amended in 1953 and it was again amended last year. I remember very well the amendment which was made last year. It was amended so as to throw upon the owner of the land which was expropriated by the Department of Public Works the option of proving that he had a good title to the land, whereas normally possession is a good title, the Bill last year provided that he must produce documents of title to the satisfaction of the Minister. If the Minister is not satisfied with the title produced he may refuse to appoint a board of assessors. I remember very well because at that particular time I had been instructed by a client on Topsail Road that he had received notice of expropriation of land by the Department of Public Works and this had been done a considerable time before the Bill was introduced, and I had asked the Minister if it was going to be retroactive and he told me no. Yet when we wanted him to set up the Board of Assessors the Department refused to set them up. They have never been set up and the demand is made upon our clients to produce their title to the satisfaction of the Minister. We were told that the title was not satisfactory. All they got to do is to continue to show

that they are dissatisfied and there does not appear to be much that an owner of land can do. That was last year. But this amendment now introduced in the Committee stage is to go a step further. I don't think you will find in any Government in the British Commonwealth of Nations, or probably you will find it in India which is very socialistic, any provision comparable to this.

The effect of this amendment here is to give the Minister of Public Works authority to expropriate land from people and then to sell the land to somebody else. He can take the land from John Jones and give it to John Smith. Now when it is remembered that on the Board of Assessors two of them are appointed by the Minister and one of them out of the three is appointed by the owner of the land, the owner of the land has not got very much chance when the assessment takes place. If he should neglect to appoint an assessor then the Government will appoint the three assessors. Presuming that the assessors are honest people and that they will assess the land which was confiscated, and that of course included buildings as well as land, if they did assess it honestly, the Minister then may sell it, at least the Government has paid for it, to somebody else.

Let me give some example as to what will happen under this: On the Roche's Line, the Premier could extend his farm to take in all the neighbouring farms. The Minister of Public Works could come along and say, "Smith and Jones and Robinson we want your land and will take it. We will give you whatever we assess to be the value." They will take the land and after it is taken he could sell it to the Premier for his farm.

We have in (b) (one) land for tourist purposes. He could come along and say, this is a nice place to put a motel, this land. I will go to the Minister of Mines and Resources, he has a nice spot of land, and say we are going to take that piece of land. Then the Minister can take the land and sell it to somebody else. Now there was the amendment. It was a little amusing to me to hear the Minister tell me that he had never seen that amendment before. Now let me read the first amendment produced by the Attorney General. It is to this effect: "When in the Opinion of the Lieutenant-Governor-in-Council it is necessary or desirable to acquire any land or property for the use of any person" (any person—any Tom, Dick or Harry) "who wanted a piece of land for agricultural purposes or for the construction and operation of a tourist establishment, as defined in the Tourist Establishment Act, or for any other purpose whatsoever relating to the tourist industry, the Lieutenant-Governor-in-Council may by order direct that land or property shall be expropriated."

The way that is done is: The surveyor goes over the land. He does not ask leave or licence of the owner, but puts down his peg. Comes back to the department and draws up a description of the land and a document called "an order in council," is signed, sealed and delivered and deposited in the Registry, that is that. The land then belongs to the Government. Then the Government can sell it to whomever they like. Now that is what the provision is.

The other provision deals with the description and title. Then after it is taken the title shall vest in Her Majesty but thereafter the Minister may, subject to the approval of the

Lieutenant-Governor-in-Council, sell, lease or otherwise dispose of or deal with the land or property on such terms or conditions and for such consideration as he deems fit.

Now the Minister of Public Works has a different version. Here is his version: His version is to change Section twenty-one of the Act and add this: "for greater certainty it is hereby declared that for the express use of Her Majesty in right of Newfoundland or of the public." Now that is going to be amended to read—"by or on behalf of Her Majesty or by any other person for road purposes including construction, repairs, and widening roads, for agricultural purposes and for tourist purposes, including the construction and operation of tourist establishments as defined in the Tourist Establishment Act.

Therefore, if any person can get the ear of the Government, the Government will take a piece of land from anybody so that that person can widen his road. If a person wants his neighbour's land for agricultural purposes the Government has the power to take that neighbour's land and give it to the other person. So that if a person wants some other person's land or even house the Government can take that land from one person and sell it to the other. That goes on, subject to the approval of the Lieutenant-Governor-in-Council the Minister of Public Works may sell, lease or otherwise dispose of any other land required under these circumstances on such terms and conditions and for such consideration—In other words he can give it away, as he sees fit.

Now I don't believe members of the Government or any of the members on the other side of the House saw this. I don't believe they saw it. Yet they might have seen the one the At-

torney General brought in. But I don't see how they could when the Minister of Public Works said he had not seen it. So that there are two amendments that are utterly unacceptable, and I hope unacceptable to members on the Government side of the House.

MR. CURTIS: Mr. Chairman, in reply to the honourable and learned gentleman—I am not closing the debate. We are in committee and there is no limitation on debate.

MR. CHAIRMAN: I may say that at this stage I don't know what the amendment is. There is an amendment moved by the Minister of Public Works, which is the amendment my honourable friend has, and apparently the only copy of it in the House.

MR. HIGGINS: No, there is one here.

MR. CURTIS: The Opposition took them all, I guess. The Chair has not a copy of this.

MR. HIGGINS: Yes, with the courtesy of the Opposition.

MR. CURTIS: The position is this, Mr. Chairman, when this Bill was being discussed after the amendment you had before you and the honourable and learned member has before him—draftsmen don't always like their first draft. The Department of the Attorney General redrafted the amendment and had it printed for greater clarity. So our understanding is that the present draft as printed is exactly the same in effect as the one that has been moved, but it is just a bit better drafted. Now the point raised by my honourable friend is a point which I think we can deal with in this Committee, I think it would be foolish to withdraw this Bill and reissue it and have it go through first, second and

third reading and the Committee stage when in Committee we can make the amendment we want.

Now I would be perfectly happy, in fact we would suggest that we limit the land that can be taken to raw or undeveloped land. There is no thought of taking developed land. The idea of this Act, Mr. Chairman, is to get at land that has been lying there fifty years absolutely unused and yet held by some people in England or some people outside the country. They are just sitting on it when people who live in Newfoundland can't get an acre of land to support them. This is a Bill to assist Newfoundland residents to be allowed to use Newfoundland land for their own purposes for harvesting instead of having it held by someone who never saw it and never expects to see it, sitting on his fanny over there in England waiting to get some profits.

No, this is a Bill to help out the people of Newfoundland. I am surprised that my honourable friend objects to the idea. Imagine taking a piece of land away from these corporations in England and up in the United States somewhere instead of allowing them to sit on it here. Reids in Newfoundland have held land here since 1889, is it? They have land here, and if you want to build on their land to turn it into a farm, they won't sell it. You don't get it, that is all there is to it. Now this is a Bill to make Newfoundland available to Newfoundlanders. I agree with the section. I would certainly suggest that we limit it to land that has not been harvested land, that has not been cleared land, that has never been used. If anybody is going to tell me any reasonable man in this twentieth century is going to sit down and object to the idea of a government taking land from people not using it and giving it to people who will use

it—I am surprised to hear such a suggestion.

MR. HOLLETT: I am surprised at such a suggestion too. But that is exactly what is in this Bill. That is exactly what is in this section; I am holding a piece of land and I am using it to some extent, perhaps not to the extent I should be using it in the eyes of the Government, and John Jones comes along and decides he wants to build on my land, he wants to put up a tavern for tourists, and he comes to the Government and says he wants that land, Hollett has to get out. He is not using it to full capacity. I want to build a tavern. Then all he has to do is get permission of the Minister and the Minister starts expropriation proceedings and takes the land away from me and sells it to the other fellow, on a loan perhaps from the Government. That is exactly what that means there. I am surprised to see it there. It is all very well for an honourable Minister to get up and say nobody intends to do this nor that. I quite agree, but the Attorney General won't be the Attorney General always nor will the Minister of Public Works be the Minister of Public Works always. I think it is highly unreasonable. Listen: "When in the opinion of the Lieutenant-Governor-in-Council it is necessary or desirable to acquire any land or property for the use of any other person for agricultural purposes or the construction of a tourist establishment"—and that means "a tavern"—then he can go ahead and take it. That is highly undesirable, and I would suggest it is not an amendment that the Honourable the Attorney General should consider putting in to acquire any unoccupied land.

MR. CURTIS: I have a suggestion, if you would take it down, Mr. Chair-

man,—“When in the opinion of the Lieutenant-Governor-in-Council it is deemed necessary or desirable to acquire any unoccupied and undeveloped land or property for the use of any person for agricultural purposes”—then cross out the rest—or cross out “or for the construction and operation of tourist establishments as designed in the Tourist Development Act.” It was the intention to strike out these words anyway, and I omitted to say so. In other words, the land can be taken only for agricultural purposes and then the only land that can be taken is unoccupied land and undeveloped land. I don't think anybody can object to that.

MR. HIGGINS: It is much better than it was but it is still not ideal.

MR. CURTIS: What change would you suggest? Have you any suggestions?

MR. HIGGINS: I think it is the opinion that taking from one person and giving to another is not—

MR. CURTIS: Yes, but it is unoccupied land, and undeveloped land.

MR. HIGGINS: You can have land occupied and undeveloped. You might have land undeveloped simply because a man has not the wherewithal to do it, and still have the best of intentions.

MR. BROWNE: Mr. Chairman, I cannot accept even that, as far as I am concerned I am going to be opposed to any interference with private rights. I think it is intolerable. Because how do you know that there is not some child, just born, who will want to claim that land in twenty-one years time, when old enough to claim it—

MR. CURTIS: The corporation who owns that land won't have any chil-

dren. This is all designed for the West Coast. Perhaps my honourable and learned friend from St. John's West might be able to say where this land is.

MR. BROWNE: Perhaps—if I might ask this question—I heard Saturday night that the work of Concrete Products, in excavating the site for the new housing off Central Street off Barter's Hill stopped because the owners protested to Concrete Products entering on private land.

MR. CURTIS: This has nothing to do with that.

MR. BROWNE: I was told that work was stopped.

MR. HEFFERTON: There again it is a case of expropriation under the Slum Clearance Act, perfectly clear and laid down.

MR. KEOUGH: This particular amendment arises out of a matter that has been called to my attention by certain members of my constituency over a number of years—I have in mind a particular situation in which the farmers west of St. George's in the area between Heatherton and the Highlands find themselves—there are about eight farming communities, and the circumstances which I am now going to describe applies to five of them if not to all eight of them. The older people there who are operating farms, men of forty-five and fifty and fifty-five have in their time acquired sufficient land from their fathers and mothers for their purposes—in their time.—Now, their sons are growing up and want to expand their farms. Of course modern methods of farming enables them to cultivate greater acreages but they cannot expand. They are held in between the sea in front and a block of land which contains

some of the finest agricultural land in the Province which was granted in fee simple to some company, I believe, some time in the last century. All that company has ever done with that block of land is to sit on it and charge stumpage for whoever wanted to cut some trees off it. In the meantime these farmers just had no way of expanding their farms except back onto that lot of land. It would certainly be appreciated by my constituents there if the House would equip the Government with the necessary powers to acquire some of that land, which is necessary so that it could be made available to these farmers in order to expand their farms.

MR. HOLLETT: Does that refer to absentee land owners?

MR. KEOUGH: Yes!

MR. BROWNE: Mr. Chairman, that is a special case, and this is a general law. I know hard cases make bad laws, and it certainly seems to me unjust to give general powers to the Government because the farmers of Stephenville are looking at beautiful land there uncultivated. I know that has been going on for a long time. I know it is hard to get up in the morning and look out and see the sun shine over that beautiful piece of land. We have nothing against the Government making its best effort to purchase that land for those people and sell it to them. That is the most honest thing to do.

MR. CURTIS: No, what we should do is tax the land and take it from them.

MR. BROWNE: That is coming.

MR. HOLLETT: After giving a grant?

MR. CURTIS: Sixty years ago.

MR. BROWNE: Well, a person who has got his money in land is safe.

MR. CURTIS: Why should they not contribute?

MR. BROWNE: Mr. Chairman, I ask this question—Has the Government made any effort to contact the owners to see if they would be reasonable in regard to selling the land?

MR. CHAIRMAN: It being six of the clock I do leave the Chair until eight of the clock.

NIGHT SESSION

The House resumed at 8:00 of the clock.

Mr. Chairman resumed the Chair.

MR. CURTIS: Mr. Chairman, we were on the Public Works Act. Sections (1) and (2) were agreed to and Section (3) was not passed. Mr. Chairman, I move the Committee report progress on this Bill.

MR. BROWNE: Before you put that motion, Mr. Chairman, may I suggest that that land over there, land of some importance to the people of Stephenville, that efforts be made by the Government to acquire that land from the owners.

MR. CURTIS: That is what has been done in the past.

MR. BROWNE: To obtain it for the people over there. I know they are looking for land. There is no doubt about that. But I think we have introduced very bad and far-reaching legislation. It is only the Communistic countries where they take land and give it to other people.

MR. CURTIS: Mr. Chairman, I move that the Committee rise, report having made progress on this Bill and ask leave to sit again.

MR. CHAIRMAN: There has not been any amendment called yet, apart from (1) and (2).

MR. CURTIS: I think that is all. I move the Committee report progress.

Motion that the Committee report progress on this Bill and ask leave to sit again, carried.

Committee of the Whole on Bill, "An Act Further to Amend the Public Utilities Act."

Motion, that the Committee report having passed this Bill without amendment, carried.

Committee of the Whole on Bill, "An Act Further to Amend the Education Act."

MR. CURTIS: In this case, Mr. Chairman, a second printing has been made. The only difference between the first printing and the second is that the first said "No school fees shall be paid" but the amendment restricts that to those who must go to school under the compulsory attendance. It just limits the Bill to those who are compelled to go to school.

MR. CHAIRMAN: Is it the wish of the Committee this second printing should be read?

MR. CURTIS: We will read the first printing.

Clause 1 read:

((1) This Act may be cited as The Education (Amendment) Act, 1956.

Carried.

Clause 2:

HON. J. R. CHALKER (Minister of Education): Mr. Chairman, the officials of the Department of Education have asked me to have this new section (a) introduced in place of the

old section (a). The old one prohibits the payments of any fees at any age—in other words, grade twelve or if we start a university or anything like that in that area no one would be subject to payment of any school fees. They have asked me to limit it to the age under the School Attendance Act, which I believe runs from six to fifteen years of age.

The new sub-section (a) reads as follows: "In any school operated in a School Tax Area where an order made under the Local School Tax Act, 1954, the Act No. 78 of 1954, imposing a school tax is in force, no school fees shall, notwithstanding anything to the contrary contained in this Act, be charged on account of the enrollment or attendance thereof of a child in respect of whom the School Attendance Act, chapter 105 of the Revised Statutes of Newfoundland, 1952, applies."

MR. CURTIS: That is over seven and under fifteen years of age.

MR. BROWNE: Yes, I thought that was a little on the low side. I notice under the School Tax Act it also talks about five year olds. These children are not supposed to be going to school until six.

MR. CURTIS: They are supposed to but not compelled.

MR. BROWNE: Does that mean anybody over fifteen may be charged fees?

MR. CHALKER: Yes it does actually. But the only effect this has is in top grades, possibly grade twelve.

MR. BROWNE: A person of fifteen may be only in Grade VIII or Grade IX and have three or four years to go and a person of fourteen may be in Grade XI.

MR. CHALKER: A child of fifteen in Grade IX is definitely in the minority. We hope to have Grade XII in all these high schools.

MR. BROWNE: There seems to be quite a different principle introduced here in this Bill.

MR. CURTIS: It is more a modification than a change.

MR. BROWNE: Previously everybody was exempted from fees. Now it says you may charge fees over fifteen years of age.

MR. CURTIS: They may be charged, yes.

MR. CHALKER: The Amalgamated School Board requested the change in this, Mr. Chairman.

MR. BROWNE: What is the point?

MR. CHALKER: I think the point is, Sir, to amortize their loan, they will need additional school fees once the child gets over sixteen.

MR. BROWNE: This is fifteen.

MR. CHALKER: Up to fifteen.

MR. BROWNE: According to what it reads here it is under fifteen.

MR. CHALKER: It is to cover that age group to compulsory attendance, where apparently it may not be charged. But it would have to be charged, and they are asking for this permissive legislation so that they can apply the fees to those higher-grade pupils in those high schools.

MR. HOLLETT: Mr. Chairman, would not that become a deterrent to school attendance after they reach the age of fifteen years? If they were going to be charged fees, and in all probability the fees would be fairly high, would that not be rather a deterrent

to sending them to school? That would be unfortunate. Incidentally, if you are going to pursue that School Tax Authority and get it all across the country—I see no reason why we should tax children in any age for school tax fees.

HON. J. R. CHALKER (Minister of Education): The School Tax is another Bill that is not compulsory. It is entirely up to the people themselves, if they so decide.

MR. HOLLETT: That is the very thing we are after.

MR. CHALKER: The people have a plebiscite on it, Mr. Chairman; the Government does not impose any school tax.

MR. BROWNE: Where do they have the plebiscites?

MR. CHALKER: There is the one they are having in Corner Brook. The notices were posted this month. It is in the report of the Commission. They could have had one if they wanted it. There was no objection to it put up by the Authorities in Corner Brook.

MR. BROWNE: There was if you read the report on the Commission.

MR. HOLLETT: That is what they are demanding.

MR. CHALKER: Yes, they are. But they had a chance for a plebiscite if they desired it before.

MR. CHAIRMAN: Does this clause carry?

MR. BROWNE: No, Mr. Chairman. Are we on the motion for the amendment?

MR. CHAIRMAN: This clause as amended, yes.

MR. BROWNE: I was going to ask the Minister, has the Government ser-

iously considered this thing. Things seem to be amended so quickly and swiftly that there does not appear to be much time for serious consideration. I mean, have you consulted those involved in this? Children may go to school free up to any age now, but here, after the age of fifteen they can be charged school fees. That is a very different thing altogether.

MR. CHALKER: It is not compulsory!

MR. BROWNE: Not to go to school, but it may be to pay fees.

MR. CHALKER: It cannot be compulsory to pay fees. They may be asked to pay them.

MR. BROWNE: Is there anything in the School Tax Act regarding fees? At least education was free but now it must be qualified and it now says education is free up to the age of fifteen but once a child passes the age of fifteen he will have to pay.

MR. CHALKER: That has been going on all the time. They pay fees, Mr. Chairman, in all the colleges here in St. John's.

MR. BROWNE: Of course they do.

MR. CHALKER: It is not compulsory, they cannot kick a child out of school who does not pay, even out of the colleges, according to law. This year we give permission to collect college fees.

MR. BROWNE: You see the point was that by setting up the School Tax Authority you are going to get the money to run the schools without depending upon charging fees. You were going to get it by charging taxes. A person would not have to pay any fees but just pay the taxes. As a matter of fact, give them twice as much money

as they want, and there was no reason to charge fees. Now they want to get the power to collect fees.

MR. CHALKER: Actually, Mr. Chairman, the case in point, there is an eight hundred thousand dollar school building in Corner Brook Area. They only have seven hundred people attending that school, and the Tax Act there states they get a certain per cent of that money according to the population of the children attending that school. Now, they do not believe they get sufficient out of that School Tax to amortize their eight hundred thousand dollars. In case they do not they have to have this permissive legislation.

MR. BROWNE: I am quite sure when the people of Corner Brook hear this tomorrow, a good many of the people who gave evidence here will feel like changing their views. A lot of them gave evidence thinking they would not have to pay any fees. Now they will find that after the age of fifteen they may have to pay fees. Would all of the seven hundred and fifty be liable to pay fees, all of these?

MR. CHALKER: That is entirely up to the Board running that school, Mr. Chairman, if they need that money—the way I look at it—it is the same as our colleges here now. They have to charge fees, to run their institutions. In Corner Brook, from what I can gather, they may need them. It does not say they "Shall" but that they "May" need additional monies to amortize the needs of this school. This was just brought to me forty-eight hours ago.

MR. HOLLETT: I must say the Government could not have given proper consideration to it.

MR. CURTIS: No. We only go it from the Department of Education

I think it is in order, because of the questions, to defer it and find out the how and why; actually we do take reports from the Department of Education and accept them, because they came from all denominations, and we presume they represent the feelings of the Department. However, in all these cases we ought to find out what they mean. Therefore, I move the Committee rise.

Motion, that the Committee report progress on this Bill and ask leave to sit again, carried.

Committee of the Whole on Bill, "An Act to Provide for the Payment of Accelerated Pensions to Employees of the Newfoundland Government Transferred to Services of the Government of Canada at the Date of Union."

On motion Clause 1 carried.

MR. BROWNE: It refers here to the Schedule of the British North America Act, 1949. There is more than one service referred to there.

MR. CURTIS: That is only the Terms of Union, the schedule.

MR. BROWNE: Then this Act here will apply to others besides the Railway?

MR. CURTIS: Yes, to anybody taken over like that.

MR. BROWNE: Well, that is all right.

On motion Clause 2 carried.

Clause 3 read:

3.—(1) When any of the persons referred to in Section 2 is retired from a Canadian service referred to in that section before he reaches the age of sixty-five years and a superannuation allowance, a retiring allowance or a pension is granted or awarded to him

in respect of his employment in the Canadian service, to commence upon his retirement, and such person may before the expiration of ninety days from the date of such retirement elect

- (a) to receive when he reaches the age of sixty-five years a pension in respect of his service with the Government of Newfoundland to be calculated and paid in accordance with Term 39 of the Terms of Union; or
- (b) to receive as soon as he retires from the Canadian service a pension in respect of his services with the Government of Newfoundland the rate of which shall be calculated so that based on his life expectancy the aggregate of the pension payments made to him under this paragraph shall not cast a heavier burden on the province than if he had elected to be pensioned under paragraph (a).

(2) When a person to whom this section applies fails to exercise an election under subsection (1) any pension payable in respect of his service with the Government of Newfoundland shall be paid in accordance with paragraph (a) of that subsection, and where he exercises an election such pension shall be paid in accordance with the method selected by him.

MR. BROWNE: Mr. Chairman, I wonder if the Attorney General could explain again. I am sorry to have to ask him to do this, but he did not do it in any great detail. I followed him, I think, fairly well. Now, a person who is employed, we will say, at the Canadian National Railway, and we will say he is sixty-five years of age, now can he elect to wait until he is sixty-five before taking any pension at all?

MR. CURTIS: Then he gets his full pension.

MR. BROWNE: He gets his full pension then as if he had been working this five years. Suppose he worked at the railway for thirty years from the age of thirty up to sixty, he has earned a pension of twenty-three years with the Newfoundland Government and seven years with the Canadian Government. Now, then, suppose he elects to wait until he is sixty-five to take his pension, what pension will he get then?

MR. CURTIS: The full pension as if he had been working until sixty-five.

MR. BROWNE: The Canadian Government would give him the pension for the years he is not working?

MR. CURTIS: No, he will be pensioned by the Federal Government, but our contribution—you see, Mr. Chairman, the Federal Government pays him his pension and we just contribute. As far as we are concerned he would have served so many years with us. We will give him when he is sixty-five the full pension that the twenty-three years has earned. But that twenty-three years' pension which he had earned is due to him only when he is sixty-five. Therefore we can only pay it to him now, under our law, when he is sixty-five. But under this Act we will be able to recalculate and pay it as of the age of sixty, if at that age he requires for any reason at all, not necessarily that he is laid off the job, he may retire from ill-health or of his own choice, perhaps. You know this does not deal only with people.

MR. BROWNE: I was just wondering if you could show the figures of what it would amount to. For instance, suppose he was not sixty-five and retired today after thirty years, twenty-three with the Newfoundland Railway

and seven with the Canadian National Railway, thirty years' service. He gets a pension then of seven years contributions scheme and the twenty-three years based on his Newfoundland service by the Canadian Government. If he waits until he is sixty-five is that what he will get, the same thing, even though he is paid off at sixty? I presume it will be worked up the same way but will be generally reduced. What happens if he waits until he is sixty-five. I do not think the Canadian Government is going to give him more than seven years pension. They are not going to pension him for the next five years. But he earned twenty-three years with the Newfoundland Government.

MR. CURTIS: He earned twenty years, Mr. Chairman, but he only earned the right to collect for it when he is sixty-five. He will get the twenty-three years pension from us, but he is only entitled to the benefits when he is sixty-five. Now if he wants to collect the benefits when he is sixty it has got to be recalculated to allow for the five years payments he is going to get, or he is entitled to. If he is going to start at sixty we are going to lose money.

MR. HOLLETT: The passing of this Act, to my mind, is tantamount to a breach of agreement between the Newfoundland Government and the employees with the railway. When John Jones took service with the Newfoundland Railway twenty odd years ago he was appraised of the fact that when he reached the age of sixty-five he would receive a certain pension. There is no question about that. During the years Newfoundland sold out the railway, we will say, to the Canadian Government, now then the Federal Government has taken over the service and they are only entitled

to pay pensions for the number of years which a man served with them. They can retire that man, can fire him, lay him off the job at any time. As has been pointed out here today, he may be put out of work when say he is sixty years of age and the Federal Government will pay him for these six or seven years he has been with them. He is out of a job, out of a job which he contracted to do for the Newfoundland Government. He is put out not of his own free choice. It is true the Newfoundland Government has not fitted him, but the Newfoundland Government, if they pass this Act will permit a breach of an agreement with that man. I feel, if you are going to compensate that man for being laid off by the Federal Government, if you are going to do justice, you should pay him the full pension he would have gotten when he reached the age of sixty-five. It is no fault of his whatsoever that he was laid off. Had we not gone into Union with Canada he would still be working there with no danger of losing his job, and would be entitled to his pension when he reached the age of sixty-five.

HON. M. P. MURRAY (Minister of Provincial Affairs): If a man's post becomes redundant in the service. In any branch if a post becomes redundant, what happens?

MR. BROWNE: The Newfoundland Railway has not gone out of existence. That was a job he contracted to do.

MR. CURTIS: Yes, but do you mean to say, Mr. Chairman, a man who gets a job in the Railway in 1948 at the age of twenty, suppose the year before Union, do you interpret the Terms of Union as saying Canada has got to give him a job for the rest of his life? This is the only interpretation you are putting on it. He was em-

ployed, he took a position with the Newfoundland Railway, he has to be looked after the rest of his life.

MR. HOLLETT: We are not talking about the man who joined the year before we went into Union.

MR. CURTIS: Just the same, where are you going to draw the line?

MR. HOLLETT: Well you put the man out of a job after perhaps twenty-five years.

MR. CURTIS: Actually, Mr. Chairman, this is an Act framed for the benefit of the employees of the Railway, and under no section is anyone of them bound to take advantage of it, under no section. The Act is quite definite that it is an optional thing. This Act is brought in here to give him something he has not got now. He has not got to take it. There is no compulsion here. It is here if you want to take advantage of it we will talk to you. If you do not want to take advantage of it the Bill does not interfere with your rights at all. Surely, I cannot understand my honourable friend trying to interpret this as an injury to the employees. This is a benefit to them. If they do not take advantage of it their position is exactly as it is now. There is no compulsion about it.

MR. HOLLETT: Might I ask if the Union concerned in connection with these Railway workers has been consulted?

MR. CURTIS: No, because it only gives a benefit and takes nothing from them.

MR. HOLLETT: I quite agree it would suit in a great many cases, but there are cases where a man—

MR. CURTIS: Then he does not have to—

HON. P. J. LEWIS (Minister without Portfolio): Suppose they shut down a Newfoundland Branch of the Canadian National Railway and substituted the Canadian National Highway, a trucking system, what would happen to the employees of the Newfoundland Railway?

MR. HOLLETT: That is a supposition.

MR. LEWIS: That is not a supposition. The question I asked was this—Suppose the Canadian National Railway tomorrow decided to close down a Newfoundland Branch of the Canadian National Railway system entirely and substitute a trucking system by way of the Trans-Canada Highway, what would the position of the employees of the Canadian National Railway be?

MR. HOLLETT: I think they would have sold them out to some other organization.

MR. LEWIS: No, suppose they closed it down and substituted a trucking system?

MR. HOLLETT: The employees still get a pension when sixty-five.

MR. CURTIS: They would pension everybody?

MR. BROWNE: I must say the Newfoundland Government kept people on and that may have been one of the reasons why they had deficits. They made a great effort to keep people on.

MR. MURRAY: When the Ferryland Branch was cut down?

MR. BROWNE: They pensioned all the station agents, I believe. I give you this example; take the Anglo-American Telegraph Company which was a private company which was closed down, I think, or went out of busi-

ness. They kept on pensioning their people until 1942 when they compromised with the Government and sold out their rights here. But they gave a pension to their employees during these years.

But, has the Government considered the relevancy of the Civil Service Act?

MR. CURTIS: This really is in the form of amendment to the Civil Service Act.

MR. BROWNE: This is an amendment to the Civil Service?

MR. CURTIS: It is a new Act but really in the form of an amendment.

MR. BROWNE: Has the Government considered the Civil Service Act? I remember at the time I was president of the Civil Service Association and we worked that out very carefully with the Members of the Commission of Government, who were English Civil Servants very accustomed to the rules of the Civil Service in England. I believe it would provide a formula for ascertaining the pensions on a sound basis. That is why I was wondering why you wanted to give them—I imagine not very many people would want to wait until sixty-five to get their pensions. I imagine they would want to take them right away. I think with the Attorney General, if they are given credit for the twenty-three years and pensioned now you are losing money. But that has nothing to do with it, he has earned the pension, the Attorney General knows. The Civil Servant contributed about ten per cent of salaries to pensions. Of course conditions would be somewhat different today. At that time that was the rule. Therefore as a man went along, every year he put in he was earning his pension. That has been considered where a man has fulfilled his whole period of service up to the

age of sixty-five. There were other reasons why a man could be required, apart from redundancy, where a man gets injured in the service and others get ill and unable to perform work they are required to do. In such a case—

MR. CURTIS: He gets a pension then.

MR. BROWNE: The same thing applies here—It is not through his own fault, therefore if he has earned a pension under the Newfoundland System he was entitled to a pension. He had no insurance scheme such as the Canadian National Civil Servant has—Therefore his credit in the twenty-three years had built up as to what he should get on retirement according to the age he retired or regardless of the age of retirement.

MR. CURTIS: The Civil Service Act does not give a man a pension until he is sixty-five. The only difference is that this Act gives the Government power to pay him his pension earlier if he asks for it. That is all. It is purely if he asks for it.

MR. BROWNE: I have the Civil Service Act, here, and I could read it for the benefit of the Attorney General—it says, the Lieutenant-Governor-in-Council may award a pension on terms and conditions provided in this Act and subject to such conditions, etc.

MR. CURTIS: Yes, I understand now—I am only just thinking out loud—I understand that the pension that we pay now is made, is not under the Terms of Union—and I don't quite follow it through.

MR. HOLLETT: You pay the pension for the number of years served with the Newfoundland Government.

MR. CURTIS: This is an arrangement to enable us to pay Canada. Canada will provide the pensions for such

employment so that the employees will not be prejudiced, and the Province of Newfoundland will reimburse Canada for the pensions for, or at its option make to Canada contributions in respect of, the services of these employees with the Government of Newfoundland prior to the date of Union, but these payments or contributions will be such that the burden on the Government of the Province of Newfoundland in respect of pensions rights acquired by reason of service in Newfoundland will not be increased by reason of the transfer. Now under the Terms of Union, as I see it we are only liable to pay the pensions to Canada and we have no liability to the employees at all. The employee gets his pension from Canada. We give our contribution to Canada. Under this legislation we are allowed to make this in lieu of the pensioner who asks us. In other words we can make an agreement with Canada to change this if we want to. It is purely for the benefit of the employee, and he is not compelled to take it. It is purely a benefit we are offering.

MR. BROWNE: The only thing I was concerned with here is whether you got the right idea in mind as to how much he should receive. In the Civil Service Act, Chapter twenty-two, the amount of pensions which may be awarded—page 168—Volume One—is given the different cases in which it may be awarded. Chapter twenty-one is the rules and regulations and Chapter twenty-one says—if the pension exceeds a thousand dollars. There are very few people whose salary does not exceed a thousand dollars. They take one-and-three-quarters per cent of the pensionable earnings and multiplying by the number of years he worked. If his salary were two thousand dollars a year and he worked for twenty-three years, that is sixty-four

thousand dollars, and take one-and-three-quarter per cent of that, and that would be his pension. But you got to consider there is always the difference in the standard of living today and the salaries paid in the Canadian Services today are much higher than they were, and all salaries are much higher than they were eight years ago. You would have to take that into consideration too. That is why the men pensioned before 1948 are really suffering great hardships and they are looking for some consideration. But the formula is all worked out there.

MR. CURTIS: I think, Mr. Chairman, we can leave the formula to be dealt with at the time. As I said, this is purely an enabling Act to enable us to benefit the men. If they do not ask for it we don't even have to work out a formula. If we do so and find it is not satisfactory we can always come back to the House.

MR. BROWNE: The only thing, it seems to me the Government seems to have been unaware of the provision in our Civil Service Act which could be applied so readily to cases of this kind.

MR. MERCER: Does not this Section thirty-one apply it back to our own Sections? It says it will be paid in accordance with Term thirty-nine of the Terms of Union. Now I have not that in front of me, but does not Term thirty-nine say that any benefits he receives from the Canadian Civil Service must not be less than what he could receive had he remained in the Newfoundland Civil Service? I believe it does. If that be so then it refers it right back to our own pensions scheme.

MR. HOLLETT: We are thinking of the man laid off probably five years before he reaches the age of

sixty-five. He either has to wait for five years to get his full pension from the Newfoundland Government or else accept these terms.

MR. CURTIS: This Act gives them the right to consideration before that date. If they don't want it they don't have to apply. They are no worse off than if we had never passed this. It is a benefit we are offering them. They do not have to take it. I am not going to pretend to work out pensions. I don't know enough about it.

MR. BROWNE: The only thing, Mr. Chairman, it seems to me rather reasonable to ask the Honourable the Attorney General how it is going to work out.

MR. CURTIS: It is there as clear as day. I told the honourable member, if he is given a pension at sixty-five and lives ten years he gets ten thousand dollars. If he is retired at sixty he gets the same ten thousand dollars, but it is divided into fifteen payments instead of ten. That is the way it is worked out. I cannot spell it out any better.

MR. BROWNE: The Attorney General need not get excited about it.

MR. CURTIS: I am not getting excited. I told you three times. I will get fired out for redundancy and repetition.

MR. BROWNE: His pension will then be six hundred and sixty-six dollars instead of one thousand dollars.

MR. CURTIS: If he wants it.

MR. BROWNE: Well, then, how does the Government propose to work out that pension at sixty-five? You see the Government will only take into consideration services up to 1949. Up to 1949 depends upon the number of years' service he has had in—see wha

I mean—and he has earned his pension up to 1949.—Supposing in 1949 the Canadian Government had said, we are going to close down this railway, and the Government had to pension them then, how much would they give them? How would they work it out? Would this formula be a reasonable one, the one in the Civil Service Act—Under that they had earned nothing since 1949.

MR. CURTIS: But they are not entitled to that until they are sixty-five. It is the same as life insurance. It comes due at sixty-five.

MR. BROWNE: Mr. Chairman, I wish the Attorney General were able to show us, just as an illustration, how it works out in an actual case. There must be hundreds of these being done without consulting the men concerned.

MR. CURTIS: We don't have to consult people when we make them presents. This is a present. This is for their benefit. They don't have to take it if they don't want it.

MR. LEWIS: The simple question is: "What will the position be if this Act is not passed?" Do they have certain rights, according to this, which they did not have?

MR. BROWNE: Well, the Government are in charge of the Bill, we cannot stop them passing it. But I think at least they should be in a position to tell us what it means. That is all we ask—"What does this section (b) mean?"

MR. CURTIS: We will tell the members of the railway what the section means at the right time, and they can elect themselves whether they will have it. If they want it they get it and if they don't want it they don't have to have it. We are giving them the offer. If the honourable members

of the Opposition have their way they would not even be given the offer. They could wait until they are sixty-five and rot. But we are saying: you can have it when you retire. It is as simple as that.

We will take a practical case: suppose a man retires at sixty-four. In that event he would get just a very small fraction less. He would get ten payments divided into eleven payments, with probably less than a hundred dollars a year in the difference. Take as an example a case where it is divided into fifteen payments. Or a man may be sixty-three or sixty-two when retired. But nobody is bound to take it. This is an offer we are making them. Do you want us not to make it? We are not forcing it down their throats.

MR. HOLLETT: I see no reason why the Honourable, the Attorney General should bawl and shout at us.

MR. MURRAY: If you don't approve of that Bill move an amendment.

MR. HOLLETT: Who has the floor now? Is it you or the Minister of Provincial Affairs? "Beware of the Greeks when they come bearing gifts." I say, "Beware of the Government when they come bearing gifts to the railway men." The railway men have been made sort of a football not only by this Government but by the Canadian Government ever since we came into Confederation, and in the services taken over by the Canadian Government not only railway men but all public servants.

They don't want pensions. They should be offered employment.

MR. CURTIS: They have been offered employment. They have enjoyed employment seven or eight years. Do the words "offer employment" mean perpetual employment?

MR. HOLLETT: No. One year after they could be fired. If they wanted to they could have said: "We don't want you any more," could they not? They could have said it just the same as you said it seven years after. They tried to say it last year. Now, because you are doing this thing you are doing a wonderful thing for the railway men; the railway men contracted with the Newfoundland Government to serve until they are sixty-five years of age and then get a pension. They sold out to the Canadian Government, the Newfoundland Railway to the Canadian National Railway, and put these men at the mercy of a few big shots in the railway, with absolutely no say whatsoever. The Newfoundland Government has practically no say whatsoever, with regard to these men. I agree there is an opportunity there for a man who has served except for a balance of two or three years with the railway, an opportunity to do almost as well as if he had retired at sixty-five years. To that extent I say the section of the Act is good. But there are men who have served perhaps ten years who are going to suffer by it. But I would say it is almost better to take each case on its own merits. However, you have something there. We are not at all objecting to it. We are trying to make it better not only for the railway men but for the Government, because I hope the Government is trying to do the best they can over this unfortunate section concerned with the railway.

MR. BROWNE: Mr. Chairman, I, too, want to say the Government have no monopoly of interest in the railway men, we are as interested and have just as much sympathy as the Attorney General and the Minister of Provincial Affairs. I can assure you I know a great many of them, and I want to see them get as good a deal as is pos-

sible. I am only working out the results of this thing, to bring this matter to his attention.

On motion Clause three carried.

On motion Clause four stand.

On motion Clause five carried.

MR. BROWNE: Mr. Chairman, I wonder if I might ask the Attorney General, is this as it is envisaged to apply to anybody but the railway service?

MR. CURTIS: Yes, any civil servant.

MR. BROWNE: Take the case of the gratuity to married women, is that being considered under it? You see the working of it is almost identical except for the word "gratuity" instead of "pension."

MR. CURTIS: Yes, if we can bring it in under this Act—I mean, we want to. I don't think we need it to pay gratuities. We are only going to pay that gratuity as soon as we can check up.—It is a technicality only.

On motion Clauses six and seven carried.

MR. BROWNE: Mr. Chairman, a few moments ago, while talking about old pensioners, the Attorney General seemed to be nodding his head in agreement—Men who had been retired before Confederation—The cost of living has advanced considerably since that time. I have a letter here from one of them today. I am wondering if the Government has been giving it any consideration. Has any representation been made to them on that score? I know it is constantly being debated, activated, in the House of Commons.

MR. CURTIS: This is not the time, of course, Mr. Chairman, to consider

it. Actually the matter has been before the Government, actually before me, because I have some policemen who have retired fifteen and twenty years ago, I suppose, and they are finding their pensions are absolutely inadequate. The only question is, "how far can we go back—How far back can the Government afford to go?" If a man makes an agreement and gets a pension, and he gets his pension say in 1935, are you going to review that every time the standard of living goes up? If so, will he soon be getting a pension greater than the salary he received. It is really a very great problem. We all wish the Government could be a father-bountiful and pay out to every pensioner an increased pension every time the cost of living goes up. But just how far back can we go? My honourable friend knows that old Inspector Burns is still living. I think my honourable friend knows how long ago it was when he was pensioned, almost when I was a boy. The question is, how far back can we go? How far back can the Government really afford to go? Remember if you bought an insurance policy you would just get what you were entitled to and no more. If you are pensioned with a firm on Water Street I don't think that firm would increase its pension because of improvement in conditions and the change in the cost of living. It is a question that is causing the Government a great deal of worry. Frankly, for my own part, I do not know the answer. It is very difficult. I don't know whether we have ever tabled in the House a list of pensioners of the Government but it is a terrific number.

MR. MURRAY: Then there is old age assistance.

MR. CURTIS: Yes, but we don't like old ex-civil servants to go and

take old age assistance. We don't like that. It is the question which is worrying the Government, and frankly a question to which we have not yet found the answer. But as far as I am concerned, I am trying to find the answer for the police-force, for all those pensioned since 1949. But in their case there have been terrific discrepancies amongst pensioners. Here a man pensioned one year gets a certain pension and a man pensioned just the next year gets about half as much again. It is awfully hard to know just how to work it out. It is a matter that we are considering, and by no means abandoning.

On motion Clauses eight and nine carried.

Motion that the Committee rise, report progress and ask leave to sit again, carried.

Mr. Deputy-Speaker returned to the Chair.

MR. NORMAN: Mr. Speaker, the Committee of the Whole has considered the matters to it referred, and passed Bill Number forty-two without amendment ("An Act Further to Amend the Public Utilities Act").

On motion report received. On motion Bill ordered read a third time on tomorrow.

MR. NORMAN: Mr. Speaker, the Committee of the Whole has considered the matters to it referred and made some progress on Bill Number twenty-three, Number thirty-eight and Number fifty-one and asks leave to sit again.

On motion report received—Committee ordered sit again at a later hour.

On motion the House recessed for ten minutes after which Mr. Deputy-Speaker returned to the Chair.

On motion the House went into Committee on Supply.

On motion Mr. Deputy-Speaker left the Chair.

Honourable Member for Burgeo and LaPoile Chairman for Committee of Supply.

Consolidated Fund Services:

MR. BROWNE: Mr. Chairman, I would like to ask the Minister how that sum of one million five hundred fifty-two thousand two hundred dollars was made up last year and what expenditure was made under that vote? What was the grant and what was the original estimate making up that amount, and what was the actual expenditure?

HON. G. J. POWER (Minister of Finance): I only have information on 1956-57.

MR. BROWNE: I would like to know whether there were any changes. Do you not know even the total expenditure under that?

MR. POWER: No.

MR. HOLLETT: How is it that it is less?

MR. POWER: Well, certain guarantees won't have to be taken up. Do you want a break-down for the one million dollars?

MR. BROWNE: Could we let that stand for the present?

MR. POWER: The fact of the matter is that these are the loans that will have to be paid, the guarantees rather. They may be the same ones as last year. I don't know—some of them might be carried over. We could let that stand until we get the Deputy Minister.

On motion item stand.

Department of Finance:

MR. BROWNE: What do they do, the Industrial Development Loan Board? They did not make any loans last year or could not. They made more the year before. What is this intended to cover this year?

MR. POWER: Possible loans.

MR. CHALKER: They are anticipating loans this year.

MR. BROWNE: There has been no loans under this for two years. Are there any under contemplation now?

MR. POWER: There must be or they would not have the twenty-five thousand dollars.

MR. BROWNE: Are we not going to get any information?

MR. POWER: Say, John Jones comes in and wants a loan for something or other, how can we know how many persons in the month of July will be looking for loans of five thousand dollars, say, for something.

MR. BROWNE: The point is there were no loans in the last three years.

MR. POWER: I think it is a waste of time trying to anticipate who is going to come looking for what.

MR. BROWNE: It is only just one item. There is no rush about it. Let it stand.

On motion, 140, Loans—stand.

On motion Department of Finance stand.

On motion 641 read:

MR. CHALKER: Vocational School Equipment, they get fifty per cent of that. We pay seven thousand dollars

and get twenty-five thousand dollars. We anticipate spending seven thousand dollars this year.

MR. BROWNE: Is Marine Engineering Equipment on a fifty-fifty basis?

MR. CHALKER: No. That is on our own.

On motion 641 carried.

MR. BROWNE: That is a big jump under miscellaneous.

MR. CHALKER: That, Mr. Chairman, is the joined Federal and Provincial project taking place at Gander. That will start, I think, this year. It is for one amalgamated school covering all the Protestant groups and the Roman Catholic School as well. The plans have been fairly well prepared for it now, and I think they are ready to call the contract. We have this vote in there to assist them. That covers the Federal amount too, because when the Federal Government assists or pays any project we cover the total amount and send them the Bill.

MR. BROWNE: That is all they expect to spend this year.

MR. CHALKER: That is right.

On motion Department of Education carried.

Department of Mines and Resources:

HON. DR. F. W. ROWE (Minister of Mines and Resources): Details of that were all tabled here in answer to questions submitted by my honourable friend from the other side.

MR. BROWNE: What is it is proposed this year?

DR. ROWE: Well, I don't think there is anything I can say on that, except it will be a continuation of

our last year's policy. I don't suppose it will be so great as last year.

MR. BROWNE: You just got the same vote in. You do not know how much it will be.

DR. ROWE: We have no idea. There might probably at the moment be forty applications from farmers, and there is no way of telling until each one has been processed just how many of that forty, say, would be entitled to receive a loan. Ordinarily any man who is a bona fide farmer, a responsible person and one who has the necessary security to go against the loan would receive the loan. We would not make chalk of one and cheese of another. I don't think the Farm Loan Board has ever done that. I might say this is one loan where there is no interference whatsoever and never has been any interference of any kind. We have a Statutory Body dealing with these applications. It is made up of Civil Servants. I think the Assistant-Deputy Minister, Mr. Channing, is the Chairman of that. It has been taken over by Mr. Drover now. They examine these things very carefully, and other things being equal any bona fide farmer applying for a loan with security will get the loan. There is nothing here spectacular. It is merely a continuation this year.

MR. HOLLETT: Commercial farming you are talking of?

DR. ROWE: Well that used to be commercial farming, it is all absorbed into farm development.

MR. BROWNE: That is machinery and equipment both. Is it insured?

DR. ROWE: Oh, yes, the equipment and buildings are insured, i.e., of course, if it is part of the security. A farmer might very well borrow from the Farm Loan Board a thousand dol-

lars and might have fifteen thousand dollars worth of equipment, which is all his equipment, but the part that would be held for security has to be insured.

MR. BROWNE: But I saw some reference, I think, in the Auditor General's Report that in one case the only security we took was the implement bought with the loan. That is not enough security because that depreciates so rapidly. They are careful about that?

DR. ROWE: I remember that the Auditor General brought up some matters like that last year. I think that is about a year ago, I think that must have been more than a year ago that matter was brought to my attention. We looked into it and tidied it up right away. He was quite satisfied afterwards when we spoke to him about it.

MR. BROWNE: Do you look into a man regarding his standing and things like that?

DR. ROWE: Yes, I understand the Board does do that. They go back over his farming record and his character.

MR. BROWNE: It would not be much good if a man refused a loan at the bank because he defaulted, could come to the Loan Board.

DR. ROWE: I don't think he would be given very much satisfaction.

On motion, 840-02 carried.

MR. POWER: Fur Farming Development—This is divided into the Cold storage at Dildo, thirty-five thousand dollars, the Cold storage at Southern Arm thirty-five thousand dollars and grants for ranchers and servicing—

MR. BROWNE: What is the three thousand dollars odd.

MR. POWER: Thirty-five thousand dollars each for two plants and thirty-seven thousand dollars for the other—

MR. HOLLETT: I wonder if the Minister could tell us just how much money was spent by way of capital expenditure on fur farming since the mink farms were started? What is the total amount which has been spent by the Government or loaned by the Government, as the case might be? In other words, what has it cost the Consolidated Fund or Capital Account Fund or whatever you like?

MR. POWER: Two hundred forty thousand dollars.

MR. HOLLETT: That particular vote—But I am asking, since the inception of the programme?

DR. ROWE: We would not be able to answer that question right off hand. We would need some time, obviously. That would need some ramifications to be looked into, I rather think. Actually all that information has been contained in answers given here, not necessarily this year. There were some questions. I don't know actually what the total would be. I could find out. I should think I could find out perhaps before tomorrow afternoon's session. But I would not be able to say off-hand now and I am quite sure the Deputy Minister of Finance would not be able to give us that. We would have to look back in the records.

MR. HOLLETT: Would the Minister be able to tell the House just what measure of success has been achieved so far relative to the raising of Mink?

DR. ROWE: In a general way I can say this much—Our feeling within the department is, and I might say the opinion of all experts and authorities that come here and visit, their opin-

ion too coincides with ours, that this mink project has had phenomenal success to date, in a variety of ways. For instance the scheme for feeding them has worked out in the opinion of ranchers extremely well. I have only received one or two minor complaints since the scheme was started, and we deal with twenty or forty persons so we are pretty sure to get one or two persons who get a grudge or become discontented sometimes, whether legitimately, I don't know. My honourable friend knows that one of the ranchers has gone back to the Mainland. But in the matter of feeding and securing the food and processing, that has been working out satisfactory so far. In the matter of breeding, that seems to have worked out very well. The number of kits, average is pretty high. Then there is the quality of the fur—We are able of course—There is one thing that we could measure, the quality of the furs—As shown in the fur markets of New York and evidenced by the actual amounts that the buyers are willing to pay for these furs, it is shown that the furs from Newfoundland ranks with any, on an average, with any mink auctioned in New York. I suppose that is the ultimate test.

MR. BROWNE: When was the fur sale?

DR. ROWE: I think in the fall, before Christmas, some months ago, at any rate.

MR. BROWNE: How often do these mink breed?

DR. ROWE: Once a year.

MR. BROWNE: How many kits?

DR. ROWE: Anywhere from three to five or six.

MR. BROWNE: Do they all survive as a rule?

DR. ROWE: Yes, I would say the great majority. The highest ever heard of, I might say, was down in Springdale, one of the farmers who had worked out some scheme on his own feeding them. Last year the Premier and I visited his farm. I think he was averaging something like five kits there which was phenomenally high for an average. The Premier as well as I was inclined not to believe it. But we found on questioning it was so. But I suppose those things do happen once in a while.

MR. HOLLETT: Could the Minister tell us how many men are employed?

DR. ROWE: I was going to come to that in a moment. This year I think it has been sixteen. From our standpoint the most important aspect is the apprenticeship they are giving young Newfoundlanders. The feeling of all the officers in the department concerned is that this thing is working out extremely well. We seem to have a very good calibre of young men there apprenticed. The last figure I had is a couple of months ago. I think they had twenty-eight at that time, and during the next year intend getting another forty. That is working out too very well. In fact, I talked things over with authorities up in Ottawa and in Toronto with mink people well known—In fact I did last year at the Royal Winter Fair at Toronto—In fact one of the gentlemen—He had no reasons to tell me anything—but he told me in his opinion while we may run into snags and have some difficulties, and no doubt we will suffer some losses at times, he thought that the future for mink farming in Newfoundland was brighter than it was anywhere else on the Mainland of North America.

MR. HOLLETT: Mr. Chairman, I don't see why it should not be a suc-

cess up to a point. The Government of Newfoundland has provided transportation I believe for these mink ranchers, provided the storage plants for them, provided ships to catch the whales to feed the mink.

DR. ROWE: Not provided.

MR. HOLLETT: Provided the whales as a matter of fact. The Newfoundland Government has tried everything, supplied everything and now have to go to work and spend another seventy-five thousand dollars to build another cold storage.

MR. MURRAY: The mink helped too.

MR. HOLLETT: The mink have not helped them all as far as I can see. I heard one mink farmer said he expected to clear sixty thousand dollars on mink alone. I suggest some of that profit might be put back into a cold storage plant.

DR. ROWE: Public cold storage plants are not unusual in other parts of Canada.

MR. HOLLETT: That is not public. That is storage for a few mink farmers—It is not public—There are twenty-eight farmers altogether or not much more than that. That is not a public utility.

MR. BROWNE: Mr. Chairman, I wonder if the Minister could tell us if we are going to have a cold storage plant in Southern Bay, if there are to be mink farmers stationed down there?

DR. ROWE: I cannot give the details of that now. The policy has actually been only formulated. This is a provisional grant. My honourable friend knows, I am sure, that Southern Bay as it happens is one of the other parts of Newfoundland where mink

and pothead whales are tremendously prevalent, and where it is comparatively easy to take thousands. But there is the terrain of the place which makes it a pretty simple proposition to capture the mink whales. Now what will come out of it eventually I do not know. I don't know whether it will be a second centre of the mink industry—I just don't know.

MR. BROWNE: Is that the only two places where it happens?

MR. HEFFERTON: They go into Princeton.

On motion, 840-03 carried.

Consolidated Fund Service: 140:

MR. POWER: That is a total of three hundred fifteen thousand dollars an amount which will fall due in this financial year, the additional amount granted in the Bill will fall due in the next financial year, 1957.

MR. BROWNE: How was the estimate there last year? How did it turn out for each vote?

MR. POWER: We will have to get you that information tomorrow.

MR. BROWNE: Is that vote for Superior Rubber different from the one in the Loan and Guarantee Act?

MR. HOLLETT: You gave a figure of one hundred fifty thousand dollars. We want to know if that was included in the two hundred thousand dollars.

MR. POWER: In the case of Superior Rubber we will notice a difference of fifty thousand dollars. Well, we think the answer to that is that that fifty thousand dollars must have matured and has already been taken up in the last financial year.

MR. BROWNE: One hundred and fifty thousand is mentioned by the Auditor General.

MR. POWER: That is an additional fifty thousand that has already been taken up and is not therefore included in this table, or will be taken up in the next financial year.

MR. BROWNE: But you see it may be paid off in this financial year although it is not in this list here.

MR. POWER: Well it either has been paid off or will come due in the next financial year.

MR. HOLLETT: I notice in answer to a question here, the original loan to Superior Rubber was a million dollars, and then, the 1st of October 1954 another loan of two hundred thousand dollars. Then in addition to that there is a hundred and fifty thousand dollars, and then in the Guarantee Loan Act there is two hundred thousand dollars. What I want to find out is just how much has been loaned to the Superior Rubber Company altogether.

MR. POWER: Would tomorrow do for that information?

MR. HOLLETT: Yes. Thank you!

MR. BROWNE: Now, Olson Whaling Company, what is their indebtedness at the present time? The Government is paying thirty-seven thousand five hundred dollars every few months, is that right?

MR. CURTIS: We are hoping it will sometime re-open. We have not written it off.

MR. BROWNE: Cape St. Francis, how much do you owe on that?

MR. POWER: That is the end of it.

MR. BROWNE: And Koch Shoes?

MR. POWER: We will have the exact figures tomorrow.

MR. HOLLETT: Newfoundland Hardwoods, is that included in the one million two hundred thousand dollars in the Loan and Guarantee Act?

MR. POWER: That is the amount of the two hundred seventy thousand dollars that we will have to pay this year.

MR. HOLLETT: Why will you have to pay it this year?

MR. POWER: That is an old Guarantee and that will come due this year so we will have to pay it.

MR. HOLLETT: When is this going to stop?

MR. CURTIS: This is the end, we hope.

MR. HOLLETT: Year after year after year—and "this is the end, we hope." I am afraid the end is not yet.

MR. CURTIS: Actually, Mr. Chairman, as I will explain tomorrow when speaking on that Loan and Guarantee Bill, the position is this, that the Newfoundland Hardwoods now is a greater concern than it ever was in as much as it now comprises two industries. In addition to securing hardwood for their own plant, they also have acquired the mill at Clarendville. The reason that was acquired is that when men go into the woods there is not enough in it if they only get veneer logs. Therefore in order to make it pay they have to pick up at the same time railway logs. Newfoundland Hardwoods bought out at Clarendville a creosote plant that used to be operated by some American or Canadian firm. The plant had been closed up but it was reactivated

because it was found that it would work in conjunction with Newfoundland Hardwoods. Actually last year Newfoundland Hardwoods had a contract for two hundred thousand ties and these ties had to be treated at that creosoting plant. So they have the creosoting plant for creosoting ties and also for supplying asphalt for St. John's and for the outposts and eventually for the Highroads.

MR. BROWNE: How many ties did the Canadian National Railway buy last year?

MR. CURTIS: There was an order for two hundred thousand. I don't think they were able to deliver them all. I don't think they delivered over one hundred and fifty thousand.

MR. BROWNE: Did they import many last year?

MR. CURTIS: Yes, they also have to import what they do not supply. But we consider we were lucky to get that order to keep in the country, although we were not able to fill the order completely. I understand the Canadian National Railway agreed to wait and get them this year. They beat us down on the business but our price is still satisfactory.

Department of Finance, 440:

440-01, Industrial Loan Board:

MR. BROWNE: That is in case somebody comes along with a proposal.

MR. CURTIS: So that if John Jones comes along in the month of August and wanted a loan there would be some money to give John Jones his loan.

On motion, Department of Finance carried:

Department of Public Works:

MR. BROWNE: Mr. Chairman, are they actually going to start the Memorial University this year? How far have they gotten ahead with that work?

MR. HEFFERTON: They had intended starting next year. I understand now there has been a change. They cannot get the steel and probably may not be able to start excavations until late in the year. They are putting up temporary accommodations.

MR. BROWNE: I asked a question some time ago about the plans. I was told that Mr. Payne was paid twenty-five hundred dollars, a small amount. I understand he is the chief architect, is that true?

MR. HEFFERTON: I could not tell you that. I do not know. I understand it was two different Montreal firms. But the plans are just about ready for the first set of buildings.

MR. BROWNE: Does anybody know what buildings they will go ahead with first?

MR. HEFFERTON: It calls for four buildings, the administration building, library building and arts building.

MR. BROWNE: If the plans have been finished is there any reason why they should not be published so that we could have a look at them.

MR. HEFFERTON: I don't know if they are ready for that.

MR. CURTIS: Perhaps we might deal with that question tomorrow.

MR. BROWNE: All right! Main boarding school. That is quick work! That vote is a result of the Labrador Conference?

MR. CURTIS: I think it was in hand before that.

MR. HEFFERTON: That has been under discussion for the last year and a half.

DR. ROWE: Mr. Chairman, that is a result actually of negotiations carried on over a period of five or six years between this Government and the Government of Canada. I happen to know that because I went away and initiated the discussions. This is our contribution towards it. There is a Federal-Provincial Agreement.

MR. BROWNE: Will the Federal pay some of that?

DR. ROWE: I think sixty per cent.

MR. HOLLETT: Does that take into consideration the factor of bringing a considerable number of people from further north to Nain?

DR. ROWE: Yes, it is tied up there. We hope to make Nain the centre of that area. Eventually we hope to get all the people of Hebron and Nutak in the northern area, or further south for that matter.

MR. HOLLETT: What sort of building is proposed to be built there?

DR. ROWE: I believe that is being built by Niarovi people. In Northern Labrador both in Health and in Education we work through the Grenfell Association and through the Niarovi Association in Education. I don't know what kind of a building they will be putting up there.

On motion, 941-01 carried.

Roads and Bridges, -02:

MR. BROWNE: Is there any detail given on that? Could we get the details what that was spent on last year?

MR. CHALKER: Did you not ask the question a few days ago and the

Minister said it was practically impossible to answer it.

MR. BROWNE: No, the question I asked was if he would give me details according to electoral districts, where they spent money. He said their accounts were not set up to give the information. But I have a feeling, Mr. Chairman, if I were a Liberal member who wanted to find out what money was spent in my district I would be able to find it out. Now, Sir, here there is one million eight hundred sixty-three thousand dollars spent on improvement and reconstruction of the roads and bridges. I would like to know where that was spent. Can the Minister tell me, or get the Minister of Public Works to tell me?

HON. E. S. SPENCER (Minister of Public Works): Tomorrow we will give you whatever information we have in Public Works.

MR. BROWNE: You know we do not know where we stand at all.

MR. CHALKER: That would be province-wide, everywhere, would it not?

MR. BROWNE: I don't know—certainly not St. John's. As far as the million dollars is concerned no information has been given.

MR. CURTIS: That is voted for next year.

MR. BROWNE: Mr. Chairman, the point is that last year one million five hundred thousand dollars was voted. We want to know where it was spent and if spent, and if more was spent we would like to know where.

Now, here is an estimate of a million dollars. Where is that to be spent? That is a fairly big amount of money. Where is it to be spent? An estimate must be prepared for the officials.

MR. POWER: They cannot foresee what kind of a winter we are going to have next year. It has to be a pure guesstimate.

MR. BROWNE: That is all calculated somewhere—Somebody makes it up. All right, let that one go and give me what figures you can on the other.

Item 941-02-01, on motion carried.

MR. HOLLETT: Where is the new construction to take place?

MR. POWER: That is what is estimated they need.

MR. BROWNE: That is not Trans-Canada Highway, that is ordinary new roads?

MR. HOLLETT: Could we have this deferred until the Minister comes?

MR. BROWNE: Mr. Chairman, should not the House be told what new construction is planned for the country? What is the purpose for coming to the House of Assembly and asking for two million dollars for road construction and not saying where it is to be spent.

MR. POWER: We have roads that badly need it.

MR. BROWNE: Yes, but are we not entitled to know where it is to be spent? It is not peanuts, two million dollars.

MR. CURTIS: It is the same amount as voted last year and for the last two or three years. It is more or less a standard vote.

MR. BROWNE: That does not alter the fact that we should be told where it is to be spent.

MR. HOLLETT: In Bonavista North it is to be spent.

MR. BROWNE: Spent only in Liberal Districts?

MR. CHAIRMAN: Is this item carried?

MR. BROWNE: Carried subject to that objection.

On motion Item 941-02-02 carried.

MR. HIGGINS: What did surveys cost last year?

MR. POWER: Eighty thousand.

On motion, 941-02-03 carried.

MR. BROWNE: How much was spent there last year?

MR. POWER: Four hundred thirteen thousand dollars—No, I beg your pardon, four hundred fifty-seven thousand dollars.

MR. BROWNE: Why the one million six hundred thousand dollars this year?

MR. POWER: I would say that last year, I believe, the Department of Public Works lacked a lot of equipment and rented it. That did not prove to be satisfactory. You see, if the Department of Public Works own the machinery the time is charged in against the vote for the project actually is not being spent, whereas if they rent the machinery all the rent of the machines comes out of that vote. So that they are better off owning the machinery than renting it.

MR. BROWNE: You pay the employees out of current account not out of capital.

MR. POWER: If it is new construction it is paid out of capital, if it is maintenance it is paid out of current account.

MR. BROWNE: What has that got to do with buying so many machines?

That seems to be an awful lot of machinery.

MR. POWER: I believe hundreds of trucks were hired last year by the Department of Public Works, and they have been asking every year for a much bigger vote on that item than they have gotten. Actually we have cut it in two. This year the decision was to enlarge it, because we thought it was more economical to have the machinery owned by the Government as against rental of machinery. It is now eleven o'clock. I don't suppose we want to go on.

On motion the Committee rose to report progress and ask leave to sit again on tomorrow:

Mr. Deputy-Speaker returned to the Chair:

MR. NORMAN: Mr. Speaker, the Committee of Supply has considered the matters to it referred and has passed items on Capital Account Expenditure under the following headings—Consolidated Fund Services, Department of Finance, Department of Education and Department of Mines and Resources and Department of Public Works items 941-01-02-03-04 and 941-02-01-02-03; and ask leave to sit again.

On motion report received. On motion Committee ordered to sit again on tomorrow:

On motion all remaining orders of the day do stand deferred.

On motion the House at its rising adjourned until tomorrow, Tuesday May 8th at 3.00 of the clock.

TUESDAY, May 8, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Deputy Speaker resumed the Chair.

MR. W. J. BROWNE: Mr. Speaker, I rise to a question of privilege.

In the "Daily News" of this date there is an article entitled "House Discussing School Tax Bill." I may say the heading is incorrect. The House was not discussing the School Tax Bill last night. It then goes on to say that Education Minister Chalker said the people of Corner Brook had been given three months notice and could have had a plebiscite on the School Tax Authority if they wanted it.

Now what we were discussing was the Education Act Amendment introduced by the Minister of Education, which was to affect children over fifteen years of age.

I get very little publicity in the "Daily News" or in any paper for that matter—not that I am seeking any—but I think that when my name is mentioned it should be stated correctly what I said.

Presenting Petitions

None.

Presenting Reports of Standing and Select Committees

None.

Notices of Motion and Questions

None.

MR. SPEAKER: If there are no answers to questions nor motions I shall now call the Orders of the Day.

Orders of the Day

Third Reading of a Bill, "An Act Respecting the Filing, Publication and Consolidation of Regulations."

On motion read a third time, ordered passed and title be as on the Order Paper.

A Bill, "An Act Further to Amend the Highway Traffic Act."

On motion read a third time, ordered passed and title be as on the Order Paper.

A Bill, "An Act To Amend the Companies Act."

HON. L. R. CURTIS (Attorney General): I would ask, Mr. Speaker, with the unanimous consent of the House that this Bill be recommitted.

On motion Bill ordered recommitted.

A Bill, "An Act To Amend the Public Utilities Act."

On motion Bill read a third time, ordered passed and title be as on the Order Paper.

On motion the House went into Committee of the Whole on various Bills.

On motion Mr. Deputy Speaker left the Chair.

MR. COURAGE, Chairman of Committee of the Whole.

Committee of the Whole on Bill, "An Act Further to Amend the Local Tax Act, 1954."

MR. M. M. HOLLETT (Leader of the Opposition): Mr. Chairman, I have a few remarks to make about the School Tax Act, because it has been very forcibly brought to my attention by a great number of people in the area which will be first affected by this particular School Tax Act. I have to say, Sir, that a very large number of people, so far as I can find out, about four thousand voters in the

area, in the Corner Brook Area, are objecting to the local School Tax Act as it is made to apply there in Corner Brook.

HON. J. R. SMALLWOOD: (Prime Minister): Mr. Chairman, to a point of order—I hold that it is not in order for the honourable gentleman to utter one single syllable, or any honourable gentleman, against the principle of this Bill, which has been adopted. The fact that anyone else objects to it is to late. It has been adopted by this House, and it is out of order now to argue about the principle and to debate the principle, to say that anyone is against it. That is a debate which I hold is completely out of order.

MR. HOLLETT: Mr. Chairman, I have to talk about the principle of the bill. But it is my bounden duty to voice objections here in my hand which have been sent to me by people in the area to be affected by that Act, not the principle of the Act at all. It is the imposition of it.

MR. CHAIRMAN: Perhaps as we go along and read the clause to which the honourable gentleman objects, perhaps he will rise and voice the objections to the clause or to the part of the clause to which he objects. At the present time we are merely discussing the title of the Act. We cannot very well discuss the principle, but there are a great many things could be discussed as we come along to the clauses.

MR. HOLLETT: Mr. Speaker, it is the whole Act which is concerned in relation to these various telegrams. Surely I am not to be denied the right?

MR. SMALLWOOD: Of breaking the rule, yes.

MR. HOLLETT: I do not intend to break any rule. I want it to be known to the Government as well as ourselves the reactions of those people to this tax in the Corner Brook area.

MR. SMALLWOOD: Mr. Chairman: the honourable gentleman is not permitted by the rules to utter one word, not one single syllable in opposition to the principle of this bill, and he is not allowed even to stand and say that anyone else uttered a syllable against it. The time for that was on Second reading. That is the rule of the House. And the same thing applies to every other honourable member.

MR. CHAIRMAN: I sit here to see the rules are carried out. And I think the honourable Leader of the Opposition understands that when a Bill reaches the committee stage it cannot be debated as to the principle of the Bill. But as we go through these clauses, they may be debated. But the principle of the Bill must not be debated. I think the honourable Leader of the Opposition knows that and that all honourable members know it.

MR. HOLLETT: Mr. Speaker, I wish to go on record as stating that I am denied the privilege of voicing the complaints which have been forwarded to me from the people of Corner Brook.

MR. SMALLWOOD: Mr. Speaker, the honourable gentleman wants to go on record as stating that he is denied the privilege of breaking the rules of the House. He is asking for the privilege of breaking the rules of the House. That is what he is asking.

MR. HOLLETT: We break them when you want to.

MR. BROWNE: Mr. Chairman, may I say a word on this point of order. We have had many examples here during the past few days where the Attorney General has had Bills recommitted, where amendments have been tendered in committee. There has been no great storm over that. Why is it now on this Bill we are denied ample opportunity to consider and prepare for second reading, which was rushed through the other day against our request. Why is it now we are denied the privilege of placing before the committee certain objections to this Bill. It is not against the principle of school taxes. After all this is an amending Act. The School Tax Act was passed two years ago. But at the same time hundreds of people have sent us messages protesting against certain portions of it. Why then, Mr. Chairman, are we not allowed the privilege of drawing that to the consideration of the committee?

MR. SMALLWOOD: Mr. Chairman, is it not because it is contrary to the rules of the House? Is not that the reason?

MR. CHAIRMAN: I think it would be better to go on and consider the clauses and have the honourable members speak to each clause.

MR. BROWNE: Mr. Chairman, knowing how interested the Premier is in the interest of the people of Corner Brook perhaps he would be influenced to waive the objection he has raised and allow these messages to be read out here today.

MR. SMALLWOOD: Mr. Chairman, in answer to that I have only to say two things. I cannot agree deliberately to the rules of the House being broken. I cannot deliberately consent in advance to the breaking of the

rules of the House, and secondly, I could not be less interested than I am in the Tory Propaganda that comes from Corner Brook.

MR. HOLLETT: Mr. Chairman, I raise an objection to that because good, bad or indifferent, first, last or never was I in contact with these people relative to this thing, and this is the first I knew. I knew they were in here sometime ago but this is the first indication that they have taken it so seriously. And they are not against the principle of collecting the school tax, and they are not "Tories." They are quite in favour of the tax but they want it to be imposed—

MR. SMALLWOOD: Mr. Chairman, that is out of order right now. What the honourable gentleman is saying is now out of order.

MR. HOLLETT: I am voicing the complaints of the people—I am being prevented—

MR. SMALLWOOD: The honourable gentleman said, I believe, "they were in St. John's." Will he deny he drove them from St. John's to Torbay and even carried their luggage from St. John's to Torbay Airport?

MR. HOLLETT: Mr. Chairman, is that in order now?

MR. CHAIRMAN: The committee is not now in order.

MR. HOLLETT: Is there any objection to that?

MR. SMALLWOOD: Is it not Toryism?

On motion Clause 2 carried.

Clause 3 read:

3.—(1) The said Act is further amended by inserting immediately after

Section 3 as Section 3A, the following:

"3A.—(1) A School Tax Authority may, subject to the approval of the Lieutenant-Governor - in-Council, appoint such officers, clerks and other employes as may be deemed necessary for the conduct of its business and fix their remuneration.

(2) Subject to subsection (3), the remuneration of any person appointed to an office or a post under subsection (1) and all other expenses of or incidental to the imposition, assessment, collection and disbursement of the School Tax in accordance with this Act shall be paid out of moneys raised under Section 6 by the School Tax Authority concerned, and appropriate deductions from the sum of such moneys may be made in respect of such remuneration and expenses before the moneys are apportioned in accordance with Section 10.

(3) The Lieutenant-Governor in Council may by order limit the amount that may be expended by a school Tax Authority under this section in any year by way of remuneration and expenses, and when an order is made under this section it shall have the same force and effect of law for all purposes as if it was expressly enacted in this Act."

(2) This Section shall be deemed to have come into force on the 22nd day of June, A.D. 1954.

MR. HOLLETT: Mr. Chairman, under Sub-section (2) of clause 3—"Subject to subsection (3), the remuneration of any person appointed to an office or a post under subsection (1) and all other expenses of or incidental to the imposition, assessment, collection and disbursement of the School Tax in accordance with this Act shall be

paid out of moneys raised under Section 6 by the School Tax Authority concerned and appropriate deductions from the sum of such moneys may be made in respect of such remuneration and expenses before the moneys are apportioned in accordance with Section 10."

Now, I hope, Sir, that applies to the subject which I want to raise, i.e. the matter of the complaints—All I am asking, Sir, is permission to read the telegrams which I received.

MR. SMALLWOOD: Mr. Chairman, to a point of order—No Tory telegrams in here—

MR. HOLLETT: All Liberal telegrams. Well, I want to say, Sir, I wish to speak to this particular section with regard to certain aspects of this particular assessment, collecting, and, if you like, disbursing.

MR. CHAIRMAN: One moment please! I would state that the rules say no letter, telegram nor newspaper may be read in committee. The honourable member may resume.

MR. HOLLETT: I cannot go ahead and advise this House. First I want to say, I have tried to say before, that these people who have communicated with us are not against the collection of taxes for school purposes—There are two things—Have they the body to collect these taxes?

MR. SMALLWOOD: Mr. Chairman, to a point of order—Is what the honourable gentleman is now saying strictly relevant to this clause? Is what the honourable gentleman is now saying telling us what some other people, not what he, but what some other people, think about this clause—Now is that in order? If other people outside the House should give their opinion of this clause, would it then be in or-

der to tell the committee what other people outside the House think about this clause?

MR. CHAIRMAN: It would be out of order to say what other people think. We are not concerned with the opinions of other people. I mean when members of the House stand up they speak for themselves and voice their own opinions and convictions.

MR. HOLLETT: I hope, Mr. Chairman, what I feel myself relative to the collections of taxes by an appointed body—

MR. SMALLWOOD: What is this, Mr. Chairman, about it being an appointed body? Where is the strict relevancy of this remark?

MR. HOLLETT: "Incident to the imposition assessment, collection and disbursement of the School Tax in accordance with this Act," I say what we object to on this side of the House is the collection of any taxes not collected by an elected body.

MR. SMALLWOOD: Mr. Chairman, to a point of order—This clause deals with the remuneration of officers and not who would collect it.

MR. HOLLETT: "And all other expenses of or incidental to the imposition, assessment, collection and disbursement of the School Tax."

MR. CHAIRMAN: It does not say anything about the appointment of the School Tax Authority.

MR. HOLLETT: I am not talking about that. I am talking about expenses incidental to the collection and disbursement. And I see no reason why I cannot voice my own sentiments with regard to that. And in my opinion, there should be no taxes without representation.

MR. SMALLWOOD: To a point of order, Mr. Chairman, is the honourable gentleman to be allowed or is any honourable gentleman to just consistently and defiantly to ignore the rules? Is this to be permitted or is this Chamber being reduced so far because the Leader of the Opposition wants to make a bit of Tory propaganda and voice the propaganda of others? Is he to be allowed to defy the rules of committee?

MR. BROWNE: Most of these people are not Tories.

MR. SMALLWOOD: The people have nothing to do with that clause. The House here has.

MR. BROWNE: That is the complaint—The people have nothing to do with the legislation.

MR. SMALLWOOD: Now, Mr. Chairman, the honourable gentleman is out of order. Is this strictly relevant to this clause?

MR. BROWNE: I am only answering what the Premier himself said.

Some Honourable Member: Carried.

MR. BROWNE: Who is that fog horn? From Port aux Basques.

MR. NORMAN: If the honourable member wants to get this foghorn going he will get what he won't like.

MR. CHAIRMAN: Order. I would remind the committee to observe the rule of relevancy and avoid personalities.

MR. BROWNE: Mr. Chairman, there is a clause to which I take objection, i.e. sub-clause (2).

MR. SMALLWOOD: Is the honourable gentleman now on my point of order which I have drawn to Your Honour's attention? Is the honour-

able gentleman now addressing the Chair on that or is he now beginning a new argument? Can we have order in this committee? Can we not have the parliamentary rules carried out strictly.

MR. HOLLETT: Not while you are here.

MR. CHAIRMAN: I have reminded honourable members about the rule governing relevancy. And discussion must be strictly relevant to the clause or item under consideration. I stated a moment ago. And I understood that the last speaker who was speaking when the honourable the Premier rose to a point of order, the honourable and learned member for St. John's West was addressing himself to sub-clause (2). But certainly we must have strict relevancy in committee. I ask all honourable members to remember that.

MR. BROWNE: Mr. Chairman, usually a certain amount of latitude is permitted even in committee. We cannot just act as copy readers and deal only with grammar and punctuation. We have to deal with a little more than that. Take this whole question here, the appointment and remuneration of officers. Now these are appointments of the School Tax Authority, the members of which were appointed by the government. They are not a representative body in any sense.

MR. SMALLWOOD: Now, Mr. Chairman, is the representative or unrepresentative character of the School Tax Authority proper for discussion under this clause? I must ask Your Honour that. Then, Your Honour, is the honourable and learned gentleman allowed to discuss it if it is not in order?

MR. BROWNE: Mr. Chairman, before you give an opinion in answer to the question of the Premier may I draw to your attention that this has a retroactive sub-clause which brings it back to the twenty-second of June, 1954. Now then a reference to the School Tax Authority will show that the School Tax Authority was not appointed until August 30, 1955, and that was made retroactive in the Newfoundland Gazette of August 30, 1955, I am reading from page 39 of the report of the Commission of Enquiry, and it says: "Effective from June 21, 1955." Now, can a body be appointed on the 30th of August and their authority become effective from June 21, 1955 and then bring in a Bill here to make what they have done effective from June 22, 1954?

MR. SMALLWOOD: Mr. Chairman, is that in order? Is that what this clause is about? Is that strictly relevant to this clause?

MR. CHAIRMAN: The point is on the remuneration of officers. So I suppose the School Tax Authority would appoint the officers. But we are not dealing with the appointment of the School Tax Authority. We certainly cannot deal with the appointment of the School Tax Authority in connection with this clause. I just read it through while the honourable gentleman was speaking and there is no reference to the appointment of the School Tax Authority but to certain officers appointed now to the School Tax Authority.

MR. BROWNE: Surely, Mr. Chairman, we must not be too rigid here in committee.

MR. SMALLWOOD: Is that so? The rules say otherwise.

MR. BROWNE: It works both ways.

MR. CHAIRMAN: I must remind honourable members that the words used are "strictly relevant."

MR. BROWNE: Surely, Mr. Chairman, what I am suggesting about sub-clause (2). "This section shall be deemed to have come into force on the 22nd day of June 1954." What I am saying about that is relevant. I am drawing attention to the fact the Authority was not set up until the 30th day of August. And although their appointment at that time was made retroactive until the 21st of June here comes a Bill now that makes it retroactive to the 22nd of June, 1954, almost a year previous. Surely by introducing that section, that sub-clause, into the section, making it retroactive to June twenty-second, 1954, entitles us to inquire what is being done or what was done on that twenty-second of June, 1954. That justified the inclusion of such a provision in the section. I think whoever is in charge of the Bill should be prepared to answer that.

MR. HOLLETT: On that point, Mr. Speaker, I would like to make a point relative to sub-clause (2), Section (3) of the Bill, which reads— "(2) This section shall be deemed to have come into force on the twenty-second day of June A.D. 1954." I would like to move that this section read as follows. "This section shall be deemed to have come into force and will come into force on the eighth day of November, 1956." I do so on the grounds that this particular section, this particular bill, has raised a storm of protest in certain areas.

MR. SMALLWOOD: Mr. Chairman, to a point of order: The honourable gentleman is not even allowed to say that according to the rules. Now, Mr. Chairman, I am not the Chairman of Committees. Your Honour is. It is

Your Honour not I who is supposed to carry out the rules, which Your Honour did not make, which I did not make, which the Opposition did not make, but which were made before this general assembly here, but which are supposed to be carried out—but not by me—

MR. CHAIRMAN: The honourable Leader of the Opposition just made an amendment.

MR. HOLLETT: Mr. Chairman, may I speak to that amendment?

MR. CHAIRMAN: I want to again point out the rule regarding relevancy.

MR. HOLLETT: "Relevancy?"

MR. CHAIRMAN: Yes! And it does seem that the committee is out of order.

MR. HOLLETT: The committee is not, the Premier is out of order.

MR. CHAIRMAN: Order!

MR. SMALLWOOD: Mr. Chairman; to a point of order. The honourable gentlemen of the Opposition want to bring in these telegrams. Do they not know that there are five different ways of doing it legally and lawfully, according to the rules. The way they are trying to do it is unlawful. Do they not know, or can they not seek advice privately, Mr. Chairman, during recess, which Your Honour, is available to them. Must I be put in the position that I appear to be dictating to the House when all I am doing is drawing attention to the fact that the rules are being continually and deliberately violated? And is it not my duty to the House to see that they are not deliberately violated and Your Honour's duty to see they are carried out.

MR. CHAIRMAN: I have already ruled these telegrams are not to be read at this time. I have already ruled that we cannot at this time discuss the principle of the Bill. I have also asked honourable members and reminded the committee of the rules of relevancy. Now the honourable Leader of the Opposition has just moved an amendment. I don't know what he was going to say in support of that amendment. We had not gone very far when the Premier interrupted with a point of order. But it did seem he was again getting out of order. I would like for honourable members to remember the position I am in at this time and abide by the rules of the House.

MR. HOLLETT: I am endeavouring to abide by the Rules of the House. But it is presumed by the honourable the Premier whenever I utter a syllable I am out of order.

MR. CHAIRMAN: I don't think the honourable Leader of the Opposition is correct, when he utters anything it is presumed by the Chairman it is out of order.

MR. HOLLETT: I believe it was said by the Honourable the Chairman, that he felt from what I had already said I was about to get out of order.

MR. CHAIRMAN: I felt so at the time, yes.

MR. HOLLETT: At least I claim the right to say what I am about to say before being ruled out of order. I make this amendment for one reason, because I don't like retroactive clauses. It says that this section shall be deemed to have come into force on the twenty-second day of June, 1954. Now I know of cases, I know of one particular case where a widow with eleven children has received a bill for taxes under the School Tax Act for \$348, a

widow with eleven children, the youngest being ten months old and the eldest thirteen years of age.

MR. SMALLWOOD: Mr. Chairman, is this in order?

MR. CHAIRMAN: I do not know until the Honourable Member makes the point. I do not know where the honourable member is leading, I am sure. He may be using this case in support of his argument. At this time I do not see—

MR. HOLLETT: Mr. Chairman, the point I am raising is this: In this particular instance this one widow woman will have to pay that tax of three hundred odd dollars.

MR. SMALLWOOD: Is not the Honourable Leader of the Opposition now defying Your Honour? Is he not defying the rules? Does he not know that is out of order?

MR. CHAIRMAN: Apparently the honourable Leader of the Opposition thinks the tax itself is to be retroactive. That is not what the clause says. The clause says the section shall be deemed to come into force. It does not say the tax will come into force.

MR. HOLLETT: I agree with you, Mr. Chairman, but it says also "all other expenses of or incidental to," are to be paid out of these taxes which are retroactive back to 1954. My goodness, if that is not applicable I don't know what I am trying to say. Now, Mr. Chairman, I am not trying in any way to defy the Chair. I respect the Chair. I realize we can have no argument across the floor and there is no proper study of a Bill unless we keep in that Chair a Chairman. There must be a chairman of committees, as there is a Speaker. And I do so respect your ruling, Sir, and if you order

me to sit down this moment I shall do so. This is one of twenty reasons why I want to take this course, this \$348.

MR. SMALLWOOD: Mr. Chairman, to a point of order—He is only reading an amendment that this be read six months hence. Now can he take case after case imposition of taxes which are not being dealt with in this clause at all?

MR. CHAIRMAN: The amendment is that this section shall be deemed to have come into force on—

MR. SMALLWOOD: It is a six month hoist, and we cannot support that. Talking about taxes and incidentally how it falls on one or two or any number of individuals is that in order?

MR. BROWNE: Surely, Mr. Chairman, the Leader of the Opposition moved an amendment of the section; "that this section shall come into effect on the eighth day of November 1956." I already asked a question and if the honourable the Premier would give some attention to the question perhaps we might make a little more progress. My question was: "What is the purpose of having this inserted in this Bill at the present time, to make the appointment and remuneration of officers retroactive back to 1954, and not only appointment and remuneration of officers but all other expenses—Clause (3) says the remuneration of any persons and all other expenses of or incidental to the imposition of this tax shall be paid out of monies raised under section 6 by the School Tax Authority concerned." Now what does that mean? What is involved?

MR. SMALLWOOD: Is the honourable gentleman now talking to this amendment?

MR. BROWNE: Yes!

MR. CHAIRMAN: The amendment is that the words "the twenty-second day of June 1954" be deleted and the words "the eighth day of November 1956" be inserted!

MR. BROWNE: Mr. Chairman, could we not get an answer from the people on the other side? We have asked what I think is a reasonable question, are we not entitled to an answer?

Mr. Chairman, before you put the motion I would say that this is a very cavalier action on the part of the government. Someone asked a question as to what is meant by expenses incidental to the imposition, assessment, collection and disbursement of the school tax, which has to be made retroactive to June, 1954, and nobody on the other side can get up and answer.

MR. CURTIS: Is not the answer very obvious, Mr. Chairman. What does the section say? The section says they may appoint such officers, clerks and other employees as may be deemed necessary. Well the obvious thing to any normal person is that the committee did go ahead and make these appointments, and now they find they did not have the authority in the original Bill to make these appointments. And they ask now to have the authority made and made retroactive so that what they did will be legal.

MR. BROWNE: But, Mr. Chairman, they were not organized until the thirtieth day of August, 1955 and in that appointment their authority was only effective from June 22, 1955.

MR. CHAIRMAN: I have now put the amendment.

MR. BROWNE: Mr. Chairman, won't you give the members of the

Government an opportunity to answer a reasonable question, or are we to be denied an answer. I heard the Minister of Mines and Resources make some sort of sneering remark a few minutes ago—Perhaps he as an ex-school teacher may know the answer.

MR. CHAIRMAN: Shall the motion carry?

MR. BROWNE: Mr. Chairman, I have one observation to make before putting the motion. It is obvious now we are not to get an answer to our question which I think is reasonable, and if this is an illustration of the way the Government treated the people of Corner Brook they have reason for indignation.

HON. C. H. BALLAM (Minister of Labour): I object to that, take that back!

MR. BROWNE: Why don't you answer that question?

On motion clause carried. Objected to by the Opposition.

On motion clause 4 read,

4. The said Act is further amended by inserting immediately after Section 5 as Section 5A the following:

"5A. The Lieutenant - Governor - in-Council shall appoint an auditor to audit the accounts of every School Tax Authority, and an auditor appointed under this section shall have and may exercise and shall discharge all of the powers and duties conferred and imposed on an auditor appointed under The Local Government Act, 1956, to audit the accounts of a council, as if the School Tax Authority was a council."

MR. BROWNE: Mr. Chairman who is in charge of this Bill? Is it the

Minister of Education or is it the Premier? I would like to ask whoever is in charge, has an auditor yet been appointed?

MR. SMALLWOOD: I don't know.

MR. BROWNE: That seems strange.

HON. J. R. CHALKER (Minister of Education): It is not strange. We can get one any time we want to. We have authority to do so.

MR. SMALLWOOD: No, I don't know. I don't know a lot of things. That is one of them. There are seventeen or eighteen million things I don't know. That is one of the seventeen or eighteen million things. Is there anything strange about that? Is there nothing the honourable gentleman does not know? Does he know everything? He shows amazement that there is something I do not know.

On motion clauses 4, 5 and 6 carried. Clause 7 read.

7. Section 8 of the said Act is amended

- (a) by deleting the period at the end thereof and substituting a colon; and
- (b) by adding at the end thereof the following:

"Provided that where any School Tax Area or any part thereof situated with a city or municipality the School Tax Authority may for the purpose of imposing the School Tax on real property made at the instance of the municipal authority of that city or municipality for the purpose of imposing a tax on real property therein, and that municipal authority shall make such assessment available to the School Tax Authority for the purpose of this section whenever requested to do so by the School Tax Authority, and where any School Tax Area, or any part

thereof is not situated within a city or municipality or when although the School Tax Area or any part thereof is so situated there is no such valid assessment, an assessment shall whenever required for the purpose of imposing the School Tax on real property in that School Tax Area or part thereof be made in accordance with The Assessment Act chapter 70 of the Revised Statutes of Newfoundland, 1952, as if that School Tax Area or part thereof was a municipality established under The Local Government Act."

MR. BROWNE: Mr. Chairman, is this in accordance with the recommendation.

MR. CHALKER: This is the recommendation of the Board of Enquiry?

MR. SMALLWOOD: Yes it is.

MR. BROWNE: Does it apply to all sorts of pensioners?

MR. SMALLWOOD: It applies to what it says it applies to.

MR. BROWNE: I think the report's qualifications there is that their income should be less than fifteen hundred dollars. Now, Mr. Chairman, here is an exception clause, and I should think that here is a place where we might consider the question of the imposition of the taxes and how it affects the different people. The tax is a property tax based on the assessment.

MR. SMALLWOOD: Mr. Chairman, to a point of order—Is it in order for the honourable gentleman to discuss that under this clause?

MR. BROWNE: Mr. Chairman, this is an exception—would we not be entitled to ask that a number of other persons might not also be ex-

empted as well as pensioners and widowers? Could we not raise the amount from fifteen hundred dollars, or could we make any qualifications?

MR. SMALLWOOD: Of course, that would be proper and parliamentary. Of course that would be in order.

MR. BROWNE: Mr. Chairman, I was trying to point out that the way the tax is assessed at the present time is by a property tax. I read through this report carefully, of this Commission of Enquiry, and it seems to me that more money was collected than was necessary and their rate was made unnecessarily high. What should have been done with the valuation of the property over there, they should have put along the side the amount which was required. Instead of that the Chairman sent out forms to the people and said; put down your maximum requirements— They are budgetting therefore for a hundred and sixty-five thousand dollars a year.

MR. SMALLWOOD: Would not that be because they are expecting Corner Brook to grow rapidly and want to know what would be needed in the next year or two or three or four, in view of the amazing rapidity of the growth? What is the sense of getting a figure which will be out of date a few years later?

MR. BROWNE: Because they have their assessment annually, and it is not an enormous place and they could keep their assessment up to date from year to year.

MR. SMALLWOOD: Is not that time enough when the thing is in effect a year or two and they have it working?

MR. BROWNE: This is an assessment they are making here now.

MR. SMALLWOOD: Not in the basic rate.

MR. BROWNE: At any rate, in addition to the tax on property there is also a poll tax of \$20 per person. And \$20 per person is equivalent to about \$3,333 assessment on property at the six mill rate, six dollars per thousand—Therefore the person who has an income and who lives in a hotel or is a tenant in any home out there or has a big income pays \$20. And I believe that some of the opposition has come from people who have to pay large assessments on their property, while they see others with large salaries only having to pay twenty dollars. And there is an inequality there. I don't say that I can readily suggest a remedy, because I know that in other places they have this property tax to raise funds for schools. But yet it seems to me that there should be some consideration given to the questions of income in connection with those who have to pay the poll tax. The poll tax being \$20 per person, although I think I saw some reference to it as \$25 per person. The old age pensioners and veterans, I take it, or any pensioners from the civil service or from the railway whose income is less than fifteen hundred dollars are exempted. But what happens when his income is \$1,501? If he is just one dollar above the \$1500 then he has to pay the tax.

HON. F. W. ROWE (Minister of Mines and Resources): Would not that happen no matter what the figures were. If it were \$2,000 when he reached \$2,001 he would have to pay. Would not that happen? It happens with everything.

MR. BROWNE: Yes, but if he has an income of fifteen hundred and one dollars he is liable to the six

mill tax. Therefore if his property has a valuation which gives say fifteen thousand dollars, at six mills he has to pay ninety dollars. So there is a difference, as far as a widow is concerned or a pensioner of \$90 by having \$1 over the \$1,500 in his income. I hold that it will take time to work out a system. None of the people I have been speaking to, or I have heard from, have seemed to be opposed to the idea of taxes but they think the incidence of the tax bears heavily, more heavily, on those who possess property.

MR. SMALLWOOD: Why then are they talking about going to the Supreme Court and saying the whole thing is unlawful and illegal and unconstitutional if they are not opposed to it? I know the answer but I would like the honourable gentleman's answer.

MR. BROWNE: I understand they are objecting to the appointment of this body, the School Tax Authority which is collecting the money. In other words, because this body is imposing taxation and is not a representative body. The Minister of Labour shakes his head in a negative fashion, but I think what I am saying is correct—This body has been appointed by the Government. I know that they are a fine class of citizens. I am not criticizing them in any way.

MR. BALLAM: On the recommendations of all school boards, denominations, city councils, on their recommendations, right from the bishop down.

MR. BROWNE: But they are not a representative body on this school tax; but because of the fact that they are prominent in educational circles.

MR. SMALLWOOD: The Government did not select them all. And this is all out of order.

MR. CHAIRMAN: I know the honourable member is speaking to a question by the Premier, but I doubt the Premier was right in putting that question. I did not let him go on explaining, but I do think any further discussion is out of order, and I cannot allow it.

MR. HOLLETT: Before this is carried I should like to make an amendment. Sir, \$1,500 in this day and generation does not go too far with any of us, and it does not go too far with a widow who has no husband to look after her—Fifteen hundred dollars, particularly in the case I have quoted of a widow with eleven children does not go very far. And I would like to suggest that it ought to be a little more liberal, particularly with regard to widows and pensioners and that the word "twenty-five" be substituted—In other words to read—"provided that tax shall not be imposed" etc. When less than twenty-five hundred dollars. I know there are a good many widows in that area and all across Newfoundland and that they are going to find it very difficult to get the money to pay any taxes. Where there is a large number of children a tax on fifteen hundred dollars would be ruinous as far as that family is concerned. And I think that would apply to a good many other cases. So I would suggest this amendment to the Government.

MR. SMALLWOOD: In connection, Mr. Chairman, with that amendment I would say that the Government are carrying out religiously the recommendations of the commission of enquiry of three magistrates who recommended that the figure should be fifteen hun-

dred dollars. We, therefore, are opposed to any change. We are in favour of carrying out precisely the recommendations of the Commission of Enquiry, and I am disappointed in the honourable gentleman opposite for not taking the same view. A commission of impartial men, with the judicial and magisterial habit and frame of mind and outlook hold an enquiry and having conferred with all the parties concerned and having gotten all the facts and statistics and figures and knowing how much money is required to run the schools, recommend fifteen hundred dollars, and we, without knowing anything of it—He cannot tell us today how many are getting over fifteen hundred dollars, would pay. He does not know that. And the honourable Leader of the Opposition does not know, if we leave it at fifteen hundred what will be the amount paid by people with an income of sixteen hundred or eighteen hundred.

MR. HOLLETT: Do you?

MR. SMALLWOOD: I am making my point—And the honourable gentleman without knowing that, just makes it twenty-five hundred. The answer is: the Opposition will get the votes of every person in Humber District who is opposed to this tax, and the Liberals will win the two districts with flying colours. We know the honourable gentleman is not talking about it but we know what he is thinking about it.

MR. HOLLETT: The honourable the Premier is thinking about it much more than we are. I know neither I nor the Premier would know, because it would depend on the amount of property they have. If they have a few old buildings and the assessor assessed so much they are likely to pay a heavy tax. That is what happened in this case, empty and vacant buildings were

assessed and she had to pay \$348, when she had eleven children.

MR. SMALLWOOD: I know a widow with eleven children in Corner Brook worth seventy or eighty or ninety thousand dollars—In Corner Brook—

MR. HOLLETT: I don't. Only the honourable the Premier meets persons with money like that. In spite of the fact this so-called, and I dare say, impartial body of three men with magisterial minds was set up—and I have no doubt impartial—in spite of that I must point out that the Chairman is and was the Chairman of the Amalgamated School Board in Newfoundland, and while I am quite sure he would not allow that fact to interfere with his judgment—

MR. SMALLWOOD: Why mention it? What else is it but a contemptible attack on the honourable gentleman's successor in the Grand Falls area where he has had a better record, in Grand Falls, than his predecessor—It is a cowardly attack, a smear, a McCarthyism—

MR. HOLLETT: Who is making the smear—A smear about somebody having a better record than myself in Grand Falls—Is not that a smear?

MR. SMALLWOOD: Any one who ventures to cast that aspersion—

MR. HOLLETT: Anyone in the position of the honourable the Premier that takes that tone of voice makes me sick to think we in Newfoundland have gotten down to the state we have a man like that as Premier of this country—I am not out of order—What I am saying is not half as bad.

MR. CHAIRMAN: The Premier was out of order in making the remark—The honourable member is now out of order—All in favour of the

amendment say aye, those who oppose say nay. I declare the amendment lost.

MR. HOLLETT: Dirty dog.

MR. SMALLWOOD: It hurts does it not—what about what you said about Magistrate Abbott?

MR. HOLLETT: What did I say about him? I said nothing only good.

MR. SMALLWOOD: Is that so? It did not sound good to my ears.

On motion, Clause 7 carried.

Clause 8 read:

8. The said Act is further amended by inserting immediately after Section 8 as Section 8A the following:

"8A—Whenever a School Tax Authority feels that any exemption from the School Tax or any remission thereof or of the interest thereon, in whole or in part, is desirable the Authority may upon the unanimous vote of its members present at a meeting represent to the Minister of Education that the exemption or remission should be granted, and if the Minister approves the exemption, it may be granted but subject to such conditions as the Minister may impose.

(2) Save as in this section or otherwise specially provided a School Tax Authority shall not grant any exemption or remission from the School Tax to any person and no contract, agreement or stipulation with any person for an exemption or remission from the School Tax is valid.

MR. BROWNE: Mr. Chairman, may I ask why this is made retroactive to the twenty-second of June 1954 when the authority was only set up August 10, 1955? Why is it now necessary to go back to June 22, 1954?

MR. BALLAM: That was the time the Act was proclaimed.

MR. BROWNE: Perhaps on June 22, 1954 the Act was given the Governor's consent—But why go back to that date—Have they been collecting any money from that date? I don't think they collected any money.

MR. CURTIS: It is frequently the case, Mr. Chairman, in making amendments to actually date the amendment back to the date of the Act. There is no ulterior motive. We could make it the 23rd, the 26th or perhaps some other date in July, but it is much more simple to bring the amendment back so that the amendment and the Act come in the same time.

MR. BROWNE: Mr. Chairman, I would like to ask the Minister of Education if the municipal authorities at Corner Brook made their assessment for the benefit of the School Tax Authority available to the School Tax Authority.

MR. CHALKER: I believe they did, Mr. Chairman, yes.

MR. BROWNE: They already had an assessment did they?

MR. CHALKER: Yes.

On motion, Clause 8 carried.

Clause 9 read:

9. Section 10 of the said Act is repealed and the following substituted therefor.

"10.—(1) Subject to the approval of the Minister of Education, every School Tax Authority shall within ninety days after a tax is first imposed by it under Section 6 prescribe a date or dates not exceeding four in the aggregate in each of its financial years for the apportionment and distribution in accordance with this Act of all moneys

raised by the Authority under Section 6, and one of the dates so prescribed in each financial year shall be the last day of that financial year.

(2) The Minister of Education may prescribe as a condition of any approval given by him under subsection (1) that the School Tax Authority concerned shall withhold on any or all of the dates prescribed under that subsection for any financial year except on the last of those dates occurring in the financial year a fixed percentage of the moneys then available for apportionment and distribution to provide against unforeseen contingencies, and all moneys so withheld during the financial year shall be used to make any adjustments necessary to secure an apportionment and distribution in accordance with this Act, and all such adjustments shall be made on the last day of the financial year, and the balance of such moneys, if any, shall on that day be apportioned and distributed in accordance with this Act together with all other moneys raised by the Authority under Section 6 and not so apportioned and distributed.

(3) In each of its financial years every School Tax Authority shall, on the date or dates prescribed under subsection (1) and in accordance with any conditions prescribed under subsection (2) and subject to this Act, apportion to each School Board in the appropriate School Tax Area from all moneys raised by the School Tax Authority under Section 6 and not previously apportioned and distributed in accordance with this Act an amount bearing the same ratio to the aggregate of all such moneys as the total enrolment at the schools conducted in the School Tax Area by that School Board bears to the total enrolment at all schools in the School Tax Area, and the enrolment at any school to be

taken into account for the purpose of this subsection shall be the enrolment shown by the certificate issued and furnished in that financial year by the Minister of Education in accordance with subsection (5), and the School Tax Authority shall in accordance with any regulations made under Section 11 pay the amounts so apportioned to the School Board.

(4) In apportioning and distributing moneys raised under Section 6 in any financial year all schools shall be taken into account that have been conducted in the School Tax Area concerned during that financial year or any part thereof.

(5) The Minister of Education shall within thirty days after the commencement of the financial year of every School Tax Authority forward to that School Tax Authority a certificate signed by him showing the total enrolment, during the school year immediately preceding that financial year, in every school in respect of which moneys are payable by the School Tax Authority, and the total enrolment for any of such school years shall be determined by the Minister in the manner following:

(a) The total enrolment shall be deemed to be

(i) where there are not less than four classrooms in the school, the total enrolment for the school year without counting any pupil who was under six years of age on the thirty-first day of December in that school year, or attained the age of fifteen years at any time after that date, and has attended school for less than forty days; and

(ii) where there are less than four classrooms in the school, the total enrolment for the school year with-

out counting any pupil who was under six years of age on the thirty-first day of December in that school year regardless of the number of days during which he attended school.

(b) In computing the total enrolment of a school for the purposes of this section all pupils enrolled at that school shall be counted: Provided that any pupil transferred to another school during a school year shall not be counted and where a pupil was enrolled at more than one school during a school year the school of his last enrolment and no other school shall be credited in respect of his attendance for that school year.

(c) Where new or additional school services are established the enrolment for the purposes of this section shall in the first school year of operation be the enrolment as shown by the school register from time to time."

MR. BROWNE: How does this fit in with the Education Act we were considering yesterday?

MR. CHALKER: We are going to change that Education Act to conform with this.

MR. BROWNE: I mean to say, any pupils under fifteen years of age don't count in the enrolment for the purpose of school taxes. What does it mean—Why does it say "in computing the total enrolment of the school"?

MR. SMALLWOOD: This has passed the Council of Education. This is the one clause in this Act of greatest importance in the light of the Term on Schools. This has to be in very close conformity with that Term 69 of the Terms of Union.

MR. BROWNE: I am not criticizing. It has therefore to be cleared

with the proper authority, and this has been?

MR. CHALKER: The new section has been so worded as to make clear that attendance for forty days or more applies to children who have attained the age of sixteen years as well as those attaining the age of fifteen years.

MR. SMALLWOOD: We could let this clause stand. No one at the moment appears to be able to answer the honourable gentleman—We could let this clause stand until later in the day, when perhaps the Minister could confer with the permanent officials.

MR. BROWNE: We could get the information too, it appears to me, from reading this report.

MR. CHALKER: I will get that information.

On motion, Clause 9 stand.

Motion, that the committee report progress on this Bill, carried.

Committee of the Whole on Bill, "An Act Further to Amend the Education Act."

MR. CHALKER: Mr. Chairman, I beg leave to withdraw the amendment and to proceed on the original amendment of this Bill.

MR. CHAIRMAN: I have now before me the first printing.

MR. CHALKER: Yes, Mr. Chairman, discard the second printing.

MR. CHAIRMAN: I have before me the first printing, and would put clause 2.

On motion clause 2 carried. On motion clause 3 carried.

Motion, that the committee report having passed this Bill without amendment, carried.

MR. CURTIS: I would move, Mr. Chairman, we would reconsider Section 280 i.e. A Bill, "An Act to Amend the Companies Act." I would move Mr. Chairman, this amendment: "The registrar shall collect and every domestic and foreign company shall pay such fees as the Lieutenant-Governor-in-Council may prescribe and the Lieutenant-Governor-in-Council may prescribe for domestic and foreign companies"—This looks after the objection my honourable friend raised.

MR. BROWNE: Just to clarify that, what about the schedule of this? Are you going to ignore that? What does it mean in the Act?

MR. CURTIS: Which Act?

MR. BROWNE: In the Companies Act.

MR. CURTIS: We have no power to deal with that. If my honourable friend would look it up he will see this only gives us the right to fix the fees for foreign companies which are non-Newfoundland companies. Domestic companies do not mean local companies as defined in the Act. It is companies incorporated otherwise than under the Companies Act and the idea is that in that case we should be able to charge nominal fees. At the moment companies that are incorporated other than under the Companies Act don't have to file any returns. That is the reason we put "domestic companies" here. We may call upon societies to file shares but may not want to make any charge or only a nominal charge for filing their annual returns. But that does not effect the section with respect to foreign com-

panies that want to incorporate here or to be registered here.

MR. BROWNE: This does not apply to voluntary associations at all?

MR. CURTIS: The Act does provide that such associations register without fee. I think it was made clear when reading the Act that such companies are incorporated without fee and once they are incorporated do not have to do anything else. Under this Act, I think, they may be obliged to file shares or certain statements annually.

MR. BROWNE: They are not domestic companies within the definition?

MR. CURTIS: Yes, domestic companies incorporated other than under the Companies Act. Companies that might be included are companies such as NALCO or any other company created by a special Act of the Legislature.

MR. BROWNE: Do you know of any like that?

MR. CURTIS: There used to be a number. "United Towns" used to be, but they incorporated.

MR. BROWNE: I don't think there have been any lately.

MR. CURTIS: Is there are not, it does not do any harm.

On motion clause as amended carried.

Motion, that the committee report having passed this Bill with some amendment, carried.

Committee of the Whole on Bill, "An Act to Provide For The Payment of Accelerated Pensions to Employees of the Newfoundland Government Transferred to Services of the Govern-

ment of Canada At the Date of Union."

MR. CURTIS: There was only one section, Section 3 I think. My honourable friend caught me rather unaware last night. I was asked, without looking at the context, to say what was meant by this sub-section (3). I am advised now by those who drafted it, and I took the matter up with the interested parties in my office, the effect of the section seems to be that if this Act is brought into force now and some party wanted to take advantage of it, he must take advantage of it, from now and not retroactively.

MR. BROWNE: Why?

MR. CURTIS: In other words, he can turn around and say I want a pension effective from the year 1945 and want the arrears paid immediately. But he cannot do that. He can take advantage of it from the date he makes application but not from some date three or four years back, which would entitle him to demand three or four payments as arrears. I think that is fairly obvious.

MR. BROWNE: I can see it from the Government's point of view.

MR. CURTIS: From any point of view it is not reasonable.

MR. BROWNE: If the honourable the Attorney General would consider a moment—A man is retired from the railway four years ago and all he gets is his contributions from the Canadian Government, that he paid. He received nothing from the Newfoundland Government. And suppose he has worked for twenty-five or thirty years with the Newfoundland Government, it is considered, under this Bill he is entitled to a pension and will get paid from now on, as soon as he makes the

application. But the Government says we are not going to give him anything for the time when he has been unemployed. But actually, if he has earned the pension should he not receive it?

MR. CURTIS: No, we are departing so far, but we are not going to wing with it. I think it is reasonable.

MR. BROWNE: It seems to me it is likely to create hardship.

MR. CURTIS: Not half as much as if we don't do it.

MR. BROWNE: I think — We realize it is going to do a lot of good, but it could do a lot more good. Well, the government insists on that, I suppose we cannot correct it—But before the Bill is finished I wonder if I could draw attention to one other point, or should we put this one first.

MR. CHAIRMAN: I think we should.

MR. CURTIS: The rest of the clause has all been passed.

On motion, clause carried.

MR. BROWNE: Mr. Chairman, under five, "any person under the age of sixty-five years to whom pension payments are being made under paragraph (b) of Section 3 is employed or re-employed by the Government of Canada, by any agency of that Government, by any corporation the main business of which is the management or administration of the property of that Government or by the Government of Newfoundland, the pension payments shall be suspended during the period of such employment or re-employment."

Now what difference does it make whether he is employed by the Can-

adian Government? It does not make any difference to Newfoundland.

MR. CURTIS: If he is employed by the Canadian Government is he not still continuing his work? This is to aid people who cease to be employed. It only gives us the right to accelerate the pension if he becomes unemployed and needs it. If he has other employment and is getting full salary he is not in a position to ask for an accelerated pension.

MR. BROWNE: It does not say "fully employed." It may be temporary employment or it may be partial, it may be one day or two days a week.

MR. CURTIS: I think under our own Act if a person receiving a pension is re-employed by the Government his pension either stops or he is paid the difference. The idea is to keep it in line with that. But I think we have made a good beginning. And I think we might wait and see, Mr. Chairman, how this works out.

MR. BROWNE: There is only one point I would like to make; that is in connection with qualifications. If there had been no Confederation they would have qualified for a full pension. Now those who have not reached the age of sixty-five years of age (there are many people who went to work at the railway at the age of twelve and thirteen and worked for thirty-eight and forty years, and yet have to wait until sixty five before they can put in for a pension. In accordance with the Civil Service Pensions Act at that rate they would equal two-thirds of their salaries, which is the full pension rate.) I think the Government ought to give consideration to such persons as gave such long parts of their lives in the service of Newfoundland and not have them

wait for another five years before they are entitled to their pensions.

MR. CURTIS: I will keep that in mind, yes.

On motion clause carried.

Motion, that the committee report having passed this Bill without amendment, carried.

On motion the committee recessed for ten minutes after which Mr. Courage resumed the Chair.

Committee of the Whole on Bill, "An Act Further to Amend the Department of Public Works Act."

MR. CHAIRMAN: The Bill has been already read, with some amendments.

MR. CURTIS: If I remember rightly, Mr. Chairman, I moved an amendment and the amendment is set forth in Section 3 of the revised Bill, the second printing.

"The said Act is further amended by inserting therein immediately after Section 22F as Section 22G the following:

I would move, Mr. Chairman, that we add paragraph (2) to the Act in the Bill as printed, with the following changes:

(1) On the third line, before the word "land" put in the word "unimproved."

(2) Strike out the words on the fourth line "or the construction and operation of a tourist establishment as defined in the Tourist Establishment Act or for any other purpose whatsoever relating to the Tourist Industry."

The clause then read: "Whenever in the opinion of the Lieutenant-Governor in Council it is necessary or desirable to acquire any unimproved

land or property for the use of any person for agricultural purposes the Lieutenant-Governor in Council may by order direct that the land or property shall be expropriated."

MR. HOLLETT: Mr. Chairman, I think we took the stand yesterday that, although we agreed it was quite in order to expropriate land when the public interest is to be served, such as for roads or for industries, we fail to see why the Government should want the power to take land from John Jones to give it to Bill Smith who wants to go into the tourist business.

MR. CHAIRMAN: That has been cut out.

MR. SMALLWOOD: No, that is out.

MR. CURTIS: We left the tourists out.

MR. HOLLETT: It is simply for roads and agriculture and has to be unimproved land.

MR. SMALLWOOD: That is right.

MR. HOLLETT: I understood it to read something about tourist establishments.

MR. SMALLWOOD: We agreed to strike that out.

MR. HOLLETT: There is the danger, of course, if they can do that for agricultural purposes, and pass it over to some other person he then uses it for any purpose he wants.

MR. SMALLWOOD: No. Then the other Act under which that would be done takes care of that.

MR. ROWE: If my honourable friend would permit me I could say a word there. As I understand it, once the government gets control of this land for agricultural purposes it would then be issued as all other Crown

Lands for agricultural purposes according to the conditions of the Crown Lands Act. A man would not get a grant to it but a lease for a period up to, I think, five years, and during that time would have to bring 25% of it under cultivation. Only then could he get a full title. He could then apply for a grant, an agricultural grant, and it would then be his land for ever more. There is no danger. It certainly would not exist for five years.

MR. HOLLETT: That makes it look much more acceptable. Really I was worried, Mr. Chairman, the only point worrying me now, this is coming into force, is that it would come into force immediately. I believe if there were some notice given that this were to come into force, say, six months hence, there is a possibility that a lot of people who at the present time have unimproved land may get a hustle on and improve it.

MR. SMALLWOOD: That is fair! Why not move it as an amendment? It is a good ideal

MR. HOLLETT: If the Government agrees everything else will be satisfactory.

On motion clause 3, as amended, carried.

MR. SMALLWOOD: And, that this Act should come into force six months after it receives the Royal Assent. This section shall come into force on the eighth day of November 1956.

On motion amendment carried.

MR. HOLLETT: May I say, Mr. Chairman, I am very grateful for that amendment? And I suggest that amendment be given publicity. I believe it will encourage the improvement of agricultural land by a lot of

people. At any rate they will have a chance then.

MR. SMALLWOOD: I think it more likely they will begin to ferret around to see what land we have in mind. We have a piece of land on the West Coast, you see, held up, and people who are land hungry cannot get it.

Motion, that the committee report having passed this Bill with some amendments, carried.

On motion the committee reverted to Bill 43, "An Act Further to Amend the Local School Tax Act."

MR. BROWNE: Mr. Chairman, with regard to that last clause; I have been discussing it with Dr. Frecker and after ten minutes going over it I now understand what it means. I don't think I should undertake to try and explain it to the House, but if you look at the bottom of page seven, the total enrolment shall be determined to be, where there are not less than four classrooms in the school, i.e. any school of four or more classrooms the total enrolment, not counting any pupils under six or who have attained the age of sixteen years after the first day of December and has attended school for less than forty days. The chief qualifying clause there is "have attended school for less than forty days" and a pupil under six or fifteen years or over and has attended less than forty days does not count. So, a pupil over six and under fifteen years or over fifteen and under six who have attended more than forty days. I am quite satisfied with that now, although it is very involved.

The other matter I brought up is in connection with the amount of the assessment, I discussed it with Mr.

Chalker. That does not affect this Bill, Mr. Chairman.

MR. SMALLWOOD: I think now that the honourable and learned gentleman has discussed the matter with the permanent heads of the Department of Education he does not feel we are just a bunch of fools, but that we have brought in a clause here with some substance and common sense to it.

MR. BROWNE: I never doubted the integrity nor the intelligence of the officials in the Department of Education.

MR. SMALLWOOD: No, but probably doubted that of the Minister. But the honourable and learned gentleman ought to have known the Minister is guided by the Council of Education.

MR. BROWNE: But, Mr. Chairman, I would like to understand what I am voting for.

On motion clause carried.

MR. BROWNE: Mr. Chairman, I understand during my absence the committee has taken up the Department of Public Works Act?

MR. CHAIRMAN: It has been passed with some amendments.

MR. SMALLWOOD: An amendment moved by the honourable Leader of the Opposition and assented to on this side.

Motion that the committee report having passed the Bill, "An Act Further to Amend the Local School Tax Act, 1954"; with some amendment, carried;

MR. SMALLWOOD: Mr. Chairman, before you leave the Chair, I would like to say to the honourable and learn-

ed member for St. John's West, if he wants to have that Bill re-committed to Committee of the Whole, we would not want to take advantage of the fact that he was absent from the House for a few minutes. We did not pass it through because he was absent. If he wants to have it go back into committee we will gladly do so. We thought his leader would speak for him and if his leader accepted the Bill he would follow in line with his leader. It is usually done on this side of the House and I hoped it would be the same on that side.

MR. BROWNE: Mr. Chairman, I must register my opposition to the Bill as amended by the Attorney General. And the suggestion made to confine it only to agricultural purposes seems to me not to be satisfactory. I made a suggestion last night—

MR. SMALLWOOD: That is clearly out of order. I merely gave assurance that, if the honourable and learned member wanted it back in committee we will gladly bring it back. But not to debate it now at this point.

MR. CHAIRMAN: Is it the wish of the committee to re-commit this Bill or not?

MR. SMALLWOOD: If the honourable gentleman would like to have it recommitted now I will so move it.

MR. BROWNE: Alright.

MR. SMALLWOOD: I so move, Mr. Chairman.

MR. CHAIRMAN: Bill No. 23, "An Act Further to Amend the Department of Public Works Act." Now what clause are we about to consider?

MR. SMALLWOOD: The amendment to Section 3:

MR. BROWNE: Mr. Chairman, last night I suggested to the Attorney General that he should, or the government should, or the department of the government should, contact the owners of this land with a view to acquiring for the government and then for selling such land to the people who are interested in obtaining it. It does not seem to me that we should have on the laws of our land, on the statute books, a provision that entitles the Government to go on any man's land and to confiscate it and then give it to somebody else.

HON. S. J. HEFFERTON (Minister of Supply): May I ask a question? The amendment we passed when the honourable member was out of the House gives a six months notice before any action can be taken.

MR. CURTIS: It does not give six months notice. It brings the Bill in six months hence. This section becomes law in six months time.

MR. BROWNE: What does that mean?

MR. CURTIS: That gives those people a chance to negotiate.

DR. ROWE: It is "unimproved" land;

MR. BROWNE: Perhaps there may be something in that to give an opportunity to sell it to somebody else. Supposing the person who owns it during that six month period sells it to somebody else other than the person who wants it? I know the section refers to those people over there in that area. And I know how longingly they have looked at that stretch of land there in the Stephenville area. I know they have said: "it is pretty hard for us, with big families, to look at all that beautiful agricultural land and cannot get any of it. We have no

room here for expansion?" Now will it help them if that land is transferred to somebody else? Because tomorrow or the next day or at any time within the next six months the owners can transfer that land to somebody else, and then there is a new owner.

HON. M. MURRAY (Minister of Provincial Affairs): Will anybody else be likely to buy it with restrictions on it?

MR. BROWNE: With what restrictions on it?

MR. MURRAY: There is supposed to be a certain clause for every hundred acres granted—That is in the original grant—

MR. BROWNE: If the conditions in the grant have not been carried out then it is up to the Government, it seems to me, to take steps to have the grant rescinded through an action in the courts. But I am opposed, and I think I shall always be opposed, to this attempt on the part of the Government to assume the right to take a person's land for private purposes. If it were for public purposes, if it were a matter of very grave public importance or public urgency it would be a different matter. But this is for private purposes. I read this Bill. It is for the benefit of those mentioned in it, over in Stephenville Area, as the Honourable Minister of Fisheries said, between Heatherton and the Highlands, and apparently it was for somebody's interest in the tourist industry as well. But we took that out.

MR. CURTIS: Of course, I don't know whether it is worthwhile continuing the argument, but we want to be perfectly fair. We are living in Newfoundland and there are four hundred thousand of us, and I think that those of us who are here have certain

rights and amongst those rights are the rights to use things that perhaps in the past had been given away from us for industries. I do not think that the Reids should be allowed, nor anybody else should be allowed, to sit on water powers and have the waterpower pouring down and running away into the sea. I do not think we as a country can afford to have people like that—And if my honourable friend would look up the record he will see most of the water powers in Newfoundland are privately owned and just lying there undeveloped and these people are under no obligation to develop them. They can just hold them as long as they like and we as a country, as far as they are concerned, can be without electricity and without power and can stay without them until we are prepared to buy it from them at their price. Now, in the same way people can have trees and forests and huge tracks of land which they got over fifty years ago. I am not one to believe these people can just stick a fence around that land and say to the people in Newfoundland today—

MR. SMALLWOOD: They do not even fence it.

MR. CURTIS: It is not even fenced here in Newfoundland—And Newfoundland has gone through two world wars, one in which it was ruined in trying to finance its effort. They have done all that to try and safeguard these properties here—And here they are sitting on these properties. They are out of the country and not giving it any consideration. It is true they gave a consideration when they got the land. But I am not one in favour of letting them sit back in a cosy chair in London or in New York and say, we got lots of property in Newfoundland. If the people in Newfoundland, Mr. Chairman, want that

property to develop, my feeling is, and I think the feeling of the country, and I think the feeling of every reasonable man, is to take it from them, give them some fair compensation—Do not take it altogether—give some compensation, but take it by arbitration for use by the country.

MR. BROWNE: There is no arbitration, assessment but not arbitration.

MR. CURTIS: It is the same thing.

MR. BROWNE: On a point of order, Mr. Chairman—May I ask the Attorney General if he is serious in saying that assessment is the same as arbitration?

MR. CURTIS: Sufficiently the same.

MR. BROWNE: No! He knows the difference!

DR. ROWE: Mr. Chairman, if I am permitted, I can't say that I appreciate the distinction that my honourable and learned friend from St. John's West has drawn, between what is private and public interest in this particular case. It is the policy of this Government, as it has been of every government certainly since Sir Robert Bond's time and before, to encourage agriculture, to regard agriculture as being something for the public good. And we have gone to more expense than any previous government to put this policy, to put that belief, into effect. We have not only endeavoured to bring more land areas under development and cultivation, we have encouraged our farming. Some of the great difficulties our farmers have been labouring under, some of the great difficulties we have here in Newfoundland we have gone out of our way to help overcome. We have used public money and are still using it today in

such things as to assist farmers clearing land and for limestone and various other ways. We have done these things and the people of Newfoundland have supported that, as a matter of fact both sides of the House supported it. In this particular case I don't think anybody thinks for one moment that this Government or for that matter any other Government is going out to a person who has five acres cultivated and five acres uncultivated, and five unimproved and try to take it away. I know many Governments have rights in a great many things they don't always assert, not in individual cases. In this particular case we have on the West Coast of Newfoundland what is generally recognized as the best farm land from the standpoint of climate and the standpoint of soil, and we have a farming minded people, an agricultural people. There they have made their living out of the land for generations. And we have some of them there who are hamstrung. And we believe it is in the public interest for this government to have the right to get back some of that land, if and when it is needed—and it won't be for an individual. I think that should be corrected, "that some individual" although in the final analysis some private individual will use it, but the land will come back to the Government and become part of the Crown Lands of the Province. Then the Government will dispose of that land in accordance with the terms and conditions of the Crown Lands Act.

MR. BROWNE: Well, Mr. Chairman, may I answer the Attorney General first when he spoke about the people sitting on it, on the water powers—If it is in the interest of the country that these water powers should be developed there is nothing to prevent the Government taking them. The Government has power now to take

property for the public for public purposes. But this thing is not of that nature at all.

The Minister of Mines and Resources has said now that in order to encourage agriculture he is not very clear about what he is going to do when he gets it. Suppose he took it back, what is he going to do then? He cannot give it out in accordance to the Crown Lands Act to the first man who comes along because he is going to give out some very valuable land at some very low prices, which is worth more. He could sell it probably per acre or something like that—Then what happens? The price is built up. But it seems to me that before the Government should endorse the principle of this kind of thing to entitle them to go and take private land they should make efforts in the cases concerned of obtaining the land, getting it back. They have not made any effort of that kind. One would like to see the people on the West Coast who have no land to obtain it—And the Honourable Minister of Fisheries knows there are people over there got half a dozen square miles or more, and in some cases hundreds of acres, given out in one hundred and sixty acre lots—And they are not developing that, although lots of them have. It seems to me the main thing is that the Government should make an effort to get that land back.

On motion Clause carried.

Motion, that the committee report having passed this Bill with some amendment, carried.

Motion that the committee rise, report progress and ask leave to sit again, carried.

MR. NORMAN: Mr. Speaker, the Committee of the Whole have considered the matter to them referred, and

have passed the following bills without amendment:

A Bill, "An Act Further to Amend the Local School Tax Act, 1954."

A Bill, "An Act Further to Amend the Education Act."

A Bill, "An Act to Provide For the Payment of Accelerated Pensions to Employees of the Newfoundland Government Transferred to Services of the Government of Canada At the Date of Union."

On motion report received—Bills ordered read a third time on tomorrow.

MR. NORMAN: Mr. Speaker, the Committee of the Whole have considered the matters to them referred and passed Bills No. 23, and No. 32, with some amendments.

"An Act Further to Amend the Department of Public Works Act."

"An Act Further to Amend the Companies Act."

On motion report received, bills ordered read a third time on tomorrow.

MR. CURTIS: Mr. Speaker, I move the House go into Committee of the Whole on Supply.

MR. BROWNE: Mr. Speaker, before you leave the Chair I wish to raise a matter that has been brought to my attention. I received some telegrams from some residents of Corner Brook in connection with the School Tax Act which was passed here one year ago. I am raising a grievance on the motion to go into Committee of the Whole on Supply, and if my honourable friend wishes for authority I would like to refer him to Beauchesne at Page 174.

MR. SMALLWOOD: That is acceptable. There is no need to prove that—What is the grievance?

MR. BROWNE: The grievance is the grievance of the people of Corner Brook.

MR. SPEAKER: Would this mean a matter of public grievance, this grievance?

MR. BROWNE: Perhaps I had better read it, third edition of Beauchesne, page 174. Whenever an order of the day has been read for the House to resolve itself into the Committee of Supply or the Committee of Ways and Means, the motion "That the Speaker do now leave the Chair" must be proposed, except on Thursday and Friday as provided by Standing Order 28. When such motion is proposed it shall be permissible to discuss any public matter within the powers of the Federal Parliament or to ask for the redress of any grievance, and it is not necessary to move an amendment for that purpose; provided that the discussion and the amendment, if one is moved, shall not relate to any decision of the House during the current session, nor to any item of the estimates, nor to any resolution to be proposed to the Committee of Ways and means, nor to any matter placed on or whereof notice has been given in the order paper.

I am not going to refer to the present School Tax Amending Act but will refer to the original one—And I want to draw the House's attention to the attitude of those people who have telephoned me and who have wired me. Now, Sir, I do not know these people at all. I may have met them sometime when I visited Corner Brook but would not know them if I saw them. But they have brought to my attention that they consider that the method of imposing the tax has been illegally brought about, in an undemocratic manner, and they feel that the repre-

sentations which they make to the Commission were not given sufficient weight in the decision arrived at by the Commission. According to the information that I have received, some of the taxes seem to be very heavy. They are based on point six per cent of the value of their property, and in one case which was brought to my attention there was nearly four hundred dollars tax and in another case that I have heard of it was two hundred dollars. And the difference between a person who has property and a person who has real property and a person who has money invested in other things is this: The person who has real property has a tax of six mills, that is point six per cent of the value of his property, according to assessment on the rolls of the council at Corner Brook, whereas a person who has money invested in mining stock or industrial shares or Government bonds or any other thing only pays twenty dollars a year. There is, therefore, a very great difference.

Now, the other feature which seems to me to agitate them very considerably is the question of the manner in which the local school tax authority was established. Everyone knows who has read this report and those who have read this controversy that this authority was set up by a notice in the *Newfoundland Gazette* on August 30th. It is true that the Minister of Education did notify the people in the area that this was proposed to be done, and he did it a considerable time before it was set up, on the second of December, 1954 notice was given by the Minister of Education that three months after that date he proposed to move the Lieutenant-Governor-in-Council make an order under the Local School Tax Act, 1954 declaring the area to be a school tax area. Then he set out here the descriptions, and he added

the observation: objections to this proposal may be sent to me at the Department of Education in St. John's in time to be delivered on or before the first day of March 1955, that is three months notice. Perhaps the minister would correct me if I am wrong, but I understand from him that no objections were received by him in connection with that. Is the minister listening?

MR. CHALKER: Yes, I am listening. That is right.

MR. BROWNE: It appears to me, Mr. Speaker, if the people of Corner Brook, despite that notice by the Minister were not aware of what was coming, and they certainly did not seem to be aware of how it was going to be brought about. A number of prominent citizens and men whose ideas were well intentioned, who wished to see the schools improved and successful, wanted the council to be given the authority to collect this school tax, as is the case in many other cases. But the Government through some way or another set up an autonomous body called the "School Tax Authority" and appointed them. Now, then, having gotten the situation where a group of people were appointed by the Government it now has the power to tax the people of Corner Brook. Then have we not got a situation which was described historically long ago by Edmund Burke in the House of Commons as "taxation without representation," the same thing that gave rise to the American Revolution. There appears to be no doubt that in Corner Brook today there is a great deal of dissatisfaction—And the Minister knew at the time, although he did not make the people over there aware, that this was going to happen. He knew it was going to happen.

Only last night I was looking at the returns for the final referendum and I noticed that that district voted heavily in favour of Confederation. They did not know, and I suppose nobody took the trouble on the Confederation side to explain to them that Confederation meant that there would be two Governments, and two Governments is always more expensive than one. Now, they find they have three Governments and they have them all taxing them. And this tax, being direct tax, appears to them as being heavier and more objectionable than any other. Persons have to pay two or three hundred dollars more per year, then they begin to feel the pinch. That is why they are opposed to that.

MR. CHAIRMAN: I don't think we should have a discussion. It is not usual to discuss a motion of privilege in full.

MR. BROWNE: No, Mr. Speaker, that is not so. A member may speak on the railway rates, another on nationalization and so on, five or six different matters may then be brought to the Government's attention but no member is allowed to speak more than once on the motion.

MR. SPEAKER: I now quote from our standing orders on privileges. Apparently the Canadian Parliament takes a much wider definition than we do, which allows more latitude. Privilege: It is the practice in the Canadian House of Commons to bring up a question of privilege before the House has taken up the business of the day. However, the proceedings of the House may be interrupted at any time—except during a division—by motion based on a matter of privilege. A question of privilege ought rarely to come up in Parliament. It should be dealt with by a motion giving the

House power to impose a reparation or apply a remedy.

It must be remembered that there are privileges of the House as well as of members. Wilful disobedience to Orders and Rules, insults and obstructions during debate are breaches of privileges of the House. Libels and aspersions upon members, and interference with their official duties are breaches of privileges of members. A dispute between two members as to allegations of facts cannot be classed as breach of privilege. An attack in a newspaper, to constitute breach of privilege must come within the above definition. Cuttings from the paper cannot be admitted as evidence. The newspaper itself must be brought forward.

Both the offer and the acceptance of a bribe is a breach of privilege against the House. Other breaches are Resistance to the Sergeant-at-Arms or his officers, assault, insult, or menace to any member coming and going from the House.

MR. BROWNE: If I may be permitted?

MR. CHAIRMAN: I don't think the honourable member should interrupt. I was about to say; "If the House wants others members to speak on this?"

MR. BROWNE: Will you not hear me, Mr. Speaker?

MR. CHAIRMAN: I don't think the honourable member should interrupt. I think he should wait until Mr. Speaker is finished—Very well!

MR. BROWNE: Mr. Speaker, you are talking about privilege. This not a question of privilege. This is a question of airing a grievance. It is customary when the Crown wishes supply that it must come and ask the House of Assembly for Supply. But

it cannot get supply before the grievances of the people are heard. That is the whole principle.

MR. SPEAKER: I believe the honourable member means "grievances." I was thinking of "Privilege." He is right. If the Honourable Leader of the Opposition wishes to speak, of course the Premier has the privilege to reply.

MR. HOLLETT: Mr. Speaker, it is not a matter of politics or anything. It is a matter of grievance. I am not interested in anything except in this regard. If people send you all these telegrams, if people have telephoned you to ask to have a grievance aired in the House I think we ought to be allowed to do so, and with permission we do so now. I do not want to read these telegrams at all. The whole gist is that these people, some four thousand of them, signed a petition asking for—

MR. SMALLWOOD: Four thousand signed? The petition was delivered and is in my possession and I tell the House no four thousand signed it.

MR. HOLLETT: That was my information.

MR. SMALLWOOD: I have the petition still in my office.

MR. HOLLETT: The honourable the Premier will have the privilege of saying that later. I am only saying that. The Premier denied it. That is okay.

MR. SMALLWOOD: I have denied it publicly already.

MR. HOLLETT: I see! Well, I merely want to air the grievance of these people. They are taking the stand that they are not in favour of taxation without representation. And they do want, they are prepared to pay taxes, yes, provided the taxation

authority is elected, and they have asked for a plebiscite on the matter. That is all I want to say in regard to this grievance which has been introduced by my honourable and learned friend. And I am very happy at this juncture to be able to say these few words. Thank you, Mr. Speaker.

MR. SPEAKER: I might say I was confusing grievances with privileges. I was wrong.

MR. SMALLWOOD: Mr. Speaker, I will not detain the House long on this matter. I am glad the honourable members of the Opposition have now found the lawful way of raising the matter, after I advised them what that way was, or after I had advised them that there were several ways they had of raising the matter. They were trying to raise it in an unlawful way, and were persisting in doing so, and thereby causing a lot of bad feeling which ought never to have been caused. All I have to say about the matter is this: A petition was brought to me and delivered into my hand by a delegation of three persons, Mr. Young, the Chairman; Mr. Rowsell, the Secretary, and Mr. Sharpe, a member of the Vigilants. They delivered the petition into my hands, signed with four thousand names, of which twenty-eight hundred, I would say, are undoubtedly genuine, and of which twelve hundred are just names put down in the same hand-writing, and certainly not signed by the people who owned the names. Because it is too much to believe that twelve hundred names could be put down in say fifty or sixty or seventy handwritings, identical handwritings.

The petition asked to have a commission of enquiry appointed to enquire into the whole facts of the case. But the extraordinary thing was, the almost incredible thing was that the

same three persons who delivered that petition to me delivered also to me at the same time a letter signed by them along entirely different lines, entirely different lines from the lines laid down in the petition. The very messengers who brought the petition to me proceeded to ignore the prayer of the very petition they brought in and presented to me (in writing mind you) a completely different line of argument of their own, which belied and contradicted, flatly contradicted the very petition which they were the messengers to deliver to me. And, I said to them; I will pay attention to this petition but to your own personal representatives in this document you now hand me which contradicts completely the petition to that I pay no attention. I said to them you are just messengers of the people of Corner Brook bringing in a petition, and as such I respect you. But for your own personal views which you have now handed me on this separate document I pay no attention whatsoever.

I brought this matter before my colleagues in the Government, as I was duty bound and honour bound to do. My colleagues agreed that the prayer of the petitioners was a reasonable one. The prayer was that a commission of enquiry be set up. We agreed and we decided to set up the commission of enquiry. And we set up this commission consisting of three respected magistrates who were carefully chosen by the Cabinet for their ability, impartiality and for the representative character they bore. If the House will stop a moment to think of the three magistrates: Magistrate Abbot of Grand Falls; Magistrate White of Bell Island, who formerly operated as magistrate, I believe, in Corner Brook and therefore knew it pretty well and Magistrate Sheppard of Harbour

Grace, the House will see that they are truly representative, and they are able and impartial magistrates, stipendiary magistrates on the bench. They comprised the commission, and they conducted the enquiry which the petition asked for. And as soon as they did so they issued their report. Then the very vigilantes who were the messengers to convey the petition of the people immediately denounced, and denounced publicly, the magistrates who conducted the enquiry.

Now does the House agree with that? Do the Opposition agree with it? To denounce a commission made up of three magistrates for no other reason than that they did not recommend the things which the vigilantes wished them to recommend.

Now, Sir, I have no doubt—I have not any doubt whatever—that there were people in Corner Brook, and in the city of Corner Brook, who were sincerely and very genuinely opposed to the school tax. I have not any doubt of that. Some of them were poor people, some of them were widows, some of them were pensioners, and they were frightened, genuinely frightened by the thought of a tax being imposed on them. I believe that they are less frightened today as a result of the recommendations of this authority. The result of this report is this Bill which passed committee stage today and will probably get third reading tomorrow. They will be less worried and less frightened and they will have less cause to be frightened, indeed they will have no cause to be frightened.

The whole idea of the school tax was born in Corner Brook, not born in St. John's. It was born in Corner Brook. For three long years, i.e. thirty-six months ago, demands grew

in what is now the city of Corner Brook for a school tax, and the government resisted. I personally resisted up hill and down dale. I resisted it until I was told repeatedly, repeatedly told that this was demanded, demanded, by all of the most constructive elements; the Roman Catholic School Boards of Humbermouth, of Corner Brook, of Curling, the Church of England School Boards of Humbermouth and of Curling; the United Church School Boards of Humbermouth and of Curling, the Public School Board of Corner Brook, the Town Council of Humbermouth, the Town Council of Corner Brook West, the Town Council of Curling, the Humber Municipal Association all un-animously demanded the school tax. And unwillingly, very unwillingly, the Government at last, after two years of thought, brought in a Bill into this House. They sneered at us. They sent us insulting and offensive telegrams. They sneered at us in the *Western Star* because we did not bring in the school tax, or the Bill to authorize the school tax. Finally we brought it in and it passed here, and the Opposition voted for it, every member of the Opposition, without exception. They have forgotten that, have they? But they voted for it and so did we on this side, at the clamorous demand of the people of Corner Brook, the City of Corner Brook, we passed it. We passed it right here in this House with the Opposition voting for it.

Now, Sir, finally may I say this: Corner Brook is a flourishing city. There are very few in this great Canadian Nation the equal of Corner Brook in its beauty, in the progressive character of its people, the best is none too good for Corner Brook. So far as the Government is concerned, we sympathize

so completely with that fine spirit of Corner Brook we turn ourselves inside out practically trying to help the fine people of Corner Brook to make their city ever more beautiful, ever more beautiful. We turn ourselves inside out. This very year we are passing over to the city of Corner Brook Council three hundred thousand dollars, a very large sum of money. On top of that is a grant next year of another huge amount and the year after on top of that. This year we are spending three quarters of a million dollars to begin a fine highway through that city, three quarters of a million. We will have to spend another three quarters of a million to complete that magnificent, that superb thoroughway.

For that great city, as far as education is concerned, we will send them as we have sent them, the regular grant the same as we sent to Come-by-Chance and at the same rate as we are sending to Joe Batt's Arm. We will send to Corner Brook at the same rate as we send to Swift Current and to every small and large place. We don't differentiate. We don't send less to Corner Brook per capita. We send the same. We have to do it on a non-discriminatory basis. We are obliged in law to do that and we do it. But that is not enough for Corner Brook, for so fine and modern a city. They want much bigger and much more palatial and spacious schools. So they must pay for that extra. That is all the school tax does. It gives them the extra that so fine a town as Corner Brook should have. Anyhow, whether it should or should not, they have wanted it, wished to have it and were willing to tax themselves to give themselves the extra value more than Joe Batt's Arm gets and more than our public grants we have given them. We have given them the same public

grant as Ferryland and Calvert are getting. They get exactly the same as Corner Brook per capita and the same as every little nook and cranny in this island. Is anyone going to say we should give more in one section than any other, we are not going to do it. We are not giving more per capita than they get in the smallest little cranny where human beings live. We give no more and no less. If they want more they have to find it themselves. We are not going to tax the people of Joe Batt's Arm to give to Corner Brook better schools than Joe Batt's Arm. We give Corner Brook the same per capita as Joe Batt's Arm. This applies to the district—"or any other district in Newfoundland" that is all the school tax is.

Finally it has now degenerated from what was an issue of importance and dignity to just a brawl and a rather ugly political matter. Now the Tories of Corner Brook, looking for an issue have found one. They have found the kiss of death, that is what they have found. They will get the trimming of their lives, and they will remember it when the votes are counted.

MR. CHAIRMAN: It being now six of the clock I do leave the Chair until eight of the clock.

NIGHT SESSION

The House resumed at 8:00 of the clock.

Committee on Supply. Mr. Morgan, Chairman of Committee.

MR. BROWNE: Mr. Chairman, I was promised last evening I would be given information about previous amounts. I wonder if the Minister would give it now.

MR. POWER: Mr. Chairman, I was talking to the Deputy-Minister of Finance today, and he told me he would pass the information on to me this evening.

MR. SMALLWOOD: Right now we are on Public Works.

MR. BROWNE: Yes, the other was allowed to stand. Perhaps we could refer to that afterwards, I asked if there was any information as to where the \$1,800,000 was spent for improvement and reconstruction and what plans are in hand for the two million new construction?

MR. SMALLWOOD: There is no road programme yet. That is done always after the money is voted. The Department of Public Works in collaboration with me and with the other ministers, sit down and plan out the year's road work. That has not yet been done. It will be done after the House closes, when we know the money will be available and has been voted by the House. That is normal procedure for the last seven years and will be followed and I dare say for the next seven years.

MR. BROWNE: Mr. Chairman, may I point out, that is a peculiar way because someone must have estimated the amount of two million dollars. Someone must have said it will cost two million dollars, so much here and so much there. And I feel the House is not being treated properly when it is not given that information. We do not get the information as to how the money was spent last year. I take it that was the answer that I was looking at last night, the answer dealing with two million dollars for the last year.

MR. POWER: Yes, I think so.

MR. BROWNE: Does anyone know how much was spent on that last year? \$2,700,000. That answer was given last night. Now, Sir, in connection with new machinery, the vote on which we stopped; we spent in 1954-55 \$442,000; and in 1955-56 \$453,000. And this year the Government is undertaking a new experiment of letting out the maintenance of roads on contract. And since that is so we will need less machinery than we needed in former years. Nevertheless the vote is almost four times as much as it was during the past few years. Why? I ask for an explanation—Why is that?

MR. SMALLWOOD: Mr. Chairman, the explanation is this: In the first instance that amount may not in fact be needed. The fact that an amount is inserted in the estimates is not to be regarded as concrete evidence that that amount will in fact be spent. The insertion of it in the estimates represents a request on the part of the Government to the House that the amount be voted for that purpose but is not evidence that it will in fact be spent on that purpose nor indeed on any purpose. Now, on the other hand some votes are overspent while some are underspent. I personally do not think that even perhaps as much as half of that will be spent. That amount was inserted in the estimates when the estimates were being prepared in pursuance of the new idea that the Government had in mind. And that idea was an idea that came to the Government's mind prior to still another idea which we subsequently decided to carry out. The new idea was this—Instead of hiring machinery as we did in very large amounts running up to perhaps more than a million dollars and perhaps considerably more than a million dollars, instead of hiring machinery for road work we would buy our own machinery and

use it. And we worked it out on a dollar for dollar basis and found it would be a great economy which would save a very large sum of money, if instead of hiring trucks and bulldozers and shovels and all kinds of road repairing and road building equipment, privately owned, we bought our own and operated it. So we decided on that purchase of that machinery. Subsequently, however, a very different idea came to us, with which we intend this year to experiment. That idea is that the maintenance of roads for which in recent years we have spent very large sums of money hiring machinery from other people, and which we intended now to remedy by buying our own machinery, we now thought we could avoid the buying of it if we had it done under contract. So this year we are going to experiment with both ideas, that is to say, two of the four road districts, i.e. approximately half of Newfoundland will be done by contract.

District one and district four, but district two and district three, that is to say, the districts whose headquarters are in Clarenville and Grand Falls will be carried on by the Government and for that purpose new machinery will be bought and used rather than existing machinery privately owned being hired by the Government as we have been doing for some years past. In short, we are combining two new ideas this year, an experiment to see how this will work. We may next year, as a result of our experience this year, go in more heavily for this. There are only two members of the Opposition present, and I am talking for their benefit. If they do not want to hear I will sit down but if I am to speak will they please listen. If they talk to each other then they cannot hear. There are only two here. They are talking to each other. They asked for

an explanation and then engaged in a conversation with each other.

MR. BROWNE: I am sorry.

MR. SMALLWOOD: So that, as I say this year we are attempting two experiments. Which of the two we should use more heavily in future we hope this year will tell us, whether we should concentrate more heavily than we will do this year on the idea of contracting out the maintenance of roads or whether we should lean more heavily next year instead on the idea of doing it ourselves, but not by hiring machinery but rather by buying our own machinery. That is the explanation. We cannot say exactly how much of that we will spend. We just frankly do not know. If we do not spend it, it will not be spent.

MR. BROWNE: Mr. Chairman, in my own way I know what the Premier said. At the same time, in compiling that there must have been a list of bulldozers and tractors and trucks of one kind and another. Has the Premier not that?

MR. SMALLWOOD: I have not got it. I imagine that there might be. I cannot say that there is. I can certainly not say that. I can only say that the officials of the department voiced their opinions to the Minister of Public Works and through the Minister to me and to my colleagues. I have no doubt they had some idea in their minds of what type and the number of pieces of equipment they would buy. As I have now told the committee, it is highly unlikely we will buy that now, and the list would not be of very much value even if I could produce it here.

MR. BROWNE: Mr. Chairman, I move that this vote be reduced to half

eight hundred thousand dollars and the balance put to new construction.

MR. SMALLWOOD: We cannot accept the amendment, Mr. Chairman.

MR. BROWNE: Mr. Chairman, will you put the amendment?

MR. SMALLWOOD: The amendment can be out. I can only say we will request it as we feel our way along throughout the year, but we do not wish at this moment to be tied to this particular restriction.

MR. CHAIRMAN: The motion is that item 941-02-04 be reduced to \$800,000.

MR. SMALLWOOD: And at the same time the savings would be added to 941-02-02, New Construction.

MR. BROWNE: I meant to say, on the Trans-Canada Highway.

MR. CHAIRMAN: And that the savings be added to 941-02-05, Trans-Canada Highway.

On motion, item as amended put, amendment lost.

MR. HOLLETT: Mr. Chairman, while on that particular item—There was some talk a few days ago about the building of a road from St. John's to Whitbourne. I notice there is none of that amount allocated to that particular section. Could the Honourable the Premier tell us just why?

MR. SMALLWOOD: Mr. Chairman, to begin with this whole page, Appendix VII is not to be taken this year any more or any less than any other year as being a hard and fast diagram or plan of what we propose exactly to do in the coming year. It is meant to be at most a guide. What we ask the House to do is to vote one million eight hundred and thirty-five thousand

dollars to the Government to be spent this year on the Trans-Canada Highway. Now, before the year is over that might well become two and a half or three million dollars. If for instance we have saved eight hundred thousand dollars on new machinery, if that vote instead of being one million six hundred thousand is six hundred thousand dollars less, then we might decide that the course of wisdom dictated our spending it on the Trans-Canada Highway. But we have not so decided at the moment. We shall ask the House nevertheless to vote us that amount of one million eight hundred and thirty-five thousand dollars to be spent this year on the Trans-Canada Highway. But we say quite frankly that this year as in other years there will be adaptations and readjustments throughout the year.

MR. HOLLETT: Would the Premier tell us how much of that eight million dollars was spent last year?

MR. SMALLWOOD: Less than half of it.

MR. HOLLETT: Further down on the page I notice Stephenville and Corner Brook. There is no vote for there on the Trans-Canada Highway. Are we to understand that Corner Brook to Stephenville has been finished? As the Honourable the Premier has said the allocations are only meant to be a guiding post, but there is not even a post in either that or the St. John's-Whitbourne. What about these sections? What is the conditions of the roads there and how much was spent there last year?

MR. SMALLWOOD: I doubt any was spent last year or the year before. I do not know at the moment if any will be spent this year. The position there is this. From Corner Brook some miles westward, some five or six

years ago, the sub-road itself was roughed out, just a rough sub-surface was put on—This is the Trans-Canada Highway. I am talking about—and the idea would be that after that settled down they would give it another dressing, another surface, which would be on top of the surface that is there and that in turn would settle down and would then be covered with a hard surface—In other words we got to the point where we built the basic road but have not yet gotten to the point where we could prepare to pave it. For this reason that road going westward from Corner Brook, a distance of about twelve miles or fourteen miles, and then from that point westward again to Stephenville Crossing, a distance of some miles—the point is immaterial—the main point is that some of the distance between Corner Brook and Stephenville Crossing there was a road there to begin with already and some of it we have brought from a basic road to Trans-Canada standards, not with a top surface, but the remainder of the district we have not done and don't propose to do that until we do the remainder of the road to Trans-Canada standards—Whether we will do that or not this year I do not know.

MR. BROWNE: Mr. Chairman, I was absent when the Honourable Leader of the Opposition enquired about the St. John's-Whitbourne road—If the Premier would remember, some time ago the Minister of Public Works said the road from St. John's to Whitbourne would be a new route leaving St. John's somewhere in the neighbourhood—

MR. SMALLWOOD: And the Minister also said that nothing had been decided on that.

MR. BROWNE: But that possibly was the plan.

MR. SMALLWOOD: The minister said a possible route would be thus and so but added, very carefully, the matter would be decided—The matter has never yet come to the Government. There has been some discussion between the Minister and me but it has never yet been the subject of a discussion in the Government—It has never come up in the Government. How can he say it is going to be this or that when the Government has not considered it. It has been considered at the official level by the Department of Public Works, at the ministerial level in the Department of Public Works and as between two ministers, the Minister of Public Works and me. That is as far as it has gotten as yet.

MR. BROWNE: I suppose nothing was spent on that road last year?

MR. SMALLWOOD: Yes, there was. There was some money spent out on the cowpath on the Seal Cove section, just beyond the Seal Cove bridge.

MR. BROWNE: That will not be used on the Trans-Canada Highway?

MR. BROWNE: Is it correct that the road to Holyrood at the present time is Trans-Canada Highway?

MR. SMALLWOOD: Of course—How else could you get to Holyrood except to go up the Southern Shore and out the Witless Bay Line?

MR. BROWNE: It is not up to the Trans-Canada standard.

MR. SMALLWOOD: There is no decision on that. That has not come before the Government.

MR. BROWNE: Has there been an amount paid by Canada to Newfoundland on account of that section?

MR. SMALLWOOD: No, none! Canada does not pay anything to New-

foundland until Newfoundland first spends the money. Having spent the money Newfoundland then bills Ottawa for half of what Newfoundland has spent. It is a reimbursement. We are not paid anything in advance.

MR. BROWNE: Has Newfoundland one mile of finished road on the Trans-Canada Highway?

MR. SMALLWOOD: Yes, we have in the neighbourhood of Grand Falls.

MR. BROWNE: How many, do you know?

MR. SMALLWOOD: A couple of miles. That is as much as it would be.

MR. BROWNE: That is not very much—So that the finish of the Trans-Canada Highway is still very much in the future.

MR. SMALLWOOD: Some years—Well into the future I would say—You mean the paved roads, finished roads, twenty-five years. A paved road from St. John's to Port aux Basques I would say twenty-five years, twenty, ten, I don't know—Don't tie me down—a good many years to come. That represents a great amount of money.

MR. BROWNE: It is the aim of the Minister of Public Works to have it settled by 1961, five years time.

MR. SMALLWOOD: It will not be achieved. In my opinion it will not be achieved and in my opinion they will renew the contracts because we are not the only province where it won't be achieved.

MR. BROWNE: Is there any effort on the part of the Government to do any considerable amount of paving?

MR. SMALLWOOD: No, there is not. I understand that we are con-

sidering paving this year, I don't think we are considering paving any part of the Trans-Canada Highway this year. I don't think we are. But we are considering doing some other paving this year.

MR. BROWNE: Where?

MR. SMALLWOOD: Not on the Trans-Canada Highway. I think we are beginning to pave this year up the Southern Shore. We have prepared some miles of it for paving and we think now it is well settled. That is part of our tourist programme. We think the Southern Shore is one of the most picturesque drives in Newfoundland or anywhere in North America, and one of the few places left where you can drive from St. John's by car, within a reasonable distance, and still see the salt cod fishery carried on. And we think it a fascinating drive for tourists including our own Newfoundland people. So our aim is to drive towards Cape Race generally with a paved road. Now, how long that would take I would not venture to say.

MR. BROWNE: If the Premier is arguing that people should see the codfishery carried on, they do not have to go quite so far—Petty Harbour is quite close and only three miles from that paved road, and that road, as has been pointed out on several occasions.

MR. SMALLWOOD: Is that in the district of St. John's South?

MR. BROWNE: I think the Premier knows that. That does not alter the condition of the road. Should it be penalized because it is in the district of St. John's South?

MR. SMALLWOOD: Certainly not.

MR. BROWNE: I think it a very picturesque place to go. I think it is the most interesting place within a

considerable distance of St. John's from the point of view the Premier mentioned. I think it should be given this much attention, for cars to be allowed to pass.

MR. SMALLWOOD: I think myself when this road going down to the Southern Shore is paved it would be an inexcusable thing not to have the road leading off from the paved highway. It will have to be done.

MR. BROWNE: I am glad to hear the Premier say that.

MR. SMALLWOOD: There is no doubt about that. There is not a single settlement in the thirteen hundred of them in Newfoundland, not one settlement, against which we have any prejudice, not one. There may be an odd individual in an occasional settlement that we are not too fond of.

MR. BROWNE: I got the Premier to the stage where he admits the need of having the road done.

MR. SMALLWOOD: That is not wrung out of me. I know the road too well and know the place and the people too well. I have been in every house in Petty Harbour. I know the people there.

MR. BROWNE: And know them probably better than I, from that point of view. At the same time I know there is a dangerous road there. Now, getting back to the Trans-Canada Highway, where is the location of the section of highway which is going to be done on the ninety per cent, ten per cent basis?

MR. SMALLWOOD: It is roughly from St. John's to Chapel Arm, sixty-one miles—anyway it is sixty-one miles wherever that takes you, taking it from St. John's. From St. John's for sixty-one miles westward will be built as far

as ninety per cent of the cost by the Government of Canada. But we have to build it. We have to spend it. Then having spent a hundred per cent of it we have to bill Ottawa to get ninety per cent back. We have to finance it. It would be very pleasant if they sent us the money and we could just go ahead and build it. But we have to find the money first. There would be no problem if that were the only road, if that were our programme for this year. But how would the people of Newfoundland like to know that all of our road money this year was going to build that single sixty-one miles?

MR. BROWNE: I don't know. But how is the Government going to get along about the real gap. Because, as the Honourable the Premier said a few weeks ago, you can get to Clarendville and Whitbourne. There is no real gap there but the road is under the standard. But the gap between Clarendville and Gander, how is that going to be taken care of?

MR. SMALLWOOD: It is not between Clarendville and Gander but between Bunyan's Cove and Traytown, Glovertown or Happy Adventure?

MR. BROWNE: How many miles?

MR. SMALLWOOD: Sixteen, I think, and about half a mile of it is salt water. At this moment you can get aboard a car at the Bill of Cape St. George, or at St. George's (not Port aux Basques) and you can drive to Grand Falls, to Gander, to Gambo, to Alexander Bay Station, and then you can drive down to Glovertown and continuing you can go on to Traytown and then beyond that go right on to Happy Adventure and then go down to Salvage and St. Chads and Burnside. Now, the idea is to break off just east of Traytown and cut

down through the country, through a part of Newfoundland which it is hoped may become a National Park, and come out at Charlottetown, which is on the west side of Clode Sound, and emerging at Charlottetown, a distance of sixteen miles through what we hope may become the National Park. You would then temporarily come across Clode Sound from Charlottetown to Bunyan's Cove by ferry. We hope to get that road built this year, to complete it this year—We hope—I don't guarantee it—Therefore you have the ferry operating across Clode Sound from Charlottetown to Bunyan's Cove, a distance of about half a mile, and from Bunyan's Cove you drive across to Musgravetown and from Musgravetown you drive up to Clarenville and on back to St. John's. While they are building the road around the bottom of Clode Sound, i.e. say from Charlottetown on the north or west side of Clode Sound up to Port Blandford and from Port Blandford around the south side of Clode Sound to Bunyan's Cove. Now we began last year to build that route. It is now under construction. We should this year get half of it done. We should get up this year to Port Blandford from Bunyan's Cove and finally from Port Blandford to Charlottetown then to the Trans-Canada Highway. That will leave the drive to St. John's. I won't say how you will drive. That has not been decided, whether you will drive on the present highway, whether we will try to widen that highway and to straighten it—My colleagues have never discussed that collectively. They may have thought of it individually. Or whether we will split the land between the Southern Shore and Conception Bay and go roughly out through the middle and come out inside Holyrood and then go on and come out somewhere on

the Hodgewater Line near Whitbourne. Whether it will be that way or some other way, you will leave St. John's and finally get to Clarenville. Then the idea of cutting a straight line from Clarenville across to Port Blandford is ridiculous in a relatively poor province, to go through a completely uninhabited section of Newfoundland and avoid Lethbridge, Musgravetown and all the beautiful places in Goose Arm and then to Bunyan's Cove and out straight across instead from Clarenville to Port Blandford—That is ridiculous.

MR. BROWNE: That is what you are going to do from St. John's to Whitbourne. Is it the same idea from St. John's to Whitbourne?

MR. SMALLWOOD: No. If we did cut between, I agree we would be doing something like that. If we don't go out the Southern Shore Road—The Trans-Canada Highway could be from here to roughly Witless Bay then across Witless Bay Line and then

MR. BROWNE: It would be an expensive route to do it that way.

MR. SMALLWOOD: My honourable friend is amongst other things an engineer. But my honourable friend has not surveyed that. And it so happens we have a lot of data about routes and we had reduced it to maps and measured and made estimates, and these matters will finally come before Cabinet and the Cabinet will decide. But it is not as impractical as it may sound to go from here down the Southern Shore and cut across the Witless Bay Line precisely but generally, not emerging all the way through to Holyrood but falling short of Holyrood, and as you cut across by the same route you would fail to get to Whitbourne, you would fail if you came from St. John's and split the land between the

Southern Shore and Conception Bay and built an entirely new road inside Holyrood and point your head practically in a straight line for Whitbourne or the Hodgwater Line a few miles inside of Whitbourne. However we could talk about that all night.

MR. BROWNE: Mr. Chairman, I can appreciate what the Premier has told us about the route from Terra Nova to Gander. There is no money to be spent on this this year?

MR. SMALLWOOD: From Terra Nova to Gander, no, because on that point there is no decision as of this moment to go through Terra Nova. Now I have no doubt whatsoever, that quite apart from the Trans-Canada Highway, we will connect Terra Nova and that whole area with the Trans-Canada Highway, but I doubt that the Trans-Canada Highway will go through Terra Nova, I doubt it extremely. If we built from Clarenville straight through the country, opening up new country in a straight line from Clarenville to Port Blandford and then from Port Blandford did the same thing westward, we would go through Terra Nova. I am not saying that will never come. I am not saying that. The Trans-Canada Highway will have to be connected with Terra Nova. But I am saying that the way we are going is through Musgravetown. It will be Clarenville, Musgravetown, Bunyan's Cove to Port Blandford, and again the other side of Clode Sound to Charlottetown and then across to Traytown Road. That is the way we will go. That is settled—decided—I am not saying that twenty years from now we won't build a new branch of the Trans-Canada Highway. Remember this, when we build this road from Charlottetown to Traytown, or call it that because it won't come out exactly at Traytown but a little east on the

road, when we build that route and that area becomes a National Park the Government of Canada will reimburse us every cent we will have spent on that road and then proceed to pave it, then they will provide the maintenance at their own expense for ever, if it should be designated a National Park. We have not been willing to do that. We are still not willing to designate that a National Park because there is timber on it that may be indispensable for a third paper mill, and we regard the third paper mill as being incomparably more important than a National Park. We are very anxious to have a National Park and very determined to have it, if it is possible, but we are even more determined to have the third paper mill. Well we have had it surveyed, and we know now exactly how much timber is on it. If we can get certain things done, which Mr. Pickersgill is assisting us to get done, if we can get these things done in Ottawa, if Ottawa will agree to something to which she has never previously agreed, if they will now agree, certain things will be done in connection with that area, we will then be willing to have that area designated a National Park. But if these things are not done it could mean, or would mean, the loss of that timber to the third paper mill. And we will do without the National Park rather than do without a third paper mill. But we hope to get both the mill and the park.

MR. BROWNE: That is very wise.

MR. HOLLETT: From Gander to Glenwood, last year—grading 3.9 miles nearly four million two hundred and twenty-two thousand five hundred and sixteen dollars. Would not that be considered very steep?

MR. SMALLWOOD: I will tell you what that is—During the war the Government of Canada when they had a lease of Gander Airport began to build a road from Gander to Lewisporte. They actually began the road, and they built it out to within four miles of Glenwood. They never actually got to Glenwood. They never actually got to the bank of Gander River. They got within four miles of it. Last year we built the four miles through very difficult terrain, but we did get down through grading.

MR. HOLLETT: It is a terrific expenditure.

MR. SMALLWOOD: Is that an estimate or is it the cost?

MR. HOLLETT: It is an answer to a question \$190, 284; that is sixty odd thousand dollars per mile, putting a rough road through.

MR. SMALLWOOD: That is true. We have the most expensive roads in the whole of Canada excepting only British Columbia, and in British Columbia only in the mountainous parts. On the section of road in St. George's they took off twenty-one feet of bog and then had to bring gravel eight miles to dump it in place of the bog—That costs money.

On motion 941-02 carried.

941-03: Wharves, Ferries and Airstrips.

MR. BROWNE: Ten thousand for Placentia?

MR. POWER: That is repairs to docks.

MR. BROWNE: Why is that not put on ferry landings instead of ferry construction?

MR. POWER: That is a repair of docks, done first when the boat went

into operation.—The Placentia Docks were built. The landings were not sealed around as in the case of the Portugal Cove Docks with the result that with wood the boat used to crack off the stringers coming down. The engineers decided that they should be sheeted completely.

MR. BROWNE: That is the ferry landings. There is fifty thousand voted for that at Placentia.

MR. SMALLWOOD: Fifty thousand Bell Island and twenty thousand Clode Sound.

MR. POWER: I don't suppose it will cost fifty thousand at Placentia.

MR. BROWNE: What has been the cost of that ferry to date? Would it have been better to commence to build a bridge?

MR. POWER: Now?

MR. BROWNE: It would cost half a million dollars I am sure.

MR. POWER: No, about three hundred and fifty thousand dollars. A bridge would have cost about a million, five hundred thousand.

MR. BROWNE: I thought the estimate was half a million dollars.

MR. POWER: It may have been the estimate but—

MR. BROWNE: That three hundred and fifty thousand for Placentia Ferry, does that include the boat? Not including this year?

MR. POWER: That boat will operate at a profit of over \$25,000 a year.

MR. BROWNE: That is an operating profit. That does not make allowance for refitting.

MR. POWER: Well refitting at Argenticia Docks is not very costly.

MR. BROWNE: Has the Government taken it over now?

MR. POWER: Ever since the Department of Public Works took over the boat has been operating at a profit even in the slowest period of the year.

MR. BROWNE: You won't lose much on it.

MR. POWER: We won't lose anything.

MR. BROWNE: What is the breakdown of that \$216,000? How much at Placentia?

MR. POWER: None of that was spent in Placentia, but Portugal Cove and Bell Island.

On motion item carried.

MR. SMALLWOOD: On "Airstrips" I think I could say that the Government of Canada have agreed with the Government of Newfoundland that they will share in the cost of building a number of airstrips. And we have a programme of building airstrips, at Bell Island, Bonavista, Deer Lake, Frenchman's Cove (near Grand Bank), Twillingate, St. Anthony, Fogo, and up in the Burgeo and LaPoile District somewhere, we don't know yet where, and in a number of other places. It will take a few years to do, building two or three a year. Of these the airstrips at Deer Lake and Frenchman's Cove are either built or virtually built. The Deer Lake one is in use, and I think, myself, will develop rapidly into a full-fledged airport, with landing lights and radio and all these things. It is practically right beside Deer Lake.

MR. BROWNE: A hundred and eighty thousand dollars does not seem to be a very great amount of money, how much do they cost?

MR. SMALLWOOD: What we have to do now in the case of Deer Lake, like the Government of Canada and the Government of a Town—That is, a city Government will share jointly, all three, in construction. We have very few if any towns that are interested or capable, and so in the case of the one at Deer Lake we got Bowaters to join with us. The Bowaters Company made a substantial contribution. Then the Town Council of Deer Lake took over the administration of the airport, but it was the Government of Canada and the Government of Newfoundland between us who put up most of the money in the case of Deer Lake. In the case of Frenchman's Cove, I think, it was entirely the two Governments.

MR. BROWNE: I was wondering—a hundred and eighty thousand dollars does not seem very much?

MR. SMALLWOOD: These are not airports, but airstrips. Fifty thousand dollars is our part of the cost—It represents bulldozing off the top surface and getting down to fairly long and fairly wide strip into the prevailing wind, where most small aircraft can land. We are trying to get a series of these right around the Province. Airstrips into the prevailing wind. There is a prevailing wind, and it is not all from the Opposition either.

MR. HIGGINS: And are you going to have one at Bell Island?

MR. SMALLWOOD: Oh, yes!

MR. BROWNE: Where are you putting it there?

MR. SMALLWOOD: Well, I did not make the survey, but there is ample room on Bell Island for an airstrip. I just don't know where it is to be. There is one going there, and in that

the company (Dosco) are being most co-operative and so of course are the Government of Canada, and Mr. Pickersgill has taken a keen interest in that matter, and, I may say, so have we.

DR. ROWE: Mr. Chairman, on that matter of airstrips, the building of an airstrip is not so expensive as some people imagine. Between Seven Islands and Knob Lake the Iron Ore Company of Canada has eighteen airstrips. My honourable friend seems to have some doubt in his mind as to their use, and with regard to the wind. One year that Hollinger Ungava Transportation Company, which was the separate company set up to transport passengers, workers and so on and freight in and out, in one year that company carried more passengers than all the Trans-Canada Airlines, yet they had only these strips most of them parallel to the railway. That is how they built the railway, using these airstrips—They have had North Stars on them.

Department of Public Works, on motion, carried.

Department of Health:

MR. HOLLETT: In connection with bringing these people into Nain, have people's opinions been asked?

DR. ROWE: No persons in Newfoundland, to my knowledge, have ever been moved from one place to another against his own free will.

MR. BROWNE: Could the Minister tell me how many Esquimaux and Indians are involved in this housing scheme?

DR. ROWE: We don't know. This is the situation, very briefly—We have to take Indians first—We have two encampments of Indians in Labrador,

one at Davis Inlet and one at North West River. Now, the ones at North West River have always lived in tents. That was all right when their way of life consisted chiefly of trapping and they moved their houses into the country perhaps a hundred miles. Now trapping has virtually disappeared down there as an economic way of getting a livelihood. So you have the spectacle at North West River of about two hundred Indians living right across the river from one of the most beautiful villages in the whole Province. If I were asked to select the most beautiful I would say "North West River." That is where the United Church Mission has its headquarters. We have a very large hospital, and boarding school. Yet right across the river we get the spectacle of our Indian citizens living under rather dismal circumstances. Now, right now, these Indians are under the care of a very progressive man, Father Pearson, a member of the Oblate Order. He is a Belgian Priest who came over and joined the Oblate Order in Canada. And he has submitted to us some plans with regard to the housing of those Indians, and we are hoping to conduct some scheme this year in the building of small homes, not building—they won't be entirely charity—but assisting in the building of very small homes for these Indians at North West River, who never before had lived in permanent dwellings but had just ordinary canvas tents of the same type as our hunters would use in Newfoundland. That is where they raise their families. We now have succeeded in getting the Indians, in this last couple of years, to go to hospital. Before that and up until the last four years no Indian would go to hospital unless taken there by force. Amongst these Indians Tuberculosis had the highest rate in the whole world. At

Davis Inlet there were twenty-nine active cases of Tuberculosis out of one hundred and one persons.

MR. BROWNE: You are talking about the Northwest River Indians?

DR. ROWE: I am just pointing out — I happened to remember that figure. You don't find that in Northwest River. It was comparable in Northwest River a few years ago but not today.

MR. HOLLET: Before you leave that point of the Tuberculosis incidents—Would you say that is since they came in contact with whites?

DR. ROWE: They have been in contact with "whites" for a long time.

MR. HOLLETT: I mean, it was not always so bad as that.

DR. ROWE: It was so bad that from a thousand they were reduced down at Northwest River to two hundred and something, and there are now one hundred and one at Davis Inlet. But we have conquered tuberculosis amongst the Indians, but if that condition is to be permanent we have to do something about housing. Take a young man or a young woman who gets tuberculosis, the doctor examines him and takes him away and puts him in hospital. They are there eight or twelve months and then have to go back and go right into that tent again where there are probably six, eight or probably more people living all together. Of course when one of these gets tuberculosis or for that matter any other disease the chances are everybody will get that disease when living in those tents and sleeping on the ground, in a tent the size of one you or I would if we were to go out hunting. So that this year the plan is to do some experimenting

there in making it possible to get wood cut locally, particularly in North West River which is near one of the most heavily wooded areas in all Canada. By cutting it there locally under the tutorage of Father Pearson, a very skilful man, who incidentally has a lovely church and school there amongst these Indians, which has been there these last few years, we hoped to get some small houses built there and get a few families in the settlement.

Just, now, also, with regard to the Esquimaux we are trying to get some of the Esquimaux down from Hebron and Nutak this year, starting at Nutak. Some of them will be domiciled at Nain and some of them may come further south, depending on how well they are able to readjust to further contact with the white people. We have a number of bases in Labrador, and of course the great Goose Airport with Happy Valley going up alongside it. Now obviously they need some help.

MR. BROWNE: That is a long way from Nain.

DR. ROWE: Of course, yes.

MR. BROWNE: They won't go to Nain, these people.

DR. ROWE: Some of them will become domiciled at Nain, others, under a very carefully worked-out plan, with assistance of welfare people down there and the Moravian Mission down there, some will be at Nain and some will be perhaps absorbed into Makkovik and perhaps some into Hopedale and others would come further south. They do so now. Some of them are in Happy Valley, and go to Goose Airport to work. But if they are going to go to these larger centres or go to centres where opportunities and amenities and facilities are more prevalent,

they have to have some assistance with housing and so on. I think this will help to look after that. Incidentally we expect to receive back sixty of that ninety thousand from the Government of Canada, so that the net expenditure there will only be about thirty thousand dollars. But that will go a long way.

MR. BROWNE: Mr. Chairman, I think that is very interesting. I presume that with the housing there are school buildings.

DR. ROWE: Yes. Nain has a large boarding school there.

MR. BROWNE: Enough to accommodate them?

DR. ROWE: No. That is being enlarged.

MR. BROWNE: It seems to me to be a delicate operation. I know the intentions are good. I hope they work out alright. I imagine they have all been dependant more or less at one time or another these past ten or fifteen years. The total number cannot be very great.

DR. ROWE: About a thousand Esquimaux and three hundred Indians.

MR. BROWNE: It is a very difficult problem to try and preserve them, and I am very glad to hear the sympathetic attitude adopted by the Minister in that regard. He certainly seems to have a great interest in them, and I think he always had.

DR. ROWE: There would not be ten Indians alive today if it were not for steps taken by this Government.

MR. BROWNE: I expect the Government before them, the Commission of Government, were taking steps. Then Father O'Brien from Northern

Bay had been for many years interested in North West River Indians and was looked upon as a kind of "white father" by him.

DR. ROWE: He had to do things the Government should have been doing.

MR. BROWNE: Until Confederation when he resigned and his jurisdiction down there was passed over to the Oblates. I don't know much about the Indians down there, but did take an interest in the problem in the House of Commons and took part in some discussions up there, and I know a good deal about the interest which the Federal Government have taken in Indians all over Canada. Today it is a very much bigger problem all over Canada than it is with us, there are so many different tribes and they are so much more numerous—and of course they have the question of education.

MR. SMALLWOOD: While the honourable gentleman is talking about the Indians of the West, I ask him to be most careful when he comes to my tribe and my nation, that is the Black Feet Blood Tribe. No insults—I don't want any belittling remarks, if we have I go on the warpath and I will call upon my head chief "Shot-on-Both-Sides," that there is going to be trouble.

MR. BROWNE: I know the Premier is not "Shot-on-Both-Sides."

MR. SMALLWOOD: No. "Shot-on-Both-Sides" is the big chief. I am Chief Big Water. And if I were going to name any honourable man on the other side he would not be "Big Water."

MR. BROWNE: Mr. John Blackmore, I believe, is also an Indian Chief.

MR. SMALLWOOD: Yes, of the same tribe.

MR. BROWNE: "Is he "Shot-on-Both-Sides?"

MR. SMALLWOOD: Only the head chief was "Shot-on-Both-Sides."

MR. BROWNE: The others are half shot.

MR. CHAIRMAN: Order.

MR. SMALLWOOD: Mr. C. D. Howe is one of us and the Duke of Windsor, so that the honourable gentleman had better not speak lightly of an honorary chief of the blood. All we have to do is send for them. That is all. They will come. We have our mystical signals, and if I send for the bloods they will be here.

MR. BROWNE: Getting back to serious matters, Mr. Chairman, I was interested in the question of schools. I read the report on the Labrador Conference and I noticed an observation there that does not harmonize with certain of the experiences of the missionaries in regard to the Indians on various reservations in Canada. That is that the tendency was to move away from boarding schools to day schools. I know the arguments and have talked to several missionaries, principally the Jesuit Missioners who conduct boarding schools for boys with the Indians in Ontario. And their belief is that in order to force Indians to become assimilated into the white man's civilization it is necessary for them to attend boarding schools, because if they attend day school in the day and go back to their shacks in the night they are back into the same circumstances which are very far from congenial, and where what they learned in the day in theory was not what was practiced in the night. Now in

regard to the housing that is to be erected: I have seen some reservations, and my impression of the Indian reservations is that they get particularly dilapidated. It would have to be done in a very general and gradual way.

MR. SMALLWOOD: We have no reservations nor do we intend to have them.

MR. BROWNE: There is this Indian encampment opposite North West River.

MR. SMALLWOOD: That is not a reservation.

MR. BROWNE: No, they are a tribe. I think it is necessary for the Government to take great care in handling the situation otherwise it could deteriorate and become quite an eye-sore.

DR. ROWE: I might say, if my honourable friend would permit me, it is amazing what Father Pearson has been able to do with these Indians in North West River. The first time I went there, there was no priest, and I was appalled at the squalor that was in evidence all around on this encampment. The next year I went back. The first thing I saw was about twenty-five small fires. And I discovered when I went over there, they were fires kept going almost continuously, outside the camp, to burn up rubbish. That is only one example. There are many of them. Father Pearson teaches school himself. They have no boarding schools in Labrador for Indians.

The Indians of Labrador present a very difficult problem because here they have absolutely refused to have anything to do either with white people or Esquimaux. They live entirely

unto themselves. They take a dim view of white people.

MR. BROWNE: How long has Father Pearson been there?

DR. ROWE: Three years coming up now.

MR. BROWNE: Did he have any experience with Indians before?

DR. ROWE: He has learned the language. He is a most amazing adaptable and brilliant man, and like most Europeans learns a language very easily.

MR. BROWNE: Was he at the Labrador Conference?

DR. ROWE: No, the Archbishop, under whose jurisdiction Labrador comes did not want the three priests to come up. So he sent Father Tessier and Father Sears who have been on Labrador the longest. Father Sears has been down there seven or eight years or more at Davis Inlet.

On motion, Department of Public Welfare, carried.

Department of Municipal Affairs and Supply.

MR. BROWNE: Mr. Chairman, what I want to speak on is the need for a concentrated drive on housing. The shortage of houses is increasing. If there are eight hundred or over eight hundred, as I think the Premier said the other day, looking for houses in the town, I am not sure now what the statistics would show. Always new families are being formed. The marriages in St. John's must be quite considerable. The number of houses being built is not sufficient to equal the number of new families, therefore they lag behind. I don't suppose there could be any part of the whole coun-

try where they lag behind, the need, is so great as here in St. John's.

MR. SMALLWOOD: Don't forget there is a staggering amount of housing going on now in these last years by private enterprise. The only houses being built in St. John's are not those provided by Government. Many hundreds of houses are being built.

MR. BROWNE: There are a great many houses being built for individuals who have the money to build, but a lot of people in this town are not able to afford the ten or fifteen thousand dollar houses. I don't think you will find any houses being built today that would cost less than ten thousand dollars.

MR. SMALLWOOD: Not many.

MR. BROWNE: And the ordinary type of man who is getting a salary of say forty dollars a week or forty-five dollars a week would not be able to purchase a house costing ten thousand dollars. Therefore, Mr. Chairman, I would like to know if the Government has given any consideration to the question of lower priced houses. The standard of a house at \$10,000 is a very high standard. But it must be remembered that people are living in houses today that are very much inferior to that, and they could be given houses with less appointments in them that would be away ahead of what they are occupying at the present time. Has this Government given any consideration to this?

MR. SMALLWOOD: Consideration: We have spent months on end—Yes, months on end! We have brought men in from England and from the Mainland and from the United States. We have called conferences of all the contractors and conferences of plumbers and electricians and the suppliers and

the saw mills. We have done everything in the world to try and get the price of housing down. We cannot do it. No one has as yet been able to show us how to do it, nobody.

MR. BROWNE: It is a very hard lookout because there is no doubt about the need for more houses in the city of St. John's, and further consideration will have to be given to it. If the Government have given so much time to the consideration of this problem and still failed to find a solution and have not found it yet, what are they going to do about it? It seems to me that it is getting more acute from time to time. It is desperate to see people with families looking for houses, willing to accept anything. Besides that, Mr. Chairman, there are many families today living in quarters that are not large enough to accommodate them. I know of some families occupying two and three rooms, six and seven persons and sometimes even more living in three rooms. And any lawyer in town, and the Member for Harbour Main, knows that. He is continually getting applications from people asking if he has any houses to rent.

Now, there is one thing that has happened in this town and that is that the contractors are no longer building houses on speculation of being able to sell them or to rent them. I don't believe there are any houses being built to rent today. Any houses that are being built today are being built for private persons. The Government might give consideration to the question as to whether they would relax their restrictions on houses. I remember very early in the rent control times a man built a house and tried to rent it and the tenant went to the rent control board and had the rent considerably reduced. Since that time I don't believe anybody even tried to build a

house to rent. This is a very serious problem and the Government has a great responsibility.

MR. SMALLWOOD: We just can't lower the standard and get any aid whatsoever from the Central Mortgage and Housing. They will not go into any housing that is sub-standard, and their standard is pretty high. If we want a programme of housing on a big scale, of lower standards, we have to do it entirely on our own without a dollar from Ottawa.

MR. BROWNE: Is that impossible?

MR. SMALLWOOD: Well, with all the rest, schools to build and hospitals and roads and fishery development and everything else, it is impossible, yes. Presently when we get a few more mines and a few more industries going we may have more revenue and be able to afford it.

MR. BROWNE: I wonder which the Premier thinks the more important, the roads or the houses?

MR. SMALLWOOD: Well, generally in Newfoundland the roads. Because in Newfoundland generally people look after their own homes, and it is only in St. John's, Corner Brook, Gander and one or two other spots in this whole province that people look to any Government at all for assistance in the building of homes. Mainly they look after their own homes, and we thank God for that. But they cannot build their own roads, and do look to us, and very loudly, for roads.

MR. BROWNE: When you come to think of the number here looking for houses—I would not be surprised if there were a thousand persons who need housing in St. John's at the present time.

MR. SMALLWOOD: It is closer to three thousand than to one.

MR. BROWNE: Then if there are three thousand how can we sit here and ignore that problem?

MR. SMALLWOOD: Who is sitting here ignoring the problem? We have two hundred and fifty problems and are trying to find money to cope with them all. We cannot solve all of them, they are going to take many years.

MR. BROWNE: It is getting worse as far as housing.

MR. SMALLWOOD: No, every day in every way we are getting better and better in Newfoundland.

MR. BROWNE: Not as regards housing.

MR. SMALLWOOD: Yes, generally as in regard to housing. A hundred and ten million dollars has been spent on housing in the last seven years, or some figure like that. It is fantastic. And twenty million more has been spent in the seven years to furnish the houses.

MR. BROWNE: I would like to question that figure.

MR. SMALLWOOD: I quote from memory—There has been at least, I would say, a thousand houses a year **built in Newfoundland**—That would be seven thousand in seven years.

MR. HEFFERTON: I will give you the figures. In the Mount Pearl-Glen dale area last year 79 units were built and in the Lewisporte area 114 units.

MR. SMALLWOOD: What do you suppose were built in the Freshwater-Dunville area?

MR. BROWNE: Who built them?

MR. HEFFERTON: Largely the people who moved in.

MR. SMALLWOOD: What do you suppose was built in Hare Bay, Bona-

vista Bay, Glovertown? The people are pouring in from the islands into Hare Bay, Gambo, Little Brook, Dark Cove and Glovertown and Traytown. It is fantastic. The islands are practically empty now, only St. Brendan's and Fair Island. They are all leaving and coming in on the mainland. They have got to build homes, and they are building homes, too.

DR. ROWE: The other day I happened to spend a few hours with an old friend from Lewisporte, the town manager there. He quoted that figure of 114. These are not below par houses but lovely homes as good as any in Newfoundland. And these homes are all serviced and electrified. They have telephones in them and hot and cold water and sewerage systems. He told me right at that moment he had eighteen families waiting for them to give the word for them to move in to start building, eighteen new families in from the outside.

MR. BROWNE: How many homes does the honourable gentleman suppose have been built in Corner Brook in the last seven years?

MR. SMALLWOOD: I would say five hundred.

MR. BALLAM: More than that.

MR. HOLLETT: It is no use arguing with the Government.

MR. SMALLWOOD: No, we have our facts.

MR. BROWNE: I take it what the Government is doing in Corner Brook is what the Canadian Government did in Newfoundland, give them a transitional grant. I think that is a good idea to help them because they contribute a large amount of revenue. I wish that a similar amount was to go to Bell Island. Bell Island does not

seem to get the same favoured treatment.

MR. SMALLWOOD: Bell Island is not in "St. John's South." It is a separate district. My honourable friend is wavering between Bell Island and St. John's South.

MR. BROWNE: No, Mr. Chairman, Corner Brook is going to get a five million beautiful throughway, it is going to get twenty per cent of its interest, it is going to get \$150,000 this year and \$125,000 next year—What is the matter with Bell Island it cannot get some of that? There are two thousand people at least over there. How much have you got down for Bell Island?

MR. HEFFERTON: There is nothing down there for Bell Island?

MR. BROWNE: Nothing for Bell Island.

MR. HEFFERTON: The honourable and learned gentleman is just jumping to conclusions. I have nothing down here for anything. We told you about a commitment which was made to Corner Brook, which is an agreement for the next five years on a descending scale. I did not say what any council was going to get this year. I have not got it. We do not know before. First of all we got to wait until the estimates are tabled here and passed, then we have to take the requests we have down there, some fifty or sixty, and then have to look at what has been done for each council during the past two years or three years, and what the special demands are for this year. And Bell Island, I may say, has not done very badly during the last three or four years. I cannot give the figure, but certainly it has done as well as any other council.

MR. SMALLWOOD: Twenty years ago the Government of Newfoundland was only spending on all the schools of the whole island what we are now spending in special grants alone to town councils. That can be said of every part of Canada in fact it might be said of any part of the world. Every place is working on a very much higher scale than twenty years ago. Twenty years ago the world was still in a depression stage but just beginning to come out of it, and everything was on a much lower scale. I have not any meaning there with Bell Island in comparison to Corner Brook.

MR. HEFFERTON: We have people working on Bell Island since last September just trying to find a source of water to see if we can get a supply for Bell Island. That is being done at our expense.

MR. BROWNE: Are they making any progress?

MR. HEFFERTON: They have some wells.

MR. SMALLWOOD: Mr. Chairman, may I speak on that? We have received now two and possibly three interim reports. And there was one proposal that we should build a tanker and bring her in to a river on the mainland of Conception Bay and fill her up and take her over to Bell Island and pump the water out into reservoirs twice a day or once a day, and supply Bell Island in that way. Then the costs and all the rest of it in that scheme are put forward in that report. Then there was another idea that they should put in a filtering plant, where you take salt water and distill it, and distill the salt out of it, and thus supply Bell Island out of the ocean.

MR. BROWNE: And use the salt for the fisheries.

MR. SMALLWOOD: Well, they talked of using the salt for certain industrial purposes. And the costs of that were examined. Then there was a third scheme of drilling deep wells along Bell Island. There is some experimentation going on in that direction now. They wonder what the table level would be. They have estimates of how much water could be safely taken up from underground, deep wells, without the water going brackish, and then going salt and finally no water except salt. There is a limit as to how much water you can take up on Bell Island. Indeed it is limited everywhere and the limit is lower in Bell Island than in most places. But we are spending thousands of dollars and have been getting these engineering surveys made because it is a terrible thing that a great industrial community such as Bell Island has the great majority of its homes without water and sewerage. And if we can solve that we will get a vast housing programme. We have been discussing it with Ottawa, but Ottawa just won't go for it until there is water and sewerage for Bell Island, to be followed by a great housing programme. That is our plan. We are a wonderful Government, no matter how you look at it.

On motion Department of Municipal Affairs and Supply, carried.

On motion the committee recessed for ten minutes after which Mr. Chairman resumed the Chair.

Department of Fisheries and Co-operatives.

Fisheries Loan Fund—\$50,000.

MR. BROWNE: Mr. Chairman, would the minister tell us something about that? Last year was that under his control?

HON. W. J. KEOUGH (Minister of Fisheries): The Fisheries Loan Fund is there to put the Fisheries Loan Board in funds in order to enable it to continue its work during the coming year.

MR. BROWNE: Is that the fund from which they loan the money?

MR. KEOUGH: That is right.

MR. BROWNE: How many loans were made last year? Have you got that?

MR. KEOUGH: I do not have that figure at hand. In round figures the Chairman gave me they loaned somewhere around two hundred thousand dollars and authorized approximately another one hundred thousand.

MR. BROWNE: How is that loaned out? Is it in small amounts or large?

MR. KEOUGH: The amounts are variable, they run as high as ten and fifteen and twenty thousand dollars and as low as five hundred.

MR. BROWNE: There would not be too many of these?

MR. KEOUGH: Well, most of the loans are made, practically all of them, to enable fishermen to acquire boats and equipment and gear to outfit these boats.

MR. HOLLETT: What collateral do they require?

MR. KEOUGH: In making a loan the fisherman is expected to put down ten per cent of the amount he is asking for. If he is building a new boat he has the Provincial bounty to draw upon at the rate of \$160 a ton provided the boat is within the range of ten tons to a hundred and fifty tons, and a Federal subsidy is provided if she is a longliner or dragger in a class from

forty-five to sixty feet. The bounty and subsidy is expected to put down ten per cent of the completed cost of the boat and they can make that by way of cash or put it in labour and so forth, and the board will usually advance him the balance if necessary against the security of the boat when completed.

MR. BROWNE: Are those loans the ones in the "Loan and Guarantee Act?"

MR. KEOUGH: That is not handled by the Fisheries Loan Board. The Board's regulations do not permit them to handle that type of loan.

MR. HOLLETT: Did the minister say what cost per ton these boats are, forty to sixty feet suitable long liners or druggers?

MR. KEOUGH: You see they get \$320 a ton by way of bounty or subsidy.

MR. HOLLETT: Could the minister say what these boats usually cost per ton?

MR. KEOUGH: I had some figures here arising out of a question of the Leader of the Opposition, addressed to me the other night. One of those new type boats, 36' combined trap skiff and longliner the Naval Architect developed, that kind or type for fishermen of Port de Grave (there are seven of them building now) which are ten tons; the Chairman of the Loan Board tells me the people who build them have the material and build the boats themselves and the only cash expenditure they have on them is for fastenings for oakum and for paint. In some cases not half the bounty is used for these purposes. In other words they get a bounty of sixteen hundred dollars, and the balance of the bounty, he estimates, is assigned to the Loan Board, and the Loan

Board makes arrangements for the supply of a marine engine and other fixed equipment, to cost about three thousand dollars. So that the completed boat would cost about seven thousand dollars. The fishermen at Port de Grave are able to get her at net cost of two thousand dollars.

MR. BROWNE: You mean they have to put up two thousand dollars.

MR. KEOUGH: They borrow that two thousand dollars from the Loan Board.

MR. BROWNE: On the Co-operative Loan Fund, I would like to know from the Minister, is that an active fund and how much was loaned last year on that?

MR. KEOUGH: It is not too active. As a matter of fact during the lifetime of the board it has had requests for only five or six loans. Four of these have been granted. I think last year the amount loaned was forty thousand dollars.

MR. BROWNE: What sort of a co-operative society would borrow that money?

MR. KEOUGH: The four that have borrowed are, Corner Brook Co-operative Society, the Hodges Co-operative Society, the Cander Co-operative Society and the Fur Farming at Dildo.

MR. BROWNE: They borrowed money from you besides?

MR. KEOUGH: They are a co-operative society and are able to borrow from the Loan Board.

MR. BROWNE: They have been given grants and assistance in many ways. How much did you lend them?

MR. KEOUGH: Forty thousand dollars.

MR. BROWNE: You say there was only forty thousand dollars loaned last year, so that they got all of that forty thousand.

MR. KEOUGH: Theirs was the only loan processed by the board last year.

MR. BROWNE: What security did they give for that?

MR. KEOUGH: Off-hand I cannot answer. I have not the records of the board here. I could find that out for you.

MR. BROWNE: Yes! Because it seems to me, Mr. Chairman, they got assistance coming here.

MR. SMALLWOOD: Individuals—but the co-operative society as such—Well it has been built with the assistance of the Federal and Provincial Governments. No. The cold storage building was built in part by a co-operative loan from the Co-operative Loan Board and in part from a grant in aid from the Government of Canada, under the Cold Storage Act. That is a quarter of a million dollar plant.

MR. BROWNE: I know—But I was just wondering about the security.

MR. SMALLWOOD: Well as to security, they are not allowed to give loans, neither of the three loan boards is permitted to give loans without the most ample security, the Fisheries Development Loan Board, the Co-operative Development Loan Board and the Industrial Development Loan Board.

MR. BROWNE: Yes, but Mr. Chairman, I get a kind of confused thinking about this plant at Dildo, so much assistance has been given to it, I am wondering whether there is anything there for the Minister of Co-operatives to get security for his loan? Does he get security on the plant or something else?

MR. SMALLWOOD: Yes, of course, on the plant and equipment. The grant was outright. The Government of Canada does not get anything in return. They merely make the grants. There is not any security. It is not a loan.

MR. BROWNE: Has the Provincial Government given a grant too?

MR. SMALLWOOD: No, it has made a loan. The actual source for the loan I do not know but I imagine some of it is from the Mines and Resources Department, is not that so?

DR. ROWE: Yes, it is in the vote.

MR. BROWNE: Cold Storage depot, is that the same?

MR. SMALLWOOD: That is another matter, what did it cost last year?

MR. BROWNE: Last year seventy thousand dollars.

MR. SMALLWOOD: More than that. The Government of Canada contributed as a gift thirty-five per cent.

MR. BROWNE: I don't think the minister gave us the expenditure under that vote last year. I think it cost something in the vicinity of \$280,000 so far, and it is not finished, I understand.

MR. SMALLWOOD: They are now building the filleting wing. I was in it myself on Sunday. Forty thousand dollars is a loan not to them but to O'Brien of Witless Bay.

MR. BROWNE: The mink are not going to be supplied with fresh fillets?

MR. SMALLWOOD: No, nor are they going to be given any turkey dinners. The freezing capacity of the plant is presently and for a number of years to come perhaps in excess of

what the mink breeders will need, especially in view of the fact that another such plant is to be built this year in Bonavista Bay and Southern Bay in Bonavista Bay. And the combined freezing capacity of the two plants will considerably exceed the needs of the mink ranchers. The existing freezing capacity is being rented to O'Brien Fisheries of Cape Broyle, of Witless Bay and so they are giving a loan of forty thousand dollars with which to erect an additional wing to the building, and that addition is between that building and one other one on the waterside of the Co-operative building. And they are building their own wharf on to it so that the sides of the fillets can be cut off and the frames passed on in to the co-operative building, where they will get their fish free. Because when you fillet, you take the two sides of a codfish and what is left is good usually only to be thrown away or to be brought to a fishmeal plant or as in this case to be just moved through on a conveyor and frozen as mink food.

MR. BROWNE: What do you do with the bone?

MR. SMALLWOOD: Crush that up.

MR. BROWNE: It would be nice if we were told what all these ventures cost. It is very hard to get a picture when we don't know all the costs.

DR. ROWE: Does not the honourable gentleman have that information from answers I have given to questions?

MR. BROWNE: No, I think the information given was in connection with advances to individual fur farmers, how much it cost them to come down here. However, I have not got it at hand, the answers I did get.

MR. BROWNE: Mr. Chairman, the Chairman has stated that O'Brien has tied on his filleting plant to the cold storage at Dildo. Do I understand him to say that he has received a loan for that purpose?

MR. SMALLWOOD: Yes.

MR. BROWNE: Where? That is not in the Guarantee and Loan and it is not in this, where would that be?

MR. SMALLWOOD: It is provided probably either in Fisheries Development.

MR. BROWNE: Last year he paid four per cent interest on forty thousand dollars. He has not paid anything on the principal. Does the Premier realize he made more than one hundred per cent on his venture last year?

MR. SMALLWOOD: Who made it?

MR. BROWNE: Con. O'Brien.

MR. MURRAY: How do you know?

MR. BROWNE: I heard he did. Anyhow—I don't know but I heard people telling me he was tremendously busy and that he got—Never mind I won't go into any details but I did hear he had made a big profit.

MR. SMALLWOOD: I would assume that he is not a "Tory." If he were a "Tory" that fact would not be mentioned. If he were a "Tory" I don't suppose the honourable gentleman would be unkind enough to make that statement in the people's house. I would guess—I don't know—but taking a long shot—he is a "Liberal."

MR. BROWNE: You need not take a long shot. You knew quite well, a long time ago. I don't think there is any doubt. The point I am making I have made before. If the Govern-

ment can make a loan to Mr. O'Brien, Witless Bay. I don't see how some of these members of the Federation of Fisheries are not able to have a loan on a co-operative basis. Have they ever applied? Do they know if they could get it?

MR. SMALLWOOD: We have said at least fifty times publicly, appealed to them, to come and apply, merchants, fishermen, co-operative societies—at least fifty times, and I am saying it again now, right now.

MR. KEOUGH: I will give the exact breakdown of this—That is to cover the cost of the construction of a filleting plant at Dildo, a slipway and other accessories at Harbour Grace at Old Shop, at Southern Bay and repairs to a slipway at New Harbour and the erection of a storage shed at Dildo.

MR. BROWNE: This is \$98,000—How much was spent under that last year?

MR. KEOUGH. \$170,573.

MR. BROWNE: What was that spent for?

MR. KEOUGH: There was the purchase of two whale boats and their equipment and three bar seines and the construction of, and equipment for, a slipway at New Harbour, Dildo and Chapel Arm, \$25,000, and there is the purchase of mixers, etc., to process the whale meat at Dildo, \$25,000; and there is the acquiring of two power wagons and feed trucks, \$7,000; and there is wages and labour, \$10,000; and \$6,000 for salt fish research carried on at Memorial University.

MR. BROWNE: \$120,000 of that was spent at Dildo in addition to all other amounts. That is over half a million dollars. It is not subsidiary though, only experimental.

MR. KEOUGH: That is right.

MR. BROWNE: Fisheries Development, now, Mr. Chairman, is the Fisheries Authority, have these five places been completed, these buildings?

MR. KEOUGH: Change Islands and Joe Batt's Arm are completed, Tre-passey is completed.

MR. HOLLETT: What of the other two?

MR. KEOUGH: There is provisions made in the Loan and Guarantee Bill presently before the House for advances of funds to complete Catalina and Twillingate.

MR. BROWNE: It is not mentioned here—We have it here.

MR. KEOUGH: "Fisheries Products."

MR. BROWNE: That is the difficulty of finding the various amounts, where they are. Two hundred and seventy five thousand dollars for Catalina and five hundred thousand dollars for Twillingate and five hundred thousand for working capital, five hundred thousand is a lot of money, is it not, for Twillingate? What is to be done up there?

MR. KEOUGH: Oh he is putting up an eight-plate frozen fish plant which will have an annual capacity of seven or eight million pounds, something like that.

MR. BROWNE: Why is not that put in the estimates for this year, that five hundred thousand dollars?

MR. KEOUGH: I am not too certain that these votes, the Fisheries Products, should ever appear in this Act. It looks to me like voting them twice. If you vote the funds to enable the building of plants in the

"Loan and Guarantee" Act you do not vote them a second time in this list.

MR. HOLLETT: Under the heading "Fisheries Development": Quirpon is given ten thousand, operating capital \$25,000. Can the Minister tell me if that has any relation to the Quirpon Fisheries Limited in Quirpon. Quirpon Fisheries Limited I find on search is a limited liability company and it has three directors.

MR. KEOUGH: I promised the honourable and learned member from St. John's West a statement on that. I think this might be an appropriate time—The Quirpon Producers Limited was incorporated in February. The incorporators were H. C. Winsor, Ross Young, and Mary Merner—that is one of the secretaries of the Board. The members and staff of the Fisheries Development Authority acted "ex officio" as incorporators. That was the most convenient way of complying with the regulations. The co-operative is listed at thirty thousand dollars, six thousand shares at five dollars each. The shares have to be held by the people of the area. The most recent report is that ninety-five fishermen subscribed shares in the company, and it is expected that a hundred per cent of the fishermen in the area to be served, will become members of the company. The board of directors decided at their first meeting that to be eligible to sell fish in the plant or to gain employment with the company a person must subscribe twenty shares, to be paid for over a five-year period, at five dollars each, one hundred dollars. The shares held by each of the incorporators will be transferred to other shareholders. The Secretary Treasurer of the company is being made available from the staff of the Fisheries Development Authority. The Quirpon plant is designed to handle twenty-five thousand

hundredweight of salt bulk, which is the anticipated production of the area the plant is intended to serve when completed. It will go into operation at the beginning of the fishing season. The cost is of the order of one hundred thousand dollars. The Government of Canada has provided marine works consisting of fishermen's landing facilities and wharf and will pay half the cost of the plant. The balance of the cost of the plant has been advanced by the Government of Newfoundland, which has also advanced the working capital.

The Quirpon project is regarded as an experiment in community co-operation. The main object of the experiment is to provide experience leading to possible Federal-Provincial Legislation along lines of the existing Act, which would form producer organized fishing industry. The Authority will have the right to insist on sound business management. The Co-operative Producers Limited is set up after the pattern of a co-operative society, there is provision for co-operative principles with one member with one vote, with no proxy voting. When the venture proves successful, when the authority is satisfied that the venture needs no further supervision the Authority will withdraw and the people concerned will make their own decisions as to whether they wish to continue as a co-operative company or make the change to a regular co-operative society.

MR. HOLLETT: I would like to know if that company has any connection with the co-operative now in Quirpon. You will recall, Mr. Chairman, that I registered or informed the House of some complaints I received in regard to some fishermen in places outside Quirpon, where they said they had not been included in this scheme

of things, this twelve thousand quintals at Quirpon, and they were not allowed to come into that company. Could the Minister tell me if that is correct?

MR. KEOUGH: When the Quirpon project was contemplated first, I believe in the general area up there they were all hoping to be included, and did, I think gather themselves into a sort of loose producers group. When the Fisheries Development Authority took hold of the project and began their discussions with the Federal Authorities, and in this experiment the Federal Government are participating and paying half the cost of the plant, it decided that one of the conditions to be laid down that there would have to be very strict supervision of the experiment while it was in the experimental stages. Also a condition of the experiment was to see whether a man fishing, catching fish and taking it into the plant was able to get a greater volume. And the experiment was to decide whether production of that greater volume would materially effect his economic condition. For that reason it was decided that the experimental area the plant would serve, had to be restricted to around the five or six communities immediately around Quirpon. However, I have asked the Fisheries Development Authority to revise the area the plant is intended to serve, to see if fishermen from a wider area can be taken.

MR. HOLLETT: That was the point I was hoping to arrive at. I do hope the honourable minister will ask the Fisheries Authority to go into that.

MR. KEOUGH: I have done so.

On motion Department of Fisheries and Co-operatives, carried.

On motion of Mr. Smallwood, the committee rose to report progress and ask leave to sit again.

Mr. Speaker resumed the Chair.

MR. NORMAN: Mr. Speaker, the Committee of Supply has considered the matters to it referred and passed estimates on Capital Account Expenditure under the following headings:

Public Works, Item 941; Department of Health; Department of Welfare; Department of Municipal Affairs and Supply and Department of Fisheries and Co-operatives, Item 1440; and asks leave to sit again presently.

On motion report received—committee ordered to sit again presently.

MR. SMALLWOOD: Mr. Speaker, I move that the House do not adjourn at 11:00 o'clock.

MR. BROWNE: Mr. Speaker, is it the intention of the Premier we should go on all night.

MR. SMALLWOOD: Until midnight anyway.

Motion that the House do not adjourn at 11.00 o'clock, carried.

On motion the House went into Committee of Supply.

Mr. Speaker left the Chair.

Mr. Norman, Chairman of Committee of Supply.

MR. HOLLETT: Mr. Chairman, referring back to this producers' organization to be set up—I put it to the Minister that there might be an opportunity to try out some application of the unemployment insurance for fishermen. Quirpon, of course, is away to the north and I know there are only a certain number of men there who do not operate in a place

like Quirpon. I would suggest that the only incentive to keep these men there for the fishery for the full year would be some form of unemployment insurance. And I would suggest where you have a compact group there with ninety-five or a hundred fishermen it might be possible to work out some scheme acceptable to the Federal Government. I suggest the Minister take cognizance of that. I am convinced, particularly in places in the north, we are not going to retain any young fishermen in the fisheries unless we can get over that difficulty, over that hurdle, over that two or three months more or less when they can do nothing.

MR. SMALLWOOD: A good many of them, especially the more northerly part do go in the bush.

MR. HOLLETT: Not in Quirpon.

MR. SMALLWOOD: I would imagine so.

MR. HOLLETT: Mr. Chairman, what does it mean that Joe Batt's Arm, Twillingate and Trepassey are dropped from the list here now? Does it mean it does not come under the Fisheries Authority?

MR. KEOUGH: The Fisheries Products have completed their plant in Change Islands and Joe Batt's Arm and Trepassey and Twillingate. The provision is in the Loan and Guarantee Act.

MR. BROWNE: Does that come under fisheries?

MR. KEOUGH: The administration of the loan, sure.

MR. BROWNE: The Premier said the other day that they were getting together the directors, Arthur Monroe or somebody in Fishery Products and the Fisheries Authority and somebody from the Government to take care of

these loans, because they are up to five million dollars—Is there any sinking fund provided in connection with that?

MR. SMALLWOOD: Yes.

MR. BROWNE: I am asking the minister.

MR. SMALLWOOD: In the new agreement it is provided for.

MR. BROWNE: Nothing in this Act.

MR. SMALLWOOD: In the brand new agreement made two or three weeks ago there is an annual sinking fund laying aside so much money each year.

MR. BROWNE: When is the first payment due?

MR. SMALLWOOD: I think in a year or so from now—speaking from memory. A new agreement has just been made.

MR. BROWNE: You mean, just this last week?

MR. SMALLWOOD: A week or two ago. In fact I am not quite sure it is signed yet.

MR. BROWNE: Mr. Chairman, I asked the Minister if a similar agreement is under consideration for the Bonavista Cold Storage, which also has a very large amount, nearly two million dollars.

MR. KEOUGH: What kind of an agreement?

MR. BROWNE: An agreement to provide annual payments.

MR. SMALLWOOD: No, there is no such agreement.

MR. BROWNE: Do you not think it advisable to have that?

MR. SMALLWOOD: He is not a young man and is not going to live twenty years.

MR. KEOUGH: There is provision in the Loan and Guarantee Act for further commitments to Bonavista Cold Storage. And when that loan is made there will be a consolidation of what agreements are outstanding, with provisions for annual repayments.

MR. BROWNE: Three hundred and fifty thousand here.

MR. BROWNE: Will the loan for Bonavista Cold Storage be on a twenty-year basis, too?

MR. KEOUGH: I am not certain of that detail right now, probably.

MR. BROWNE: Because they have to pay back one hundred and twenty thousand—they are only just getting started now.

MR. KEOUGH: I would say it will not be a longer time than twenty years anyhow.

MR. SMALLWOOD: Yes, Bonavista Cold Storage Company Limited is three hundred and fifty thousand dollars—a bank loan to be guaranteed by the Government for a period of five years, which is payable in four installments of eighty thousand dollars a year beginning in 1958—That is that one—But in regard to the one million and fifty thousand, that is an agreement made a year or two ago, the terms of which have not varied.

MR. BROWNE: Yes, but the Minister says, when this three hundred and fifty thousand was given—now this is different because the Premier pointed out the other night that it has to be repaid over five years. But what about the million and fifty thousand, there has to be some protection for that?

MR. KEOUGH: That is the point—if and when this other loan is approved by the House and made available there is to be a renegotiation of that agreement, the one covering that one million and fifty thousand, to provide for annual repayments.

MR. BROWNE: Well, that is a year and a half—Has he paid all interest? According to this here he has paid thirty thousand dollars in interest since the twenty-third of October, 1954, and interest was due on the first of April, 1955, so there would be this payment. The rate of interest is given at three and a quarter per cent, so it would be thirty thousand—so there is a half year's interest in default there.

MR. KEOUGH: I would say that his interest payments have been brought up to date. He is not in default because such defaults are always reported to Cabinet through me, and I have no recollection of it.

MR. SMALLWOOD: They are not in default.

MR. BROWNE: \$154,000—I wonder how much was spent on that?

MR. KEOUGH: \$124,118.

MR. BROWNE: What would that consist of (a general explanation taking the whole thing together)?

MR. KEOUGH: First of all "new building"—The Authority proposes this year to construct four of the new type boats that have been developed by the Naval Architect.

MR. BROWNE: Last year we are getting at first—Have you got an account of what happened last year?

MR. KEOUGH: No, I have not got it here.

MR. BROWNE: All right, go ahead and give what information you have for this year.

MR. KEOUGH: The Fisheries Development Authority proposes to build four of the new type boats designed by the Naval Architect. They propose to build a 38 foot longliner and a 38 foot combined longliner and trap skiff. These are considered to be good fishing instruments for fishing near shore, and the authority proposes to build one of each type and demonstrate them in areas around the island, and to maybe sell the boat to some fishermen, after operating it for a year or so.

MR. SMALLWOOD: The Cabinet have not considered the idea. We will probably decide before selling it how we will go about doing it.

MR. KEOUGH: Then the fishermen in Merasheen area have some very set ideas as to what type of boat will be best for their area and the type of fishing they do, and a number of them sat down with the Naval Architect and he has designed a sort of multitype boat for fishing in Merasheen area.

All during the last four or five years we have had considerable experience with operating the *Matthew* and learned quite a bit from her and have seen where a number of modifications can be made with effect. And the Authority has proposed to build an improved *Matthew* type and operate her around the island in places like LaScie and in places around the island where there are large fish plants. That covers the new building—and then there is the general expense for operating of this type of boat and the gear and equipment to outfit them.

MR. HOLLETT: How about processing plants? Where are these to be built?

MR. KEOUGH: Mr. Chairman, we have knowledge at the moment of nine firms that intend to install small drying units, with an annual capacity of thirty-six thousand quintals. We have a knowledge of nine other firms that intend to install large drying units that have a total capacity of three hundred thousand quintals. We know that some of these people are going to approach the Government for accommodations to erect and equip such plants. As a matter of fact the "loan and Guarantee Bill" provides for loans to four of the firms that are going to install smaller drying units. We are presently carrying on conversations, and the Authority is, with a number of firms that contemplate the installation of large drying units. We have this vote here to make accommodations for that.

MR. HOLLETT: Have all these firms been informed they could have money at their disposal by the Government?

MR. KEOUGH: None of them have been told yet other than those that appear in the "Loan and Guarantee Bill." But there are discussions going on with them as to whether the Government will make available assistance to them or not.

On motion Department of Fisheries and Co-operatives carried.

Department of Economic Development:

MR. SMALLWOOD: Mr. Chairman, I am going to attempt what is an extremely difficult task, because I confess quite frankly to you that I have now become bogged down between (1) this vote on page 79 and (2) the

Loan and Guarantee Bill and (3) some written explanations of the Controller of the Treasury, here in my left hand, and the unspoken comment of the Attorney General whose department says, for what reason I cannot fathom, that these things should be put in in the way in which they are here now. It appears to me that there is considerable duplication in these votes and in the Loan and Guarantee Bill.

MR. HOLLETT: You are right.

MR. SMALLWOOD: I believe there are duplications. I believe the same thing is in here twice. Now, we are asking the House to vote, on page 79, a total of \$825,000 for this present year, under the heading—"New Industries"—Actually the only new industry involved in that amount is "Adler's," but all of "Adler's" is not involved. We now have a total of \$825,000. \$150,000 was provided to complete payments on the original "Adler's" contract—\$350,000 was paid from last year's vote—Is that clear? So that in this \$825,000 we ask for now is an amount first of all of \$150,000 to complete payment due in the original. Then there is \$100,000 unallocated, put in in case anything crops up during the twelve months coming—Now that is \$250,000. Also included in this amount is \$150,000 that was estimated back in December when these estimates were first prepared, to "Superior Rubber" that we thought at the time "Superior Rubber" should need in the year 1956 to meet their operating losses. As we have closed them down, that \$150,000 will not be needed, but it helps to make up the total of \$825,000—That is \$400,000. Then there is an additional \$150,000 required for "Adler's." Now, we have just recently made a new agreement with "Adler's" lending him a hundred and fifty thousand dollars to cover building forty feet by four

hundred, and the contents of the building described here in the House a day or two ago. Now that is \$550,000. Let me show exactly how the \$825,000 is made up—Last December, as I said, when this was prepared, we thought we would have to find in the calendar year 1956, or if you like, the financial year 1956-57; \$75,000 for Hanning Electric and \$150,000 for Superior Rubber, and \$100,000 for Atlantic Gloves and \$150,000 for Koch Shoes and \$100,000 for Eckhardt Mills and Adler's \$150,000 and unallocated \$100,000. Now that makes \$825,000. That is the picture as we saw it back in December last. Since then however some things have happened (1) we don't need the \$150,000 there for Superior Rubber—Is that clear? That reduces the \$825,000 by \$150,000. (2) We will need the \$75,000, I think, for Hanning Electric. We will not need the \$150,000 for Superior Rubber. We will, I think, need a good bit of the \$100,000 for Atlantic Gloves. We will not need any of the \$150,000 for Koch Shoes. We will not need any of the \$100,000 for Eckhardt Mills. This was a projection into the future made last December, as we thought then it would be needed in the financial year 1956-57. The Loan and Guarantee Bill covers the past. It is an indemnification for what we did spend in fact last year. Is that clear?

Now, if you take from the \$825,000 the amount of \$150,000 for Superior Rubber and \$150,000 for Koch Shoes and \$100,000 for Eckhardt Mills that is \$400,000, leaving \$425,000. But we will account for the \$425,000 in this way. We will need \$150,000 due from the contract of last year's on Adler's and the additional \$150,000 we have recently agreed to give them. I think that is clear. I have shown first how we arrived at that figure four months ago. Now, I have shown that we will need \$300,000. I suggest that the re-

mainder be left there to cover unallocated amounts that may crop up in the course of the year.

MR. BROWNE: I wonder if it would help to inform us what was spent under the vote last year?

MR. SMALLWOOD: That, I think, is mostly shown in the Loan and Guarantee Bill.

MR. BROWNE: The Auditor General had something to say about a couple of them.

MR. SMALLWOOD: I don't think he is referring to the year just passed.

MR. BROWNE: Since the close of the financial year the Government repaid the bank \$160,000 for Eckhardt Mills, and since the close of the financial year further advances of \$60,000 have been made to Atlantic Hardwoods, and recently the Government was called upon to make good a guarantee for \$250,000. Since the close of the financial year a bank loan of one hundred and fifteen thousand has been guaranteed by the Government for Superior Rubber—How do you get on about that?

MR. SMALLWOOD: Yes, we have that here. That is right. That amount is included in the figure on page 75.

MR. BROWNE: What makes up that \$1,200,000?

MR. SMALLWOOD: That was a vote. That is not a figure of what was spent. That is a figure showing what was voted last year.

MR. BROWNE: I know. How much was spent against it?

MR. SMALLWOOD: Less than that was spent. It was less than the amount voted. And with this probably it will be less than the amount voted here,

\$825,000, in this current year. The amount, as the committee can see, is going down steadily each year. We are hoping that in a year or two that instead of advancing out we will have revenue coming in as interest payments. We think they will.

MR. BROWNE: You have been thinking that a good many years.

MR. SMALLWOOD: Yes, but now we think they are over the hump in all but four or maybe five, and one of these five will soon be over the hump—These are smaller ones too, not extensive ones.

MR. HOLLETT: The only thing I have to say, Mr. Chairman, is that we are addled over Adler's. I have seen various accounts brought in here from various ministers but I think this is the most muddled affair I have seen in a long time.

MR. SMALLWOOD: It is actually quite simple but for the duplication in the Loan and Guarantee Bill, I maintain.

MR. HOLLETT: It is all taken up, and I maintain no one in this House can tell exactly where, whether from the books in the Department of Economic Development and the Loan and Guarantee Act. I maintain one would have to be apprenticed to the Finance Department for a considerable period before we get down to understand it. There is not very much one can say on the vote for industries, \$825,000—It does not say what industries they are going into. I say the Premier has done his best to explain but he puts some down there for Eckhardt Mills and then takes it away and some into Superior Rubber and takes it away and puts it into something else and eventually we get what is al-

located. We don't know where we are.

MR. BROWNE: Mr. Chairman, on that vote what I would like to say is this: When is the House going to be given a statement of what is happening in the industries? It seems to me that the history of these industries will never be written. Nobody will ever know what has happened.

MR. CHALKER: They will be written as successful operations.

MR. BROWNE: Well, the situation at the present time, as far as I can see, is that they are still problematic. They are doing business but as far as making a profit and returning the principal that seems to be a dream of the future. There is no guarantee of that. But what I would like to know, as I think the House is entitled to know, is something from the Premier as to how they are getting on exactly by showing us the accounts. Why is it that the House is not shown the accounts?

MR. SMALLWOOD: Does that apply to Fisheries Products Limited?

MR. BROWNE: No, it does not apply. The Premier knows perfectly well there is no comparison between Fisheries Products Limited and Superior Rubber Company.

MR. SMALLWOOD: There is this difference, one has closed down and the other is functioning. The five million dollars we lent them, we hope, is safe and doing a lot of good for a lot of people whereas Superior Rubber has failed and we have closed them down.

MR. BROWNE: Yes, and gone now, where or how?

MR. SMALLWOOD: The honourable gentleman may like the gory de-

tails to revel in—especially on the eve of an election.

MR. BROWNE: But the honourable the Premier does not like the gory details.

MR. SMALLWOOD: I must admit I don't. I must confess that that is true. I do not glory in the failure of that plant. That is one difference between me and some people.

MR. BROWNE: I don't think, Mr. Chairman —

MR. SMALLWOOD: The honourable gentleman cannot expect to resurrect that again.

MR. BROWNE: I am prepared to wait, and when after the Premier may be re-elected and still sitting in that seat the failure of the Superior Rubber will be there as black against him. Well, Mr. Chairman, we are here to look after the accounts of the country. His department is the culprit. He is the only minister that will not answer any questions regarding his department. All the others have made an effort to answer the questions which have been put to them.

MR. SMALLWOOD: What about the effort I made tonight? I practically knocked myself out trying to explain the figures here. Now I am told I won't even answer. No minister in this House this session worked as hard as I did here to try and clarify these figures.

MR. BROWNE: And I am sure the Premier can go further and say nobody understood what he said.

MR. SMALLWOOD: That is not my fault.

MR. HOLLETT: Including the Premier.

MR. BROWNE: If the pupils do not understand the teacher it is the teacher's fault, sometimes.

MR. SMALLWOOD: I used to say in this House to an honourable gentleman no longer here—I could explain to him but only the Good God could give him the brains to understand when I did explain.

MR. BROWNE: Well, it is a pity the Premier could not put his brains to better use than going into these new industries. Now, Sir, I do not want to go over this story again. Why is it we cannot have an account of what has happened to Superior Rubber Company? Is it to be just written off as a failure and say "that is that" and forget about it? The Premier knows it was not only a failure at the end but a failure from the start. Then in regard to the other new industries, Eckhardt Mills, how is that industry getting on? Could we ask the Premier how that industry is getting on?

MR. SMALLWOOD: I said here in the House it was doing wonderfully well.

MR. BROWNE: How well?

MR. SMALLWOOD: Breaking even, financing itself without any loans from us now.

MR. BROWNE: Well, there is a vote here —

MR. SMALLWOOD: That is in the past. As of now we are not giving them any money and they are not asking for any and we are not asking the House to authorize us to give them any. As of now they are on their own, which is pretty good.

MR. BROWNE: Well, we are in a kind of a hopeless position. We hear lots of things about these industries,

why they went astray—And it is not much use saying much about them, I suppose. But the people near those places have come to their own conclusions, and they seem to be pretty cynical about the way they have been handled and the way they have been mismanaged I saw by the radio advertising from these various companies. Has that been put on since the new management by the Government? Is the Government paying for that?

MR. SMALLWOOD: Paying for what?

MR. BROWNE: These advertisements from the various companies.

MR. SMALLWOOD: Not at all.

MR. BROWNE: They are all Government companies, Atlantic Gloves and Eckhardt Mills. And I saw an advertisement for Eckhardt Mills on the show giving an illustration of their sweaters and that sort of thing which I understand are not made in this country at all.

MR. SMALLWOOD: The honourable gentleman is wrongly informed and understands wrongly.

MR. BROWNE: Are they made here? Are they made at Brigus?

MR. SMALLWOOD: Most certainly they are. And not only that, if the honourable gentleman tomorrow night will take a little jaunt down to the new stadium he will see them actually being made, or even better—Why not go in a car and take a run to Brigus—I am sure they would be happy to show the honourable gentleman through, and he can see them being made.

MR. BROWNE: I only went into one of the companies and I got a letter that I would be prosecuted.

MR. SMALLWOOD: There was a very good reason for that.

On motion Department of Economic Development carried.

Page 85—Consolidated Fund Services.

Saving Certificates \$20,000.

On motion Consolidated Fund Service carried.

MR. SMALLWOOD: That is the liquidation of War Saving Certificates. It does not clean it up. It is impossible to say when. From year to year we are being presented with certificates to be converted into cash and we have to provide the funds to cash them.

Department of Finance—There were liabilities incurred by the Government before Confederation, which sometimes fall due. We have to meet them. So we put in a token amount to have authority to pay off any bills that fall due from before Confederation.

On motion department of Finance carried.

MR. HOLLETT: Mr. Chairman, I wonder if I might refer to one thing which we had here in the course of the general discussions. I meant to bring up that matter. You have duty paid on account of machinery for the cement and gypsum plants. That duty was paid to the Government and is presently held in the Department of Finance in a suspense account pending a ruling as to where it should be rightly credited. Now why should there be any confusion as to where it is credited.

MR. SMALLWOOD: That amount of money has been placed in a suspense account in the Department of

Finance pending a ruling as to where they should be rightly credited, i.e. whether they should be credited to capital account as a reduction of the capital amount paid to build the cement mill or whether it should be credited to interest due from the cement mill's operating cost. In other words, should it be credited to capital account or current account. Then I naturally inquired as to who has to make that decision, and the answer, which I thought I knew, turned out to be right—the Cabinet has to make that decision. Why has it not made the decision? It has never as yet been referred to Cabinet. It is in suspense account in the Treasury. There is a suspense account where money is held until it is decided what particular account it should go into. That has not been decided in this case. It is in the Consolidated Revenue Fund but is not credited to the final account within the Consolidated Revenue Fund to which it will finally be credited. The suspense account is part of Consolidated Revenue Fund.

MR. HOLLETT: Any reference to it in the estimate? It is a revenue!

MR. SMALLWOOD: No doubt it appeared in revenue in the year it was received—a couple of years ago.

MR. HOLLETT: And still not credited to anybody.

MR. SMALLWOOD: Sure, it is credited to the Consolidated Revenue Account. That is only a name, a very necessary name, for all the money the Government receives. And within that fund are hundreds of separate accounts, one of which is the suspense account. Now it will be taken out of suspense account and credited to some other account but still within the

Consolidated Revenue Fund—Is that clear?

MR. SMALLWOOD: Mr. Chairman, I move the committee rise and report having passed the estimates of expenditure and the totals and ask leave to sit again.

Motion carried. Mr. Speaker returned to the Chair.

MR. NORMAN: Mr. Chairman, the Committee of Supply have considered the matters to them referred and have passed estimates of capital expenditure under items—Department of Fisheries and Co-operatives and Economic Development and the Consolidated Fund Service and Department of Finance. The Committee have completed their consideration of the estimates and ask leave to sit again.

On motion report received and adopted.

Motion that the resolutions which have been considered by the Committee of Ways and Means be concurred in and referred to the Committee of Ways and Means and be concurred in by the House.

Motion, that the resolutions be referred to a Committee of Ways and Means, carried.

On motion Mr. Deputy-Speaker left the Chair.

Mr. Courage Chairman of Committee of Ways and Means.

Motion, that the Committee rise and report having passed these resolutions, carried.

Mr. Deputy-Speaker returned to the Chair.

MR. NORMAN: Mr. Speaker, the Committee of Ways and Means have agreed to certain resolutions and have

instructed me to report having passed same.

On motion report received.

On motion said resolutions read a first and second time.

On motion a Bill was brought in to give effect to these resolutions.

On motion Bill read a first time.

On motion Bill read a second time.

On motion Bill read a third time, ordered passed and title to be as on the Order Paper.

MR. CURTIS: Mr. Speaker, I move the remaining orders of the day do stand deferred, and that the House at its rising do adjourn until today Wednesday morning at eleven of the clock.

WEDNESDAY, May 9th, 1956.

The House met at 11.00 of the clock, in the morning, pursuant to adjournment.

Mr. Deputy-Speaker in the Chair.

Presenting Petitions

MR. NORMAN: Mr. Speaker, I would like to present a petition from the people of Fortune Bay. In doing so, Sir, I would like to make it clear why it is that I am presenting this petition. The petitions are presented, Sir, at your request and on your behalf, since you are unable to do so yourself while occupying the Chair as Speaker.

The first petition I wish to present, Sir, comes from the people of Belleoram, of Pools Cove. It requests that electricity be extended to these settlements. As the House will remember, you yourself, Sir, sometime ago pre-

sented a number of petitions from the various places in Fortune Bay asking for this very thing. This petition which I am now presenting was not ready at the time as it was received only a short while ago.

I have much pleasure, Sir, in supporting the prayer of this petition. I ask that it be laid on the Table of the House and referred to the department concerned.

On motion petition received for reference to the department concerned.

MR. NORMAN: Mr. Speaker, I beg leave to present a petition from the residents of Piccaire near Gaultois, asking that a road be constructed to link that place with Gaultois. At the present time nearly all the people of Piccaire are in the fish plant at Gaultois. They are connected with that place by foot path only and so have to walk to and from. A motor road would be a great boon to these people. I ask, Sir, that such a road be constructed.

I have much pleasure in presenting this petition from these people on your behalf Mr. Speaker. I ask, Sir, that it be laid on the Table of the House for reference to the department concerned.

On motion petition received for reference to the department concerned.

MR. NORMAN: Mr. Speaker, I have here a petition from the people of Harbour Breton asking that work be commenced on the road from Harbour Breton, between the settlements of Fortune Bay and Bay D'Espoir.

I would like, Sir, to read the prayer of this petition signed by practically all the voters of Harbour Breton, which, as the House knows, is one of the oldest and largest settlements on

the South Coast, I know, Sir, if you were in a position to speak you would strongly recommend this petition to the House. I do, Sir, on your behalf support the prayer of this petition and ask that it be laid on the table of the House and referred to the department concerned.

HON. J. R. SMALLWOOD (Prime Minister): Mr. Speaker, I rise to give my warmest support to the prayer of these petitions. As the honourable gentleman who presented them has said, particularly with regard to the circumstances. If you were not in the Chair, Your Honour, you would be very strong today in advocating the prayer of these petitions. Indeed I am sure that the Honourable Leader of the Opposition, as a man who comes from the South West Coast will lend his support, which I think makes it pretty unanimous.

Now the appointment of the South West Coast Commission, headed by Mr. John T. Cheeseman, will, I hope and I venture to believe, have a great effect along that line. Mr. Cheeseman has expressed the strong hope that the Commission of which he is now the Chairman will be able, by intensive effort, to conduct the enquiry along the whole South West Coast sufficiently quickly to enable recommendations and a plan of action to be gotten up by the Commission in time to enable the Government actually to do something for that coast in time for the next fishing season.

Now I am sure that the honourable member for Harbour Main, who in Cabinet again and again has emphasized— I think I may say this with propriety. I am not revealing any secrets of Cabinet—his concern for the bank fishery. His father before him having been a well-known banking

captain he has repeatedly urged his colleagues, all of us, to see if we can find some practical way to assist the fishermen of Fortune Bay in particular and the South West Coast in general.

I am strongly hopeful now that under the leadership of Mr. Cheeseman, who knows that coast like the palm of his hand from end to end, when finished his enquiry will come up with a positive plan of action for the Government to take on. If so then I think I can speak for the Government, whoever may be members of that Government when this election is over, I believe I can speak for that Government and say that it will be a labour of love to carry out a sound plan of action which the Commission of Enquiry may bring up to this present summer.

HON. M. M. HOLLETT (Leader of the Opposition): Mr. Speaker, I rise certainly to support the prayer of the petitions so ably presented by the honourable member for Burgeo and La Poile, particularly in the situation in which you, Sir, find yourself, in the Chair where you cannot address the House, I am all the more mindful that we ought to offer this petition our wholehearted support.

In regard to the remarks made by the Honourable the Premier about the South West Coast, I am of course naturally and officially, if I might put that that way, in accord with whatever effort is made for the South West Coast, South West Coast as we call it—call it South West Coast if you want to. But that coast, Sir, has had a pretty rugged time in the past years. Even during my lifetime it was rugged but even more rugged before. But it has produced rugged men—honest men who were seafarers both foreign and

on the local scene. They braved every element. They gave of their lives all too freely, and I would say, sometimes a bit carelessly, in endeavouring to earn a livelihood for their families through the precarious business of the sea. They went down to the sea in ships. Unfortunately—most of their ships were wooden ships and they were subject to all the dangers of the deep and the loss of life was tragic. I know in my home town of Burin when a boy, scarcely a year went by, either Spring or Fall, when we did not have to put the flag half mast, when we did have to hold memorials for crews of such and such a vessel. They produced an able race of men, a noble race of men, I think, Sir, more noble men than some of their offspring. Perhaps I am referring to myself as much as to other people. But we have not the fighting, staying powers that these men had to have to pull a livelihood from the treacherous sea.

Anything brought in here to support and maintain that coast and maintain the people on it in decent livelihood is undoubtedly going to get every bit of support from this side of the House.

Thank you, Mr. Speaker!

On motion petition received for reference to the department concerned.

MR. NORMAN: Mr. Speaker, I beg leave, Sir, to present further petition signed on behalf of some one hundred thirty persons of English Harbour East by a representative committee of that place consisting of the Parish Priest, the schoolteacher, businessmen and fishermen, asking that a road be constructed linking that place with Terrenceville. The benefits of such a road can well be appreciated by this House. I know, Sir, you would wish me to strongly support the prayer of the

petition. I do so, Mr. Speaker, and I hope that a survey may be made as soon as possible and that road can be built.

I have much pleasure in supporting the prayer of this petition and ask that it be laid on the table of the House and referred to the department concerned.

On motion petition received for reference to the department concerned.

HON. L. R. CURTIS (Attorney General): Mr. Speaker, I might say that the Honourable the Premier was called upon to leave the Chamber for a few minutes. But he asked me before going if I would on his behalf, support the prayer of this petition, and express the hope that the prayer of the petition be answered.

Presenting Reports of Standing and Select Committees

None.

Notice of Motions and Questions

None.

Answers to Questions

MR. BROWNE: Mr. Speaker, there are a couple of questions still unanswered. I asked the Minister of Mines and Resources if there was any royalty payable by the Consolidated Pulp and Lumber Company, Limited, and any agreement been made. I got an answer that it was being prepared, Sir. The question of the royalties should be simple.

HON. DR. F. W. ROWE (Minister of Mines and Resources): Mr. Speaker, the answer that I made last week still holds. That agreement has not as yet been signed although there is a sort of working understanding. I can tell my honourable friends the rates that

are under consideration. As far as the saw-mill rates are concerned they are standard as applicable all over the province—They vary according to the cut. For preliminary cutting the rates under consideration for the first year will be fifty cents a cord, and the second year seventy-five cents a cord and for the third and subsequent years one dollar a cord. I might say that our experience with others was that if we tried to get royalties as much as two dollars and three dollars a cord the thing became uneconomical. We had two small operators down there operating for a small contract for the AND and incidentally they have discontinued because the wood cost them so much. That is for preliminary cutting. The one my honourable friend would be most interested in would be the rates if a third paper mill should be established. Under this agreement they would then have to pay two dollars a cord for any wood which would be exported, but any wood that was used in that third mill would be fifty cents a cord. The reason behind that is obvious, of course. It puts a penalty on the export of wood if there is a third paper mill.

As I say, these agreements have not been signed. One of the clauses in them is that the Government has the right to direct wood to any paper mill in the Province, to be disposed of at competitive prices, of course, to any paper mill in the Province. There is no possibility that any wood can be exported at the expense of a paper mill.

MR. HOLLETT: Do I understand that if there is a third paper mill there would be a charge of so much per cord?

DR. ROWE: That is on pulp-wood.

MR. HOLLETT: Does that not put it in an uneconomic position with regard to the other paper companies?

DR. ROWE: There we are in line with current practice in Canada and the United States. You see the other agreement the AND Company executed in 1903—I think it was—and the Bowater's agreement executed at the time when there was a serious depression in Newfoundland, and we think unfortunately, the Government of those days did not put some nominal royalty on pulp wood. As a result of this, today we cannot get one cent from that, in spite of the fact that there are over a million cords of wood being consumed. But now all new mills established across Canada and in the United States have to pay royalties, big or little, on pulp wood. So that this fifty cents I don't think is serious enough to inhibit the chances of a third paper mill, at the same time it serves a very important principle, if that mill consumes five hundred cords of wood a year the Government will benefit to the tune of two hundred and fifty dollars.

MR. BROWNE: I don't know if the Honourable Minister found the answer yet—I asked him before—Does the Minister know where they are exporting this pulp wood?

MR. ROWE: Well I don't know, and I don't think the company itself has finally decided, I believe they have offers to purchase wood from some of the local companies and offers from Mainland Canada, Quebec and so on. We don't know because we don't have any say in that at all. But we do have the right to direct the wood to any paper mill, at our say-so, in the province, if it is needed, and at competitive price.

Orders of the Day

Second Reading of Bill, "An Act Further to Amend the Loan and Guarantee Act, 1954."

MR. SPEAKER: I believe that second reading was moved by the Honourable the Premier.

MR. SMALLWOOD: Yes, I moved the adjournment of the debate. But I do not think I left anything that I wanted to say. I believe I completed my remarks. But I did indicate to the House that there were two items in the Bill the explanation of which would come from my colleague, the Honourable the Attorney General. One of these is the entirely new industry represented by the one million five hundred thousand dollars under the name of Atlantic Gypsum and the other is one of one million two hundred thousand dollars under the name of Newfoundland Hardwoods. I would suggest to my honourable friends opposite that they might wish to defer their remarks until the Attorney General has given his explanation. When he has done so the House will then have our explanation of all the items on the Order Paper.

MR. CURTIS: Mr. Speaker, during the last war, as you know frequent bombing attacks were made on London and it became necessary to take extraordinary steps to protect the airports and protect the town and to protect other points of importance. At that time a Mr. Norman Loudon was investigating the use of gyproc of gypsum, for the purpose of making buildings. At that time Mr. Loudon built an airport in a day or in a couple of days out of gypsum, dummy airports and dummy towns. I understand, Mr. Speaker, about ten per cent of the bombs that were dropped on London were, as a result, dropped on these

dummy airports and on these dummy towns. It was a great help to the Empire at that critical period particularly in the neighbourhood of London.

Now after the war Mr. Loudon continued the same use of gypsum, this time in a commercial and in a permanent manner. Gypsum is made just as it is made in the preparation of the wallboard except that it is poured into molds. Airpockets are left in between the molds, in the interior of the molds. Both sides of the walls are finished at one time. It is possible to bring in a piece perhaps twice as long as this table and pour the gypsum into it. One side is laid first and then there is an airpocket and the other side is laid afterwards. In the course of a very few minutes a block of gypsum is made which comprises both sides of a partition wall. In other words, in one moment they can make a partition wall anything up to twelve feet in height and three feet wide, and that partition wall is ready to install. It can be well seen that if one is building a house and had to put up a partition that partition can be just laid up in sections. In fact the best part of the partitioning of houses could be done in one day by that method, and it can be seen thereby the saving of labour which is now the all-expensive item in the building of houses. This gypsum is vermin proof and pest proof and is fire proof. I feel, Mr. Speaker, that future building in North America will be greatly altered as a result of the introduction of gypsum as a building material on this side of the water just as it has made great progress on the other side.

Any of my honourable friends who have been in the airport terminal in London, might be interested to know that all the partitions in this building

are made of that prefabricated gypsum. When I say prefabricated I mean fabricated on the spot. These machines are largely portable and can be brought on the job if the job is big enough. The walls can be made there and installed almost immediately.

Now I have in my hand a booklet prepared by them, which shows huge buildings nine stories high. These men operating one of these presses produced all the partition walls of these buildings on the site in about a month. You can imagine what an advantage that would be, in two months three men produced all the walls for that nine storey building, all the interior walls. I intend to table this booklet, but actually the picture of this house here is reproduced in the local papers. There is a house here, a seven room bungalow, which was built in one week and furnished. It just shows the possibilities.

Mr. Loudon has associated himself with Mr. John Lawrence of Glasgow. When the Premier and I were in Glasgow last summer we went and saw the gypsum house that we now refer to and we also saw some Lawrence flats, eighteen hundred of which were built by him in less than five hundred days. He used bellrock in their construction. Now "bellrock" is the name given to this product, which you might almost call prefabricated gypsum. In other words you buy from the factory the gypsum wallboard. You get the press and fabricate your own gypsum. This gypsum you can make in the field when building the house. You don't need any studs. Just put the gypsum up. The gypsum is a loadbearing material. If you want multiple floors you can make it strong by filling the crevices or openings in the panels with cement.

Mr. Speaker, I think this is a revolutionary discovery. We have been very fortunate in that the contract was first made by the Honourable the Premier followed by Mr. Pushie. Last year we made the final negotiations. These people, Mr. Loudon who invented the gypsum and Mr. Lawrence who has used it in building, have gotten together and have decided to come to Newfoundland. They have made an arrangement with us to take over the gypsum plant at Corner Brook. Now first let me explain—Mr. Loudon had had a gypsum factory in Jamaica which he sold years ago when he received a very attractive offer for it. We were interested to know when we were in Scotland that the gypsum there is not as good as the gypsum we have here. Their gypsum is of much poorer quality. They are greatly impressed with the quality of our gypsum here, and they calculate it is perfect for the type of work they complete here.

Now they are prepared, Mr. Speaker, to take over the management of the gypsum plant at Corner Brook and to continue it in operation as it is now being operated. In addition, however, they plan to go into the export of gypsum in a big way; to use this bellrock and have it available all over North America. Indeed plans are already underway. There is one over here on the south side now all ready to start work. Any day now it will be in operation, and members of the House will be able to see for themselves the product. The plant is at Corner Brook. An assembly plant is to be installed in Halifax, another in Montreal and another in Ottawa and possibly another in Toronto. Because as part of the deal the company has given Atlantic Gypsum Limited the sole right to gypsum products from

here to Toronto, exclusively. The Bellrock Company in London has given Atlantic Gypsum the monopoly, as it were, of this method of prefabricating gypsum, and we have planned to install it from here to Toronto for the purpose of distributing these panels.

Now the raw material is all to come from Corner Brook. That is to be stipulated. The agreement provides that all the gypsum is to be supplied by the Gypsum Plant at Corner Brook. It will provide an outlet for a lot of gypsum which cannot be used in the wallboard plant, just because the wallboard plant is already working at capacity, and they can produce more gypsum than the plant can use. So that this additional gypsum will be sent to St. John's, will be fabricated at Corner Brook and sent to Halifax, Montreal and Ottawa and there converted into panels. We in St. John's expect to see the first home built of this gypsum. I would like here to correct the statement which appeared in the recent newspaper, where it was suggested that I was to be offered, and I was doubtful as to whether or not I would accept a gift of a gypsum house. This is dishonest journalism. There was never any question of my being given a house. The suggestion is this: I had the land. I was prepared to build a house and was prepared to contract with the gypsum people to experiment with using that material in the house. But there was never any question that they would not charge me for the gypsum and that I would pay the usual price. The question I did raise was whether or not, under the Disability Act, I could make such an agreement with the company and whether in fact I could buy the product at all. But I want to make it quite clear, it was

never suggested that the house should be a gift. There was no question of my accepting it. I say it is dishonest reporting and dishonest journalism to try and make any such suggestion.

Now, Mr. Speaker, as to the agreement. The agreement was made in August 1955 between the Government, represented by the Minister of Economic Development, and Bellrock Gypsum Industries Limited and Atlantic Gypsum Limited, the latter being the company at Corner Brook. Bellrock is a company organized under the laws of England. Atlantic Gypsum, of course being incorporated under the Newfoundland Companies Act. The Government owns the gypsum plant in Corner Brook and in conjunction with it they operate a gypsum quarry at Flat Bay. Atlantic Gypsum, controlled by the Government, operate the plant and quarry. Under the agreement "Bellrock" undertakes to take over complete management of Atlantic Gypsum on a date to be agreed. The date agreed was fixed in the agreement. I think it was the 30th of September. The directors of Atlantic Gypsum are to be nominated by "Bellrock" except two to be nominated by the Government. "Bellrock" undertook to insure the plant and quarry would be kept in good running order and insured against loss or damage, which loss, if any, is payable to the Government. All salaries, wages, commission or management fees paid by Atlantic Gypsum while that company has any loan from the Government or is indebted to the Government shall be subject to the consent and approval of the Government Directors during that time. Atlantic Gypsum, without the consent of the Government, shall not pay any fees to directors except those in the opinion of the Government Directors active in

the business of Atlantic Gypsum business. All transfers of fixed assets and alterations in the company also must be kept proper account of, and the Minister must be supplied with a financial statement annually. Under the agreement "Bellrock" grants to Atlantic Gypsum exclusive rights for the manufacture of "Bellrock" panels in Canada East, including Toronto, on a royalty basis. The royalty, Mr. Speaker, is eighteen cents a square yard, which royalty comes to about fifty dollars a house, a quite large house.

The Government will empower Atlantic Gypsum to install a shipping port in Newfoundland together with necessary equipment. This particular aspect, Mr. Speaker, we contemplate, will require this guarantee we are giving. I don't think the company would need any guarantee in the normal course. It is purposed to export gypsum in the raw state as an auxiliary operation. To do that we have to have a shipping port, and we have to locate that port as near as possible to the best supplies of gypsum available for that purpose. I may say that point has not yet been definitely ascertained. Enquiries have been made and drilling has been done to ascertain the location of the best pocket of gypsum available—that has not yet been definitely decided.

MR. BROWNE: In Bay St. George's?

MR. CURTIS: We have been looking in Port au Port.

Actually this one million and a half we are looking for may not be used this year and may not be used next year. It will be used just as soon as the company decides from which point or port they want to export, where it has to put in its quarry, and where

it is to have its shipping point and where it will have to build its piers. Naturally if they can use existing piers there won't be the same need of the money. Therefore we are asking for this one million and a half dollars today not because it is urgently needed, not because it may be used within the immediate future but in accordance with the agreement we undertook to supply them with that money for this purpose as and when it was required.

The Atlantic Gypsum will pay five cents a ton on all raw gypsum quarried from Crown Lands. The Government has agreed to this advance. The loan is to be made available as and when called for by the directorate which is not to exceed five persons; the five directors will have authority to control the expenditure of the loan received, and Atlantic Gypsum will not make any expenditure out of the loan without the approval of the directors. Any property paid for out of the loan is to become the property of the Government.

The Government has granted Bellrock the option of purchasing Government shares in Atlantic Gypsum and they may exercise their option in twelve years of the signing of the agreement. I feel quite satisfied in my mind, Mr. Speaker, that none of this money will go outside the country. It is not in the interest of these people to bring money earned here to Great Britain. There the tax structure is such that a hundred per cent of any monies paid to them would be paid as income tax, anyway approximately one hundred per cent. So there is actually no advantage in their taking the money out of the country. I feel that all the investment, all the earnings will stay here and will go toward the payment of the outfit.

The agreement is a very satisfactory agreement. It took some time to work it out. I believe it protects the Government very largely. The price they are to pay for the gypsum property and for the mill is to be the entire cost to the Government to date of the property. In other words every cent that the Government put into the property is to be paid back by way of purchase.

MR. HOLLETT: What is the purchase price?

MR. GURTIS: It is as just stated to be, the entire investment of the Government, the entire cost to the Government to date is to be the purchase price. The only thing we do not stand to get back is the interest on the money during the time it has been tied up. On the other hand, even for that price we can establish an industry that will be revolutionary in Canada. Therefore I think we have something. I do believe that this development will mean the advantage of cheaper houses. It has always been my contention, Mr. Speaker, the cost of housing in Newfoundland is too high. I think the introduction of gypsum panels from Atlantic Gypsum will greatly curtail and reduce the cost.

Now, Mr. Speaker, in connection with the other item, one million dollars to Newfoundland Hardwoods. This plant, as all honourable members who have been in there have seen has taken on a new lease of life. An agreement was entered into between the Minister and Mr. Samuel Grant and Associates. These men have taken over the operations of the birch plant. The shares have been hypothecated by the former owner. When the Government accepted the liability of the bank the shares reverted to the

Government. The Government has transferred these shares to these operators. These operators undertake to hold these shares or at least the majority of them and to operate the company in a thoroughly businesslike manner. Those of us who have visited the plant will see that they have done just that. Mr. Grant and his associates have a plant in Montreal. They also have a plant in Paris. They are particularly desirable people to do business with, inasmuch as having these plants they have two outlets. Not only have they the outlets but they have the means of securing raw material. That was the difficulty which the former operator could not overcome. Mr. Grant has made at least two trips to Africa in order to buy mahogany logs. The products of this plant in mahogany is outstanding. Just at the moment they are having a little difficulty with competition from an imitation mahogany in Canada which for the moment just clogged up the demand. But these men are resourceful and are every day introducing new products. They will, I feel quite sure, make a thorough success of this operation.

When we made the agreement with them we contemplated that they would only need about three hundred thousand dollars in working capital and about sixty thousand dollars to be spent on additional machinery. But time has shown that that was not sufficient. It would have been sufficient had they retained the former methods of operation but when they found that they had to import mahogany from Africa and when for a while they had to cease operations because they had no raw material they decided that the only safe thing to do would be to carry very heavy inventories of stocks. They did that

and the result was they needed more financing in order to enable them to do so. The company found that in producing wood they could not go into the woods and take out veneer logs. Veneer logs are very selective and the cost would be enormous if it meant they went into the woods and brought not only veneer logs. For that reason some time ago when we found the asphalt at Clarendville was closed down the company asked the Government if we would assist them to buy that mill and go into production of railway ties and creosoting them generally. The Government did find the necessary money. I think we got the plant for one hundred eighty-five thousand dollars. It cost over half a million dollars. It had been used for a number of years and had done a very successful business.

As a result of acquiring that plant Newfoundland Hardwoods has now been able to compete. It has a contract to supply, as I informed the House the other day, a hundred and fifty thousand cords. I said two hundred thousand but it is one hundred and fifty thousand ties for the Canadian National Railway last year. The operation was not altogether successful. They only succeeded in getting twenty thousand ties delivered instead of one hundred and fifty. But their equipment is all in the woods and a lot of the ties are there and this year they are hoping to be able to complete the delivery of the balance of the one hundred and fifty thousand, the contract for which, by the way, was not only extended but extended at an increased price to enable them to handle the ties.

They have also been able, with this new mill at Clarendville, to supply St. John's City a number of town councils and the highroads with the nec-

essary asphalt for roads. There is no question about it, Mr. Speaker, that this particular branch of the industry is going to be a very successful branch and is going to be self-supporting. But at the beginning they need the extra accomodation to supply ties, to supply the men in the woods, to stock the asphalt, to carry on business. That together with the needs of the plant in at Donovans made it necessary for them really to get greater accommodation. The Government has agreed, therefore, and has brought in this Bill to authorize us to give a guarantee to them up to one million two hundred thousand dollars. I feel personally quite happy about this company and about its future. In fact I feel very enthusiastic about both these companies' future and the future of the General Cement Company at Corner Brook. Of course when you give a guarantee you cannot brush off the fact, if you give a guarantee you are under an obligation. It may go sour and you may be called upon to pay it. I feel however that both these guarantees the Premier left to me to sponsor will result in no charge whatever to the Government but will in fact give continuous employment to many hundreds of people.

MR. BROWNE: Mr. Speaker, is the Attorney General going to table the agreement? I asked a question of the Minister of Finance about them but they have not been tabled yet.

MR. HOLLETT: Mr. Speaker, in rising to say a few words on this second reading of the "Loan and Guarantee Act" we may be pardoned perhaps if we appear somewhat prejudiced against some of the items which are outlined as demanding a total of ten million six hundred and twenty-two thousand dollars in guarantees from the Government,

Without going into the past too much we would be pardoned, I believe, if we say that we are justified in looking askance at all new loans and guarantees made by the present administration. Now we do know that making guarantees is a dangerous procedure nine times out of ten. Like the lending of any money it is a dangerous procedure to the person who lends it. It is fraught with some difficulty on many occasions, and much more so when the money is loaned or guaranteed by a Government.

In referring to that I would like to go into it briefly item by item. I would say at once that all these guarantees which have been made to school boards such as the Corner Brook Amalgamated High School Board and the Roman Catholic School Board of Greater Corner Brook and the Church of England Board of Education, Conception Bay South and Fortune United Church Board of Education, the Amalgamated School Board, and the Grand Falls Amalgamated School Board and Stephenville, we admit right off that these are absolutely essential. They are to improve the public services with regard to schools and any Government or any Opposition would be perfectly right in supporting these ideas, these loans, or these guarantees to enhance the educational facilities which they would afford to our children. So there is no comment except to say that we are in full accord with these guarantees. We have not got these things itemized. We are not concerned about that. We believe it is going into the hands of responsible citizens of Newfoundland.

MR. SMALLWOOD: What is?

MR. HOLLETT: It does not say what the Board is going to do.

MR. SMALLWOOD: Build a big Regional High School.

MR. HOLLETT: As I say, it is going into the hands of responsible citizens of Newfoundland and no doubt it will be used with great caution and to the best interest of the people of Newfoundland.

I come now to Adlers' of Canada, Limited six hundred fifty thousand dollars for a chocolate factory. All I have to say about that is that it is one hundred and fifty thousand dollars more, I believe than was first intended, I believe one hundred and fifty thousand dollars extra has been granted to Adlers' of Canada, Limited, and I take it some of that is for working capital.

MR. SMALLWOOD: That is not so. None of it is. It is for further buildings.

MR. HOLLETT: I see! The company has only been in operation for about three months. Personally I do not intend to say anything that would in any way hamper them in their operations. As we know the early operations of any company are pretty ticklish and I think the less we say about Adlers' at the moment the better.

MR. SMALLWOOD: So that we won't become addled by Adlers'.

MR. HOLLETT: I am not, unless I eat too much of Adlers' Chocolates. We will give Mr. Adler a chance to see just how he will get along. I cannot understand why he should have suddenly discovered he was one hundred and fifty thousand dollars short of what he actually needed. However he had it.

In the matter of Atlantic Gloves Limited. They have been here long enough to criticize the life out of them

if we minded, and to establish enough working capital to carry on. I would say they have been making gloves for a considerable period now. But now we find the Government has to advance another fifty thousand dollars as working capital, and I have to put Atlantic Gloves Limited as yet in these doubtful risks which are very far from having made good. Some of them have made very bad—closed up—bad machines—old machines—worn out machines and obsolete machines. Even the one we are talking about today, Atlantic Hardwoods, has an engine out there ninety years old, I believe, a steam engine. I believe the Honourable Premier said it was ninety years old and still going strong.

Coming to Atlantic Gypsum, I believe it was the last session of the House we were informed Atlantic Gypsum was now on its feet and in the export business. We did not expect to have any further call from Atlantic Gypsum.

MR. SMALLWOOD: That is so—it is still correct. It is the case. I say again now—it is the case.

MR. HOLLETT: So it comes rather as a surprise to find this company, who were on their feet and gone into the export business, doing well, suddenly deciding to sell out—suddenly deciding to sell out to Bellrock for the amount of money which the Government has already spent upon it. That reminds me very much of an agreement made in connection with the cement plant. As I remember, the cement plant cost this Government, the people of Newfoundland, four million seven hundred thousand dollars. It was sold out to a concern for that amount. We did not get any money back yet, of course, and don't expect any for a long, long time to come. I hope this one is not on a par with the

cement plant. Although I have nothing to say against the cement plant. Neither have I anything to say against the gypsum plant, except that it is so difficult, so difficult to make one's mind up on any of these particular industries unless we know exactly the position with regard to their finances and their markets and their various capital requirements.

Now the Atlantic Gypsum Limited and the story of the "Bellrock" people has just been told by the Honourable the Attorney General. To hear the Honourable the Attorney General introducing it one would say, what a revolution—I myself would say nothing at all about it. I do not intend to say very much. I have already said it comes rather as a surprise to find the directors of the Gypsum Plant are selling out to the Bellrock people. It comes rather as a surprise to learn that these people have brought in such a novel and revolutionary idea in house building and construction and should need at the outset from the Government of Newfoundland a guarantee of a loan of one million five hundred thousand dollars. If they can build houses as has been explained by the Attorney General, and in all probability they can, and we take his word for it. He believes that and we believe him—if they can build houses of that kind in such a short time and in competition with the present methods of building houses not only in Newfoundland but all across Canada, I don't understand how it is that private industry through the banks do not take more interest in it and advance the money overnight for the purchase of Atlantic Gypsum. I cannot quite understand it, the proposition that has been made here today with regard to building houses seems to be revolutionary, so electrifying that one would have thought they

would have been grabbed by private industry through the banks and go on to raise their loan without any guarantee.

MR. CURTIS: I think they would (if I might interrupt)—The only thing is we want them to use the Newfoundland Gypsum. They have no trouble to get it using other people's gypsum, We want them to use Newfoundland Gypsum.

MR. HOLLETT: That sounds quite reasonable, and I take the Attorney General's word for that.

At any rate we have to remember that we have now signed on the dotted line for another million and a half dollars in connection with Atlantic Gypsum. I don't really know how much is at stake in connection with the gypsum business in Newfoundland, but I believe it must be somewhere around, including this guarantee, four and a half million dollars.

MR. SMALLWOOD: A bit over three millions.

MR. HOLLETT: With this added in?

MR. SMALLWOOD: No. This is a new industry altogether. This is an entirely new industry.

MR. HOLLETT: I thought it would be expended in connection with gypsum.

MR. SMALLWOOD: No. It has nothing to do with the gypsum plant but with gypsum deposits.

MR. HOLLETT: The gypsum has to be produced from the property in Corner Brook?

MR. SMALLWOOD: Only what is calcined, but raw gypsum they will ship off directly from gypsum deposits.

It has nothing whatever to do with Humbermouth or Corner Brook.

MR. HOLLETT: It would not be done through the gypsum plant?

MR. SMALLWOOD: No. The one company will operate both but it is a new industry.

MR. HOLLETT: At any rate the very word "gypsum" does bring up the ghost of four and a half million dollars as far as the taxpayer of Newfoundland is concerned. The Attorney General coined a very appropriate phrase there when he said that in future you will be able to prefabricate gypsum. I hope the Attorney General and the Government on the opposite side will confine their fabrications to gypsum. I hope the history of gypsum and the new plant will be one of the successes, something that will redound to the credit of this Government which has had so many bad knocks over some of the plants which have been brought in.

Now, the guarantee of the loan of sixteen million dollars in connection with the fisheries. Nobody has anything against any help which may be given in a reasonable way to the fisheries. But I am surprised to see that our old friend, the Bonavista Cold Storage and Bonavista Fish Meal and Oils, Limited are breaking into the news again as far as the finances of Newfoundland are concerned. Bonavista Cold Storage is to get three hundred and fifty thousand dollars and Fish Meal and Oils Limited eighteen thousand five hundred dollars. Now, I don't know if there is a connection or not. I hear the directors of these firms are receiving fabulous salaries. I have not been able to check that, and therefore I leave it at that.

MR. SMALLWOOD: The honourable gentleman knows the reason for

most of that money. The reason is that in the town of Grand Bank the original idea was that a large part of the capital for that business, that new one million and fifty thousand dollar plant would be subscribed by a considerable number of leading citizens. For a number of reasons they never did so. This is not to make up for that deficiency. The company was left without the money —

MR. HOLLETT: In any case, if they do anything to improve the lot of fishermen along the coast, anywhere along Newfoundland, I have nothing against their guarantees of a loan to companies which are prepared to go at it in the right way.

Now, I come to Eckhardt Mills. There again we get another not only surprise but a shock to find out during the past year the Government had to supply them with another three hundred and forty-five thousand dollars—These Eckhardt knitting mills not only knit sweaters and socks and at least import some of them but also make concrete blocks and build garages and all sorts of things. They are really into the building business, I understand.

MR. SMALLWOOD: They were until we stopped them.

MR. HOLLETT: The Premier states they have put a stop to that sort of thing. After all it was quite a blow to our people to know they have engaged in competitions as far as building houses and garages and all that sort of thing. That has been put a stop to. Eckhardt Mills, Limited, three hundred forty-five thousand dollars. I don't know whether the Honourable Minister could tell us exactly how much now is guaranteed and paid out to Eckhardt Mills. I don't sup-

pose he could. I doubt whether anybody knows.

We came across a case yesterday where it was very difficult to know just what was owned in connection with something.

In connection with Hanning Electric Company did I understand —

MR. SMALLWOOD: They are one of the firms which have not so far broken even.

MR. HOLLETT: Yes, that is the note I have here—one of the firms that so far has not broken even.

MR. SMALLWOOD: They are one of the five.

MR. HOLLETT: Oh, one of the five!

MR. SMALLWOOD: I said they were one of the five which we hoped shortly to be breaking even, which would then leave only four and we think of these, two will be breaking even in another year or so.

MR. HOLLETT: Well, the other four were Koch Shoes?

MR. SMALLWOOD: No—Atlantic Gloves, Limited, Hanning Electric. When I said five I think I included Eckhardt Mills but Eckhardt Mills is now on an even keel—That would be three, Adler's is four and there is one other—There were five. But one or two of these have since ceased to be one of the five. Superior Rubber was one. It has folded up altogether. That was one of the five.

MR. HOLLETT: Now, Humber Gardens one hundred thousand dollars—Everybody knows about that. You see, Mr. Speaker, it is very difficult for us to say very much about an industry like Koch Shoes. They have had such a

checkered history. The management has been changed.

MR. SMALLWOOD: Once.

MR. HOLLETT: Twice—with one man Schievers kicked out.

MR. SMALLWOOD: Schievers was not even in Koch Shoes.

MR. HOLLETT: Well, in an affiliated company. Now they have received another three hundred thousand dollars, I quite realize that any industry like that established by a Government setup that it would be fatal almost for the Government to go into liquidation.

MR. SMALLWOOD: Does not the honourable gentleman admit that it is not only the new industrial plants we have had to lend additional money to, but we have done so to date with purely private companies, which find they still need more and come back and we have to give them more money. Bonavista Cold Storage is a case in point. We have to find them another three or four hundred thousand dollars, perfectly reputable, good, well-established firms but they need more capital. We have a mortgage on all their property. They could not go to the banks but could only come back to us.

MR. HOLLETT: I am afraid it is rather unfortunate and significant to note that all down through the last five years or six years any company to whom the Government loaned money nine times out of ten came back for more.

MR. SMALLWOOD: They needed it.

MR. HOLLETT: Take Fisheries Products, for instance, one million two hundred seventy-five thousand dollars,

again bringing the amount up to nearly five million dollars.

MR. SMALLWOOD: If they come along with a plan for another plant or a plant in another place or in two or three places, if it is approved, we will have to finance them or these plants won't be built. What can we do?

MR. HOLLETT: The Honourable the Premier must remember he himself is getting a little concerned.

MR. SMALLWOOD: I would rather it were another firm than have all the eggs in one basket, but if no other firm wants to do it and Montoe will, do we say—"No"?

MR. HOLLETT: No, if there is only Monroe well let him do it, and our blessing will go with him. It is almost getting to the point where Fisheries Products have perhaps what approaches a monopoly on fishery products, on the export of fishery products, shall I say, to the rest of the world.

MR. SMALLWOOD: They now handle perhaps ten or twelve per cent of the value of all fishery products exported from this country.

MR. HOLLETT: More than that of fresh fish. You must remember there is a lot of salt bulk fish and they don't handle too much of that. They do handle some. But it is getting to the point, as I say, where here is a firm handling fishery products and they are exporting fish. They are taking it from the fishermen. It is true they are paying them a price which I hope will some day be much higher.

MR. SMALLWOOD: So do I.

MR. HOLLETT: Exporting that fish in competition with several other

firms who have not received the same kind of help from the Government.

MR. SMALLWOOD: What firm is there that has not received financial assistance? In the frozen fish business what firm has not been helped financially?

MR. BROWNE: Job Brothers.

MR. SMALLWOOD: We lent Jobs around a million, this present Government.

MR. BROWNE: Did you get it back?

MR. SMALLWOOD: Some of it. We sold one of the ships. We insisted on having that part of the loan repaid to us. But there is not a fish firm in Newfoundland today that has not received money from this present Government. Some of them are twenty year issues and others for ten, twelve and fourteen years.

MR. HOLLETT: Well, all I can say is this: We have no objection to loans to reputable firms with this province—and I am quite sure that this provision is being carried out and will be carried out more so in the future than now—that the Department of Fisheries, probably through their Fisheries Authority, will keep an eye, a critical eye on it.

MR. SMALLWOOD: Let us say—a sharp eye—

MR. HOLLETT: "A sharp eye" is a very good phrase—A sharp eye on the activities of these firms, and not only on their activities but on the prices which are being paid to the fishermen and on the prices that are being received by the export trade. Nobody wants to know publicly. We don't want to state publicly what these firms received for the fish they export but we do expect the Government, on be-

half of the people of Newfoundland, whose money has been advanced to these fish companies, to see that the fishermen who bring the fish in get a square deal. I would implore the Minister of Fisheries and the Premier and the Government and their Fisheries Authority to keep, as the Premier says, a sharp eye on the export activities of these firms.

Mr. C. F. McLellan is in the news again but only for sixty thousand dollars.

I come now to Newfoundland Hardwoods Limited, which has been introduced by the Honourable the Attorney General. There again one finds difficulties because one has not all the facts. But we have to remember that we are now guaranteeing to this plant, this man Grant who is running the Newfoundland Hardwoods Limited, a further one million two hundred thousand dollars.

MR. SMALLWOOD: The honourable gentleman understands that is for the past. That is not for the future. It is done. It has actually been done in the past.

MR. HOLLETT: But I wonder is the Honourable the Premier able to assure me that the mess found by Mr. Grant when he went into that has been adequately taken care of and cleaned up?

MR. SMALLWOOD: I can assure the honourable gentleman that there has been a very great improvement, almost great enough to call it a revolution in the operation of the plant, as would be expected when it was taken over by a man who has spent his life in precisely that kind of plant.

MR. HOLLETT: Well, that is what I was hoping.

Would the Honourable the Premier now that he is speaking tell me just how many people?

MR. SMALLWOOD: I am not speaking.

MR. SPEAKER: If the Honourable the Leader of the Opposition will forgive me—These interruptions are allowed only by courtesy of the member speaking.

MR. HOLLETT: I am very courteous, Mr. Speaker. That is my second name. I expect the same courtesy from the opposite side.

MR. SMALLWOOD: It is around three hundred in and around the mill alone.

MR. BROWNE: Three hundred people, not all men?

MR. SMALLWOOD: No. Seventy per cent of them are men.

MR. SPEAKER: I think the Honourable the Leader of the Opposition has the floor. He cannot continue his speech because three members are speaking at one time.

MR. HOLLETT: Yes—It is very difficult, Sir, to get a word in edgewise, I must admit. Well, even so, three hundred people, averaging two thousand dollars annually. That is six hundred thousand dollars. So really there is no great objection to the Government guaranteeing the loan. But there again we have to keep that sharp eye and ever sharp and ever more sharp.

Shortly, we are going into an election, and I could make all sorts of politics out of this, Sir, but I do not intend to because we on this side of the House are just as interested in these new industries succeeding as is the Government. We don't want to

say anything that would in any way be harmful to them. But we do say to the Government: there is an awful lot of money going out and we expect soon to see more results and if there are three hundred people here, say, getting two thousand a year, and that is putting it very mildly, then I say we are getting some results. How long that will keep up we do not know. We hope it will continue and that it will improve.

Our old friend William Dorn—a Newfoundland citizen by now—Newfoundland Tanneries, one hundred sixty-three thousand dollars. Then I come down to Superior Rubber Company, Limited. I do not intend to say very much about that. I intend to leave that to my learned friend here who I believe is an authority on the Superior Rubber. I don't think there is any doubt that he is an authority on Superior Rubber. In fact every time we come to this House we can smell Superior Rubber, and the smell is not pleasant. It took two hundred thousand dollars. I understand that was guaranteed here to clean up the rubbish. I understand it is not cleaned up because all the old machinery is still up there. Really I don't know where they are to put it when they take it out, maybe for scrap. That is a very sad episode in the history of the Government. We tried to introduce here some time ago a report which indicated that ninety-five per cent of the supposedly worthwhile machinery was over thirty years of age. Now, you will remember, Sir, that under the original agreement with Superior Rubber to bring in their machinery that was supposed to be passed, and passed before the duty was paid and passed as "A-1" machinery and new machinery. Somebody pulled the wool over somebody's eyes and consequently we had out there a derelict

plant, and a building which was a hard sight to look at, not pleasant, and it is not pleasant to go through Holyrood and see that plant in the condition which it is there at the present time, that building.

Then there is the Trans-Island Development Corporation Limited—I am not going to say anything about that. I leave that all to my learned friend—I will say that it is apparently a guarantee of one million three hundred fifty-five thousand dollars in connection with the tourist industry and the building of hotels or motels, as the case might be, across Newfoundland. I know absolutely nothing about it, therefore I am not competent to speak. All I am content to say is that one million three hundred fifty-five thousand dollars will be guaranteed and will be paid out undoubtedly by the Government and will undoubtedly become a cash loan to this corporation.

MR. SMALLWOOD: No. It is a guarantee of a bond issue.

MR. HOLLETT: I know we have guarantees of bond issues all down through the years, the Honourable the Premier will admit.

MR. SMALLWOOD: This is entirely different.

MR. HOLLETT: All these companies even Superior Rubber were supposed to raise money on the Government's guarantee, there is not a question about that.

MR. SMALLWOOD: They were cash loans to be repaid out of the proceeds of any bond issues which—

MR. HOLLETT: Which you guaranteed.

MR. SMALLWOOD: No, no, cash loans. They agreed in the agreements to repay the Government out of the

proceeds of any bond issues they would issue. They never did issue any. This hotel thing is a straight bond issue proposition. We are not lending them any money. We are guaranteeing money on these bonds, but not cash.

MR. BROWNE: How do you know they are going to get any bonds.

MR. SMALLWOOD: The bond houses are ready to float them as soon as the Government guarantees them.

MR. BROWNE: They were to do that with NALCO too.

MR. SMALLWOOD: That is true. If they don't do it they don't do it and that is all.

MR. HOLLETT: I am trying to figure out the extent of the indirect debt now—I don't know whether the Honourable the Premier could tell me. I have an idea it must be somewhere, particularly when we take into consideration the Wabush Lake Railway guarantee of sixteen and a half million dollars, in the vicinity of forty-five or fifty million dollars. My estimate is about forty-five millions, maybe I am wrong.

MR. SMALLWOOD: I don't remember the figure. I know we are handsomely covered.

MR. HOLLETT: I know. We had a mortgage on Superior Rubber Company.

MR. SMALLWOOD: I am talking about all, not just one. It is not even good argument, good debate, to harp always on the one out of several thousand things we have. That does not get you anywhere.

MR. HOLLETT: I agree with the Honourable the Premier. We should not harp so much. As a matter of fact that is one of the "ten command-

ments"—Remember, Mr. Speaker, "Do not criticize the Government."

So with these few remarks, Sir—but don't let us forget (and I will have further to say about that on the Loan Bill) our direct debt today is fifty-five million dollars, and our indirect debt (and I say this with a little reservation, as I am not quite sure of the amount) is in the vicinity of forty-five million dollars. In other words our direct and indirect debt amounts today to close to one hundred millions of dollars. I am one of these (is there others in the House?) who lived away back in the thirties.

MR. SMALLWOOD: The honourable gentleman has to deduct from the total figure the sinking funds and he has to deduct the eleven million dollars in Ottawa.

MR. HOLLETT: Don't do that—Don't deduct from that.

MR. SMALLWOOD: That is cash you must deduct—You have got to do that.

MR. HOLLETT: I am not referring to the schools and other guarantees that are there for the public services. Guarantee them all that you may within reason. But otherwise you have to be very, very careful. With these remarks, Sir, I leave the rest to my learned friend here. We are certainly not opposed to the Bill. These things have to be done according to the statement made by the Honourable the Premier and by the Honourable the Attorney General. I would say they have been fair statements. They have not given us all particulars, and I don't suppose they ever intend. We don't expect them. So we have to keep on ferreting and ferreting. We are doing that now not because we want to criticize the Government, but

it is our duty. I believe by so doing we are helping the Government to get down that cloud, that dirty airy-blue cloud on which they have been soaring since 1949. I don't blame them very much, Sir. I would like very much that you would not blame them very much. They were left, like the prodigal son, they were the rich man's sons and had that forty-five million dollars cash. They had no debt and could borrow money overnight anytime they wanted. They just went to wing on an airy cloud, Sir, away up in the blue. They are just now beginning to get their feet on the ground. They are just now coming down to earth; I am hoping, although we do have to suffer the tragedy of the return of the Liberal Government in the next election I am hoping, Sir, they will keep their feet on the ground and that all loans and guarantees in future will rebound to the credit of Newfoundland.

Thank you, Sir.

SMALLWOOD: Here! Here!

MR. BROWNE: Mr. Speaker, the Premier reminded us the other day of the policy of some of his previous forecasts. I would not have thought of referring to his speech, "Newfoundland is on the March," in 1952 if he had not brought it to my attention.

MR. SMALLWOOD: That is hard to credit. The honourable gentleman carried it around in his top pocket, and puts it under his pillow when he goes to bed.

MR. BROWNE: I have been carrying it since yesterday. I know he would like to know that I have been reading this very liquid prose of his. I could not help referring to page thirty-one of his speech, when my honourable friend, the Leader of the Opposition, was talking about our

public debt. Here is what the Premier said about our public debt in 1952:

MR. SMALLWOOD: Read it all now, not the whole speech but all I said about the debt.

MR. BROWNE: "Our Public Debt is three and three-quarters millions net, or less than nineteen dollars per head as against the next lowest in all Canada, that of Quebec which is eighty-two dollars."

Now our public debt today, when this loan goes on the market is fifty-two million and against that debt in Ottawa there is eleven million dollars, and our sinking fund is about five million dollars. So that is sixteen millions. That is thirty-six million—So with a population of four hundred thousand—

MR. SMALLWOOD: It is nearer four hundred twenty-five thousand. Don't polish off twenty-five thousand Newfoundlanders.

MR. BROWNE: It makes the calculation a little more difficult, but if we are to add in the loans made since these guarantees were given I imagine four hundred thousand would be a fair figure to use as a dividend—we get ninety dollars per head. That of Quebec in 1952 was only eighty-two dollars.

MR. SMALLWOOD: That of New Brunswick a couple of hundred per head or more.

MR. BROWNE: Maybe! But the point is that the Premier in these days were counting on that happy situation continuing, and he assured the province that financially, economically and industrially as well, that our public debt would not be increased at all. He went on to say: "Our whole

economy is incomparably richer and stronger now than it was then. Then we were a separate British Dominion, with all the trappings of an elephant on the back of the proverbial mouse" (that is 1932 of course).

Now I am sure he will not expect me to read everything he said about what things were like before. So I will come on to the bottom of the page.

Here is a summarization of his policy:

"We shall continue our policy of surplus budgeting on current account."

Now, Sir, when I realize that with the money that he has spent from the surplus of thirty-five million practically, with the thirty-eight millions he spent of borrowed money since 1952, seventy-three millions on the credit side, Sir, he has assets to show. It is not all a liability. There is something to show for it. But his intention then was to act like the Dominion Government and collect sufficient taxes to allow him a surplus out of which he could conduct enterprises on capital account. He was beginning to realize he could not do it at the rate he was going. He was, as I have said before, so ambitious to set this country on its feet industrially, to make it a glowing success during his term of office, that he could not satisfy himself with the surpluses. He needed too much money. So they have had to have recourse to the borrowing market and was not greeted by cheers by the people whom he went to for the money. They did not like the way he was acting down here, getting through the surplus left to him by the Commission of Government so rapidly.

His second point was "we shall continue to make expenditures on capital account to improve our public

services, but shall not borrow to do so."

Now, Sir, I don't mean to say anything more than just read that out.

MR. SMALLWOOD: That is not all. There is more than that.

MR. BROWNE: You can go on. But that shows how much the policy of the Government has changed: "(3) We shall continue our policy of economic development, but turn increasingly to the Newfoundland and Labrador Corporation as the means of accomplishing that development."

There was a high hope. We listen today to glowing promises of Bellrock and we see twelve storey high buildings going up, put up by three men in nine days. We figure out how many thousand of houses can be built around Newfoundland by one man in one year. We have done all these calculations. We are reminded here of the high hope that was set before the people of this country in 1952 and in fact all the time since the Premier has been in office. He has never ceased to put high hopes forward. The unfortunate thing is, he talks in such a convincing way he is able to get people still to believe him. It is a remarkable feat for a single man to continue to make mistakes and yet be able to get people to believe him, although there are not as many who believe him now as believed him then, certainly not in Corner Brook.

MR. SMALLWOOD: Wait until the votes are counted—don't—

MR. BROWNE: I am prepared to wait. I am prepared to wait even beyond that time. But he knows himself that he has lost a great many of his former supporters and people who had faith in him.

MR. SMALLWOOD: I don't believe that for one moment.

MR. BROWNE: It would be a strange thing if it were not true, anyhow.

"4—We have completed our programme of building industrial plants out of public funds. No more such plants will be built."

That is interesting too when we see one and a half million dollars which has been almost equal to the purchase price of the first gypsum plant being voted for a second gypsum plant.

MR. SMALLWOOD: It is not a plant at all. It is not an industrial operation at all. The main part of it is shipping raw rocks.

MR. BROWNE: I did not think that was the main part of it.

MR. SMALLWOOD: That is the main part of it.

MR. BROWNE: The main part of the speech of the Attorney General certainly had to do with the manufacture of this bellrock. I take it what has been done is that company brought its patent over here and expect to be able to enter the Canadian market in a big way, and they are doing so with Government assistance to the tune of one and a half million dollars, and at the same time there are getting one point two million dollars. Now if we add the cost to date on these two plants alone we get the gypsum plant up to nearly four million dollars and now another one and a half million, practically five and a half million dollars invested by the Newfoundland Government, and we have the cost of the birch plant nearly four million dollars and we get over five millions of dollars. Yet in 1952 we had reached the end of Government enterprises. These are

still Government enterprises, and there is no light let out to either of them. Is there a man here in this House who can say he really understands the agreement with either of these companies after hearing the speeches of the Premier and the Attorney General?

Take Newfoundland Hardwoods, three men, hitherto unknown, have come here and taken over the operation of the Hardwoods. They were allowed three hundred and sixty thousand dollars for working capital and for new machinery. After they got started they said they had not enough they wanted more. "We got the big shipment of mahogany from Africa. We did not understand we could get the mahogany before?" They must have known they could not get mahogany in Newfoundland. Sir, what the Leader of the Opposition said about the state in which the new management found the birch plant only goes to show what a bad bargain the Government made with the first operators. They put a man in charge of a four million dollar, or what ultimately became a four million dollar industry who had never been competent to operate such an industry. It was beyond his abilities. They trusted it to him on the most curious agreement that ever was drawn up in this country—To give a man the powers to build a plant and keep no supervision whatsoever over what was doing, none whatsoever. The House should be reminded of this; there was nobody in a position to certify that quantities of material as ordered were delivered, that quality of material as ordered was, what the quality was, what was called for.

The result was that the Premier himself admits he eventually had to certify every item of it before it could

be paid. The Auditor General had to bring his attention to it. So there any order then the new management says when he took it over it was in a delapidated condition. There were antiquated steam engines to begin with. My honourable friend, the Leader of the Opposition has referred to the fact that the Premier was bragging about it. One of the first things the new management, Sam Grant, did was to throw out the old and put in a new machine, steam engine.

MR. CURTIS: An electric motor.

MR. BROWNE: He put in a new power plant and threw out the old steam engine which was there. It must have been very inefficient to be thrown out. How much waste was on that? How much loss was on it, and how much loss was attributable to the incompetence of the Government, as well as of the operator?

HON. P. J. LEWIS (Minister without Portfolio): Is the honourable and learned member arguing the birch plant should never have been built?

MR. BROWNE: The honourable Member for Harbour Main asks; "should it never have been built?" Yes, I do not think the Government should have ever gone into that business at all. I don't think the Government should have gone into business.

MR. LEWIS: A lot of people would not agree with you.

MR. BROWNE: That may be so. I don't care if I am the only one who thinks so. I don't think the Government should have gone into it nor the Government should not have gone into any business. Does the Honourable member for Harbour Main, Bell Island think the Government should have built the Superior Rubber in Holyrood?

MR. LEWIS: If the honourable gentleman will allow me, Mr. Speaker, I have not said very much about the Superior Rubber Plant. There has been an awful lot of talk about it. Granted certain mistakes have been made, I do say this now, and I said it before; there is room in this province for a plant such as Superior Rubber. There is a market here for products that could be produced, and more than that there is an absolutely crying need for some sort of industry in that particular area. It may be true, I don't know, that there were mistakes made along the line, but insofar as the original idea was concerned, the basic idea of establishing in Newfoundland a plant wherein rubber products could be produced, I think that was a sound economic thought. I would like at this stage, Mr. Speaker, if I may, to accept a share of the responsibility in trying to get that industry in the head of Conception Bay, and to pay tribute to the Premier who, of course, helped almost immeasurably in getting it.

MR. BROWNE: That is a good enough answer.

MR. LEWIS: I have been thinking about that for a long time.

MR. BROWNE: Mr. Speaker, I just want to point out this, before we adjourn, to the honorable member for Harbour Main—He knew that the Government was entering in 1951 on a policy of industry which was supported to the extent of fifty per cent, and he knows and must have known all through that many years one hundred per cent financing by the Government which had no authority for it, was an illegal thing. He shakes his head in the negative. Does he mean to say he does not know that?

MR. SMALLWOOD: The honourable gentleman is just hipped on that.

MR. BROWNE: The Honourable Minister of Economic Development did not let his colleagues know what he was doing in regard to Superior Rubber. He got himself into a mess that cost the country two million dollars.

MR. SMALLWOOD: The honourable gentleman when he leaves the House will be known, I think, to history as the member for Superior Rubber. He is hipped on it. It has become an obsession—

MR. BROWNE: Mr. Speaker, may I ask the Premier if he has any hen houses built from the funds from Superior Rubber? We were told by a gentleman very closely associated—

MR. SMALLWOOD: Told by Max Braun who was kicked out. Did I kick out a man who had anything on me?

MR. BROWNE: May I ask if he had any hen houses built with blocks from Eckhardt Mills?

MR. SMALLWOOD: For both I am equally thankful that the honourable gentleman brought it out in the light—I bought and paid for a prefabricated building which was a German military barracks building which was brought over from Germany by A. Grube the owner of Superior Rubber. He brought it over for me at my request as he had a ship coming in with other things. He brought in the prefabricated German military barracks building. As a matter of fact parts of three buildings, which we had a very difficult task fitting together. We paid for it in cash and have the receipt now. That is that—I don't know what Max told my honourable friend. Max was a little sore when we booted

him out of Newfoundland. We just booted him out.

MR. BROWNE: Eckhardt too?

MR. SMALLWOOD: No, not Eckhardt. The Newfoundland Government had nothing to do with Eckhardt going out. It had all to do with Max Braun. I know Max had a little chat with the Opposition, I know Max used to go back and forth to see Valdmanis, I know Valdmanis went to see Max when he got out on bail. The first thing he did was to go to see Max. Max and the doctor were very friendly. The doctor and Max and the Opposition became very friendly, and Max made an affidavit. But I have the receipt and that is the point.

MR. HOLLETT: Mr. Speaker, I want to make a point of order—I say now I have never seen Max Braun Wogau to my knowledge. I never met him nor spoke to him in my life. Valdmanis I spoke to once and I believe I saw him once before at the entrance of the office but had no conversation with him.

MR. SMALLWOOD: I did not say the Leader of the Opposition became very thick with Valdmanis and Max Braun Wogau.

MR. BROWNE: Mr. Speaker, to a point of order—To my knowledge I have never seen either Valdmanis or Max Braun Wogan nor anyone belonging to them. I did see Valdmanis' brother.

MR. SMALLWOOD: I did not speak of the two honourable members in the House. They are not the Opposition. They are the Opposition in here. If they are the Opposition in Newfoundland they have fallen on pretty evil times.

MR. HOLLETT: When you say "Opposition" everyone thinks you refer to us.

MR. SMALLWOOD: I am not referring to the honourable gentleman nor to the honourable and learned member for St. John's West, but I do say the "Opposition" has been in touch with both Valdmanis and Max Braun before I booted Max out of Newfoundland. Now I am told that he made an affidavit—It was repeated several times in this House. I challenge them to produce it. I have been waiting for it. I have been wondering what they would do to get their spite back on me, Max Braun's spite because he was booted out of his job, to try to get back at me some way.

MR. BROWNE: Why was he booted out?

MR. SMALLWOOD: That is a long story. I will tell it sometime. In the meantime Max was booted out, out of his job and is supposed to have made an affidavit. Fortunately I had the receipt, which I still have and which I keep locked up in a safe. Now, that is the answer to that. As for the other—While they were in the contracting business they did build a building of concrete blocks. That is true. That building is paid for in cash.

MR. BROWNE: They were not supposed to be in the building business.

MR. SMALLWOOD: That is immaterial. What has that got to do with the point the honourable and learned gentleman made? I have answered it. I am sorry it has waited until the last minute of the closing day. I invited the Opposition to bring out this so I could answer. They did so just the minute before we close. However, I have the floor in the afternoon, if they will allow me to have it. I am going away, am leaving on today's plane, and if the Opposition don't speak too long I can answer them. I

will answer and gladly and will welcome the opportunity to do it.

MR. HOLLETT: Answer what?

MR. SMALLWOOD: The sneer.

MR. SPEAKER: Order.

MR. HOLLETT: Mr. Speaker, has my learned friend still got the floor?

MR. SPEAKER: The honourable and learned member for St. John's West still has the floor. He asked certain questions of the Honourable the Premier and the Honourable the Premier was entitled to answer the question which he did ask, and the honourable member yielded the floor but did not give up his right.

It being now 1:00 of the clock, the House will adjourn until 2:30 P.M.

AFTERNOON SESSION

The House resumed at 2:30 of the clock.

Mr. Deputy-Speaker returned to the Chair.

MR. BROWNE: Mr. Speaker, before lunch the honourable member for Harbour Main asked me a question about the birch plant, as a member of the Government who had that decision to make. My answer to that would be twofold. My first answer would be, I don't believe in the Government building plants, going into business, going into industry. I would prefer to see the country conducted in a sound financial manner so that people would have confidence in the Government, in its integrity, in its honesty, in its ability and that it was not likely to do anything reckless. In the second place, I would say, if it were considered necessary from the point of view of the general welfare that the Government should build the plant where it was,

the birch plant or any other kind of plant, I would certainly see that proper supervision was exercised during the construction and equipping of that plant. Although no Government ever built a plant before, Governments do do things of an industrial nature, one of these was the construction of the dock which was built by the Government. I remember very well at the time the Government made a contract on a cost plus basis. I remember the dock had been designed by W. I. Bishop and I remember very well at the time I recommended to the Government that his services should be retained to supervise the construction. They did not do so, but kept an accountant continually on the job and a supervision engineer in touch with W. I. Bishop during the progress of the whole work. Now contrast that to what was done in connection with the birch plant. They had carte blanche in the construction which could only result in one thing, inefficient building and expensive building and result in loss. I don't think the Government or anyone else will ever know how much we lost through the lack of wisdom and foresight in the construction of the plant. Now there is no use in the Premier telling us this is hindsight. This is only common sense. Anyone building wants to have some kind of supervision over it. There was no supervision exercised in connection with that plant.

Now, coming to Superior Rubber Company. I stated that was a violation of the understanding given by the Government to build plants on a fifty-fifty basis. I am not going into details of that, but the Government purchased all the machinery that went into that as well as building it. Mr. Pippy, one of the directors, authorized Mr. Ferguson to make an inventory. Here is a copy of the letter from Mr.

Ferguson to Mr. Pippy—and I make no excuse in quoting it again—My honourable friend the Leader of the Opposition quoted it before to show the condition of the plant. Very much machinery that was installed there was worthless, obsolete. Here is an inventory here in which he estimates what has been paid for by more than three times the value. Is that sensible? Is that right? Is that just? A machine for which thirty thousand dollars was paid valued at ten thousand dollars—and twenty-nine thousand five hundred dollars, valuation one thousand dollars.

MR. SMALLWOOD: Whose is this?

MR. BROWNE: This is Mr. Ferguson's valuation.

MR. SMALLWOOD: What did Ferguson know about it?

MR. BROWNE: He was the man engaged by Mr. Pippy to make a valuation, according to this letter, he says ninety-five per cent of all major equipment is at least thirty years old—So there we have the situation.

MR. SMALLWOOD: He had access to no figures.

MR. BROWNE: Well, he gives a list here, and the Government, I am sure, must have it; a list of the valuations which he made and much of it is down here as being worthless altogether. He gave a list then of ones he considered completely obsolete, not working, not used, worthless and not necessary. Four pages of machinery which is either worthless or useless or not being used.

Now, Sir, I have spoken of Superior Rubber Company before and I am ridiculed for having spoken of it, ridiculed by the Premier for having spoken of it. He said I would be remembered as the "Member for the Superior Rubber Company." Now, what the Prem-

ier was trying to do was to try and laugh it off, trying to laugh it off, this terrible mistake of his, which makes us suspect, and would make anyone suspect that Braun Wogau had some kind of hold over him because of things in connection with Dr. Sennawald. Now we are told, and it was mentioned here today that the blocks for the farm owned by the Premier and his son-in-law on Roaches' Line were supplied through Superior Rubber Company.

MR. SMALLWOOD: I did not say any such thing.

MR. BROWNE: You said supplied by Mr. Grube. He was the owner of Superior Rubber Company.

MR. SMALLWOOD: He was nothing of the sort. He never owned a stick. The Newfoundland Government is the complete owner of Superior Rubber.

MR. BROWNE: He was the man who sold the machinery, the equipment at colossal prices to the Government, fraudulent prices, and the Government took no interest in the quality of the machinery which was being delivered to them. We are told that from several sources, and the Premier knows exactly what the situation was, and if he has an answer I would be glad to hear it, because incompetence and lack of supervision is bad but if there were any corruption it would be ten times worse, especially if the Premier —

MR. SMALLWOOD: On second thought I think we will go out and defeat you. I think you are a menace. I think you are an evil man. I believe we will go out this time and trim you both Provincially and then Federally. That will punish you for being evil. I think we will, on second

thought. I was going to let you have a seat, but I will try otherwise.

MR. SPEAKER: Order—Those words the Premier just uttered are out of order and ought not to have been uttered.

MR. BROWNE: Mr. Speaker, is the Premier going to withdraw these words? That is the usual practice.

MR. SMALLWOOD: I will withdraw the honourable gentleman from circulation a little later on.

MR. BROWNE: Now, Mr. Speaker, I rise to a point of order—I have been called an evil man and must ask the Premier to withdraw these words.

MR. SPEAKER: I think the Premier should withdraw.

MR. SMALLWOOD: All right, I withdraw them and will act later on.

MR. BROWNE: Mr. Speaker, the Premier need not worry. I am not afraid.

MR. SPEAKER: I don't think that is part of the debate.

MR. BROWNE: I want it known, it does not matter to me if I am defeated after this election nor any other. I have known defeat before and can take defeat the same as victory. I am interested in the welfare of this country. It does not make a bit of difference whether I am a menace or not. There are the facts. What does the Premier say about them? That is what he had got to answer. The facts are there and they could speak for themselves.

Now, in regard to Eckhardt Woollen Mills, the Premier knows the rumors that have been going around. I have had from people who worked on the mills that blocks were made there by

workmen and taken out to his farm on Roach's Line and installed by workmen and they were paid in the same manner for that work as they were paid when they worked in Eckhardt Woollen Mills. What did the workmen think? What does anybody think? If the Premier would explain I for one would be very glad to hear it.

MR. SMALLWOOD: The honourable gentleman is also very glad to spread the rumour, pick up the rumour and spread it. The honourable gentleman is spreading it here in the House today.

MR. BROWNE: What are we expected to do when we hear a rumour like that?

MR. SMALLWOOD: I admit it is better said here than during an election. I was waiting to have it said.

MR. BROWNE: I will admit the Premier urged us to say these very things. I suppose I would not have said it if I had not been stirred to do it by the remarks which he made today.

Sir, when the Government goes into industry and goes into building plants the least that we can expect from it is careful supervision, careful records of the expenditures of money to see that value is given for the money which is expended. We are not in a position to say whether this scheme that the Attorney General spoke about, this scheme that the Attorney General spoke about this afternoon, of one and a half millions for Bellrock Houses, is sound or not. What do we know about it from information given us here on the last day of the session? How can we examine it? I don't think that the Government is doing the right thing about that. The Government should

take us into Committee on things like that, and be able to convince us of the soundness of it so that we could go all out together and work as a unit, as one man, for the welfare of the country. But the Government goes into these and has gone into these things too lightheartedly, recklessly, and the result has been so far, in every case, that neither interest nor principal has been repaid. If the Government goes into industry it should go in on certain logical grounds. If nobody else puts up a plant and it is necessary for the country and the prospects of getting the money back or at least most of it are good—But many of these plants were entered into, it seems to me, overnight, rashly. The Premier was not dealing with good people, so many of them have gone, "booted out" he said. Now let us hope he has gotten hold to something good. I think the criticisms he has gotten from this side of the House during the past few years, the scorn and ridicule that has been poured upon his too optimistic statements have given him perhaps some wisdom and more caution than he formerly had. So today he is able to tell us that now any proposition that comes up is examined carefully, I would say that the acquisition of Mr. Arthur Johnson as Deputy Minister has been helpful to him. I am not saying anything against the man who was there before. I don't know what power in influence he had. I feel, Mr. Johnson has made a success in other walks of life, in industry outside the Government, that he has business experience which would certainly compel him to insist on certain precautions on anything the Government did in the way of investing Government funds. I don't know Mr. Arthur Johnson well, but I did have some experience with him, and I know he would have to be convinced of the soundness

of a proposition before he would consent to it.

So we learn that today the Government is appointing auditors in connection with these plants. It is a good thing and should have been done from the beginning. All that should have been supervised most carefully and watched most carefully.

In regard to fish plants, we are told also in connection with the Fisheries Products, which company is receiving assistance in very large amounts of nearly five millions of dollars, the Government has at last realized that this money is being risked, and they are now insisting on a change in conditions regarding these loans. The Government is going to have someone supervising them, auditing the accounts and so forth. That is a good thing and is certainly very necessary. Mr. Monroe has interests outside this country. He has a company, I understand, in the United States, which is the selling agency for Fisheries Products.

MR. SMALLWOOD: We have taken over control of that.

MR. BROWNE: You see, Mr. Speaker—How do we know what to say over here. We get information this way.

MR. SMALLWOOD: This is not the first time I have told it. I cannot help that. I have announced it here.

MR. BROWNE: I did not hear it.

MR. SMALLWOOD: I even spelled the name in the Fishery Products Incorporated as distinct from Fisheries Products Limited.

MR. BROWNE: Perhaps that was on the day I was not here. I missed two days, you remember. So that I did not know the Government had

taken control of that. I am very glad to hear it.

But, Sir, in regard to the new loan, five hundred thousand dollars, for the erection of a fish plant in Twillingate, how many people here in this House today are competent to know if that amount of money is necessary money? It seems to me to be an enormous amount of money to establish an eight-plate freezer. The Minister of Fisheries and Co-operatives must have some knowledge and the honourable member for Harbour Main—Could not that be erected for less than half a million dollars, an eight-plate freezer. I understand the cost of establishing fish plants does not run as high as nearly seventy-thousand dollars for each freezer—It works out at that rate.

MR. SMALLWOOD: Not just the plate freezers. So many beds for a hospital does not mean just the bed and pillow. When we say ten thousand dollars is the cost we mean the plumbing, electricity, building, partitions, everything. Well, when talking about the cost of plate-freezers it is not just the cost of the freezer.

MR. BROWNE: I am told it should cost something in the neighborhood between ten and twelve thousand dollars. So that in regard to these very heavy loans we are not in a position to pass comment on them, we are not expert in that line, we have been told that it seems heavy, and it does seem heavy to us. However the Government is making these loans, and there is not very much we can do about them.

In regard to Adler's Chocolates, that seems to me to be a very large amount of money to induce a company to come here to manufacture chocolates. There are companies making choco-

lates here for many years. I wonder what they could do if they had six hundred and fifty thousand dollars. It seems strange to me that the third or fourth greatest company from England—They are not in the class of "Fry's" or "Cadbury's" or "Roundtree's."

MR. SMALLWOOD: They are in quality.

MR. BROWNE: I am not saying a word against their quality, but as regard their reputation and the extent of their business they are very much smaller than the companies I have mentioned.

MR. CURTIS: They are old companies.

MR. BROWNE: I was in England and went into three confectionary stores before I found anyone who had ever heard of them—I brought some of their products over there.

MR. CURTIS: My experience was very different. I asked to go to a certain place and was asked: "Where are you going to? Adler's?" The taxi driver asked me. I gave the address of a police station nearby. He said; "Where are you going? To Adler's?" It was the strangest coincidence I ever heard of.

MR. BROWNE: The Attorney General and the Premier have been travelling so much in London even the taxi drivers know where they are going now. Well they know he would not be going to the police station, he looked too respectable for that.

These smaller loans, although not very small, one hundred thousand dollars, seem to be to men who have been long established in business, J. J. O'Brien in Cape Broyle and Ron O'Brien in Cape Broyle. I know

these men and I think they can be depended upon. I presume you do not know whether these are personal loans or whether they are to companies. But I have great faith in these men. As regard to Mr. Murray I do know of him but I don't know him personally. The Minister of Provincial Affairs knows him well.

In regard to Eckhardt Mills, Mr. Speaker, it is worthwhile realizing the cost that that company has been to the Government or to the country since it started. I figure out eight hundred seventy-eight thousand dollars. The Superior Rubber Company cost nearly two million dollars. Now for just a moment I will go back to the famous speech of the Premier four years ago, 1952, he had not completed his eight points he had then.

"We have completed our programme of building industrial plants out of public funds. No more such plants will be built." We see that was not true.

"Upon completion of the European Branch Factories whose establishment has been under negotiation we shall assist in the financing of no more such plants, but will channel all such projects through the Newfoundland and Labrador Corporation." Well that failed—The Newfoundland and Labrador Corporation was not able to carry on that business, and some of the directors resigned, and the idea was abandoned.

"In order to secure the businesslike management of the investments and assets of the Government in this Economic Development programme we intend to vest their control in the Newfoundland and Labrador Corporation."

"Our financing of capital account public services, and economic development, will in future be made out of:

- (a) Surpluses on current account;
- (b) Revenue received from investments made in our economic development programme;
- (c) Borrowings (but only for economic development) based upon conservation practice."

Now the surplus this year is down to two thousand dollars. That does not provide much money for capital account. We are borrowing fourteen millions this year, and not only for economic development. It is still for economic development but mostly to pay deficits and help out the industries established at that time.

8. "We consider that we have given a powerful impetus to the industrialization of the Province, and are of the opinion that we should now progressively withdraw from active participation in that drive except in the main, through the Newfoundland and Labrador Corporation under the valued leadership of Sir William Stephenson."

That is all I intend to read from that, Mr. Speaker. It will be seen that the Government is very far from withdrawing from active participation in any economic drive. This loan and guarantee Bill here today is looking for ten millions of dollars guarantees to these various industries, so that the Government is very much involved.

Now for a moment to refer to Trans-Island Development Corporation; here as far as most people in Newfoundland are concerned is a corporation of which we know absolutely nothing, which we are told very little of, and

they are going to be given a guarantee of one million three hundred and fifty thousand dollars for the purpose of putting up three hotels. This year, I understand, hotels are going to be built at Grand Falls, Port aux Basques and Stephenville. Now is it not a lot to go at three hotels this year, in the one year? Would you not think the Government would try one of them first, not go into it in this wholesale manner? Is it not a very risky business? This country of Newfoundland has had experiences with the Newfoundland Hotel in St. John's back around 1924. The company that promoted that failed and the Government had to take over. It was one of your losing assets. We lost the money on it all during the time we were operating it. Now granted that there is a demand for hotel accommodation in Newfoundland, here is the Government going into it in a wholesale way. Would it not be wiser to pick the place where the necessity was greatest and try one hotel and see how it got on before making an agreement with them for the erection of five hotels.

MR. SMALLWOOD: Would the honourable gentleman like to know why? It was argued by the promoters they could not make one hotel pay, and if they could not build all three they could not build any. If they had three they could cover the overhead. There would be as much overhead for one as for three. So they could reduce the overhead cost greatly by having three. They can buy their supplies, food, etc., to keep the hotels going in much greater bulk for three than for one and thereby make considerable economy, and the economies made in these two ways, (1) on overhead and (2) on the purchase of food stuffs and other materials to keep hotels going, would make the

difference between a profitable and non-profitable venture.

MR. BROWNE: In addition to the point that I have made there is another point to be considered, and that is the amount of investment which those people are putting into it. I think it will be found that by the time these hotels are completed that the Newfoundland Government will have put in at least four times what these companies will.

MR. SMALLWOOD: May I say, Mr. Speaker, that they were the first hotel people we have met, out of a great many, with whom we have negotiated, who were willing to invest any money. The biggest hotel people in the world go into countries all over the world and don't spend one cent but ask the Government to build the hotels and they step in and manage and run them and make what they can off it. That is how it is done all over the world. The Conrad-Hilton chain all over the world does not build hotels except in the United States. They would have come in and built one if we had been willing to pay the full cost of the hotel furnishing. They would have come in and managed it. But this is the first group prepared to put money of their own in.

MR. BROWNE: I don't know how much they put in so far. I do not know the details. I don't know how much they put in or would put in. There is this much to be said, when the money is once put in, it is in and it is very hard to know where it is going to end.

In regard to Adler's Chocolates it is not clear to me how much money they put in. We have given them six hundred and fifty thousand dol-

lars. How much have Adler's put in for that?

MR. SMALLWOOD: A bit over two hundred thousand dollars. They put in all they had.

MR. BROWNE: That is about twenty-five per cent of the cost of the factory, now is that a fair amount? It is a risk we are taking and for which we take nothing.

MR. SMALLWOOD: It is enough to ensure their absolute and utter devotion to the success of the plant. It is all he owns in the world.

MR. BROWNE: But in their plants they are supposed to put in fifty-fifty. But there is another point about Adlers' Chocolates. I thought there would be a Bill brought in here to put that in a form the same as the other companies. That was not put through in the form of a Bill at all.

Nor do we know much about Commercial Caterers: But there I suppose we can say that only one hundred and twenty-five thousand dollars is being risked in regard to the proposition.

Every time we take up one of these Loans and Guarantee Bills we can always be sure our old friends are going to be there, Newfoundland Hardwoods and Atlantic Gypsum and Eckhardt Mills. I wonder how long that is going to continue. We certainly would hope that sometime in the future these industries will stop looking for money. Every year it is the same, promises given by the Government that now they are getting along and they are going to do very much better in the future. Let us hope they do, Mr. Speaker.

At this particular time that is all I have to say in regard to this Bill which is going to go through anyhow.

Last year the guarantee Bill was small in comparison, three million dollars. It is now up to ten million. Let us hope that next year it will be back to what it was last year at least.

MR. SMALLWOOD: Mr. Speaker, I won't delay the House very long for a fairly obvious reason. I just have not got the time. I am due this afternoon to go to Montreal, and planes have a habit of going when they are ready whether we are ready or not. I want to deal with just one point made by the Honourable Leader of the Opposition when he expressed the view that the Government perhaps ought not to have lent money to these various concerns, most of them. And he went on to say (and I took down his words) It is always dangerous to lend money. Then he went on and added to that—or to guarantee money. Now with that I must express agreement. It is pretty well always, if not always, dangerous to lend money. There is always the danger that you won't get it back. And everyone who has lent money has experienced that danger including all Governments that have lent money and I would say too, all banks and insurance companies and trust companies and everyone else that lends money experience that danger. I don't draw the inference, however, that because it is dangerous it should not be done.

I say this to the Honourable Leader of the Opposition; whatever he may say in public, whatever he may say anywhere, in his heart he knows that what I am about to say is the simple truth. The Government of Newfoundland have no choice. They have had and they have and will have no choice but to lend money. There just is not enough risk capital in Newfoundland in private hands to finance industries and finance fisheries. There just is

not enough money here. They have not got it. And if fishery development and economic development and development generally is to depend on private capital, capital from private individuals or private companies, then there will be no such development in Newfoundland, or at all events the development will be so small and so slow that Newfoundland will fall.

Newfoundland will fall and she will fall because her population will not be able to make a living. Her population will greatly outstrip the ability of Newfoundland to give them a living. Newfoundland will fall if Newfoundland must depend on private money to finance fisheries development and other economic development. With the thousands of young men and women who are pouring out of our schools and the more thousands who will pour out as we get more schools and better schools and as the school-leaving age goes up, and as the quality of our education improves more and more. Thousands of our young men will pour out of these schools every year. And either Newfoundland will find jobs for them or Ontario will. They will either stay here in Newfoundland or they will leave. And whether they stay or go makes the difference between Newfoundland successful and Newfoundland a miserable failure.

And so I say the Government have no choice, and they have not had, they have not now and they are not going to have any choice in the matter. They are going, as long as they are capable of doing it, to be obliged to put out public monies to finance an expansion of industry. It is as simple as that. It is just that simple.

Now the Honourable Leader of the Opposition agrees with that. I know

he can't help agreeing with that. I know too he would add to that; "well, yes. No doubt that is right but it is the Government's duty in lending public money to private companies to do it wisely to take ample security to safeguard that public money that is lent out to private companies. It is the Government's duty to do that. And I cannot deny that. I have to admit that to be true. I have to admit the truth of the point made in the last moments of his speech when the honourable and learned gentleman who last spoke said that the Government now are more cautious than they were seven years ago. I have to admit the truth of that. We are seven years older. I suppose the seven years experience we had have taught us something. I hope we are not like the "Bourbon" who learned nothing new and forgot nothing old. I hope we are not like that. I hope we can learn. I hope we are wiser now than we were seven years ago. Even the Honourable Leader of the Opposition for the four years he has spent in this Chamber asking questions on these matters and getting answers and hearing me speak is a wiser man than he was four years ago. Surely, surely he has learned something in these last four years as I have imparted what little wisdom I have to him. He is surely a wiser man now than he was then.

MR. HOLLETT: A good high school.

MR. SMALLWOOD: A good high school and a good post-graduate course. If not, then I can say only that his absorption of wisdom and knowledge is at a very low ebb. He could not be here for these last four years, or he would have to be a dunce, and not learn. And I would have to be a dunce not to have learned in these last seven years since I have been in

my present position. I want to say that in reply to the honourable Leader of the Opposition.

And now I want to say in reply to the last honourable member who spoke, that I know that he probably gets great fun out of quoting parts of my speech of 1952, which was published in booklet form and is therefore very readily available and easy to keep, easy to hold on to. I suggest he keep it under his pillow and in his hip pocket.

MR. BROWNE: This is the honourable and learned member for St. John's East's copy.

MR. SMALLWOOD: I would like to quote from that same speech. As I read back over it it seems to me to be a very good speech, but I am a little prejudiced in the matter. We could have hugged the cash surplus to our breasts. We could have left it on deposit at Ottawa to draw interest. We could have given ourselves a sense of security thereby but it would have been a false sense, and we knew it. Our public health and hospital system was lamentably less than the obvious needs suggested, but we could have sat tight and said, no, we will not build nor even enlarge hospitals, or we cannot afford to be healthy. Our school system was basically run down but we could have decided that Newfoundland could not afford the luxury of having an educated people. Our roads were pitably meager in length and as every member of the House knows so well, most deplorably dilapidated. We could have decided it was better to have the cash on deposit in Ottawa than to spend it on building roads. Our people were unemployed and able-bodied relief was costing us never less than a million dollars a year, but we could have said: no, we

will not search out and measure our natural resources, we will not help Newfoundland firms to expand or to establish new industries; we will not build these three plants; we will not give financial assistance to European firms to establish factories in Newfoundland; we will just hug our surplus and draw the interest to help us balance our current account budget. Newfoundland cannot grow so we will not spend our good money; Newfoundland cannot expand so we shall hold on to our surplus." That is as true today as when I said it.

Then I said: "There is, so far as I know, only two ways open to a Government to finance capital account expenditure. One is to spend it out of current account surplus, whether it be an accumulated surplus or a surplus earned on current account from year to year. That is what we have been doing. The other is to borrow money. That is what the other provinces of Canada have been doing. It was only because we had an accumulated surplus, to which we have added in the past two years out of current account revenue, that we have not needed to borrow. If we had not had an accumulated surplus and had not earned some surplus of our own these past two years we should have been obliged to borrow."

Then I went on to say: "The point I am making is that we would have been fully justified in borrowing." That was in 1952—"We would have been fully justified in borrowing if there had been need to do so to meet the costs of those things, which in fact we financed out of the accumulated and earned surplus. We would have been doing what the other provinces of Canada and the States of the United States of America have done and are doing today. We would have been

far more justified in doing it than are most of the Provinces and most of the States and for two reasons; first, our need to spend money to improve our public services is far greater than their need; for our public services are much more in need of improvement than are theirs and, secondly, our financial position is sounder than theirs for we have virtually no public debt. That was the argument in 1952. Since then we have some public debt and that particular part of the argument has not the force it had in 1952.

Then I went on to say: "There is an interesting connection between these two points: In the other provinces they have more and better roads than we have and more and better hospitals, schools and all the rest. They also have a much bigger public debt than we have. And it is because they have these better public services that they have a bigger public debt. Another way to state it is that they have a bigger public debt than we have because they have better public services than we have. In short, in the other provinces of Canada they followed the purely conventional way of financing their new and better public services, they borrowed to do it.

"We borrowed too in the old days, but a very high proportion of our borrowing (I am speaking here, of course, of the days before Commission of Government) was not to finance new public services but rather to meet current deficits, however much we tried to disguise the fact. Indeed borrowing in our case spelled bankruptcy because toward the end we were borrowing to meet the interest on earlier borrowing. The borrowing we did, in a large degree, was not at all of the kind done in most parts of Canada. We borrowed to finance current account deficits. They borrowed

to finance capital improvements, in many cases which were self-liquidating or even revenue earners, as with hydro-electric development."

Now that was my argument in 1952. And every word I now read is as true in 1956 as it was in 1952 and will be as true in 1966. There is not a word there that I quoted that is not sound and that is not true.

I then went on to say: To summarize our policy: At that time we had decided to turn NALCO into the Government's economic arm. We had got what we thought was a pretty strong group together in NALCO. Just listen to them: I said on page 42—"Newfoundland has been profoundly fortunate in enlisting the interest of the distinguished private interests in the United States and Canada who are now represented on the Board of this Corporation, this Corporation which we frankly regard as the Government's economic arm. Sir William Stephenson, the Chairman of the Board, is a gentleman whose reputation extends around much of the world. The well-known American banking house of Harriman, Ripley and Company, and the equally well-known Canadian house of the Wood, Gundy Company are represented on the board by trusted officers. The distinguished Montreal lawyer, Mr. Claude Richardson, Q.C., is a Director, as is Mr. Lyttleton B. P. Gould, of New York. Here in Newfoundland the Government have been fortunate to secure the consent of three outstanding Newfoundland industrialists to serve as Directors. I refer to Mr. Eric A. Bowring, C.B.E., of the great House of Bowring; Mr. H. M. S. Lewin, C.B.E., Vice-President and General Manager of the great Bowater Pulp and Paper Mills at Corner Brook, and Mr. Chesley A. Pippy, one of our most successful industrialists. As

the House knows, we have lately succeeded in obtaining the services of Mr. George G. Thomas, who made such a great success of the Buchans Mining Company, from which he recently resigned as General Manager. Mr. Thomas is Secretary-Treasurer of the Corporation and special adviser on all mining matters.

Now that strong setup; and it was a strong setup, a very strong setup, under the leadership of Sir William Stephenson, with that we felt that we could very safely leave to NALCO the task of our economic expansion, of bringing it about, of supervising. Indeed the plan was that they were to take over supervision of all these new factories that had been built and those that might be built, were to be built under the supervision of NALCO. But what happened? Now our desires and our plans were frustrated. It takes too long to tell why. It is enough for the present purpose to say that disagreements arose between Sir William Stephenson on the one hand and the Government of Newfoundland on the other. These disagreements had their origin in the occasion when NALCO went on the market in New York to float its bonds issue of ten million dollars, arising there. Then disagreements crept in and ended in the resignation of Sir William Stephenson and a complete revival of our policy with regard to NALCO. That having happened the Government were obliged either to drop the whole matter of economic development or reassume its own function in that matter. And that is what we decided to do. We had to go back into the field from which we had now proposed withdrawing. But as we could not withdraw and as NALCO in fact was not capable to take over we had to reassume the responsibility. And it was at that time it was that we outlined this policy.

(1) We shall continue our policy of surplus budgeting on current account. That we have done up to this moment and have done even in the new budget for this current year.

(2) We shall continue to make expenditure on capital account to improve our public services but shall not borrow to do so.

(3) We shall continue our policy of economic development but turn increasingly to NALCO as a means of accomplishing that development.

Our financing of capital account public services (and that is the thing now that we are dealing with in this Bill that we have here, the Loan and Guarantee Bill) "Our financing of capital account public services and economic development (these are the two matters that are in this Bill today in this ten point six million dollars) will in future be made out of (a) current surpluses on current account; (b) revenues received from investments made in our economic development programme (none of these have as yet materialized) and (c) borrowing "but only for economic development" based upon conservative practice."

Now, that was the outlook we had in 1952. That changed for the very simple reason that Newfoundland changed, the world changed, our Newfoundland people changed; the demand for roads and schools and hospitals and all kinds of public services increased enormously since 1952 to the point where the Government that would attempt to build the roads and schools and hospitals that could be built out of current account income would be swept out of office and would not last a month, could not survive a month of public clamour for these improvements. Now, finally I want to say a word about the matter of the

poultry house from Holyrood and the other poultry house in Brigus. When the factory was being built in Holyrood by Mr. Grube, who was the owner of the company, Superior Rubber Limited, or Superior Rubber Company Limited or whatever the name happened to be—

MR. BROWNE: The owner?

MR. SMALLWOOD: He was the owner of the company, yes. The company was financed with Government money. A lot of these companies were financed with Government money, and so was that one. But, Mr. Grube was the owner of the company. Mr. Grube came out to Holyrood and spent some months there then he would go back and run his plant (he operated a plant in Hanover, Germany. It was a large plant. Some of us have been through it. I wish the one in Holyrood had been as successful as the plant in Hanover Germany). However as I would drive through or go out to see the progress of the construction I asked Mr. Grube at one time: when he next went to Germany would he look around for me and see if he could find some of those condemned German military barracks buildings. Now, the Germans during the war had a lot of portable buildings built of wood, in sections, and could take them apart in an hour and put them together again in a few hours. The idea was as their operations moved about they carried their accommodations with them. These buildings were fifty feet long, wooden buildings, built in sections which were supposed to fit together and assembled frequently from place to place. And I knew about them. I had seen hundreds of them across Germany in my travels. And I said to Mr. Grube: could you find one of these buildings in Germany pretty cheap, and I gave him the size I had

in mind. He said he would try. They had a steamer coming out with equipment and I asked him the next time they had a steamer coming out with stuff to put the building on if he could find one cheap enough for me. He did put one on. It cost eighteen hundred dollars landed. I paid the eighteen hundred dollars. I received the receipt for it. Now, that is the whole truth, the truth, the whole truth and nothing but the truth.

But since then I understand or I have been told (I was tipped off to this) that Max Braun Wogau, who was a very angry man when we booted him out of Newfoundland went to some one in the Opposition. In fact I know the name of the person to whom he went. It is neither of the two honourable gentlemen sitting here in this House nor is it either of their colleagues. It is neither of the four elected members of the Opposition. He went, I was told (I was tipped off to this) and made an affidavit that this building had been a free gift to me. And I raised the matter here in the House several times. I asked if the Opposition had any such thing as that would they be decent enough to me to raise the matter here in the House in my presence so I could deal with it, and to raise the whole story, whatever they did have here in the House so I could deal with it, and not save it for three days before polling day or a couple of weeks before polling day and spring it as a big scandal. Now I have seen that kind of thing done in Newfoundland in the past. I have seen that kind of thing saved up as an election stunt.

MR. BROWNE: A Sinn-Fein letter?

MR. SMALLWOOD: That I don't know about.

MR. BROWNE: In 1928, Dr. Mosdell.

MR. SMALLWOOD: The nearest one I remember (No, I had better not tell it) it was not up in Fortune Bay—When Sir Brian Dunfield went up there. No, I don't want this thing dragged in, sprung as a bombshell when perhaps I would be anywhere. I might be on the Labrador or on the West Coast, anywhere, campaigning, and out comes this great bombshell from the Opposition. Some people would believe it because some people are always happy to believe anything that is dirty especially if it is about me. There are people who take an unholy delight, a sheer delight in believing anything about me, if it is bad. So there would not be any difficulty in getting people to believe that story, if it had not come out here where I could deal with it.

Now, the other case is altogether different. The Eckhardt Mills people rightly or wrongly brought out an architect. He was an able architect. And they brought out engineers and brought out some forty or fifty building and construction men of one kind and another; concrete men, brick men. They brought out a complete construction team with them to erect their plant in Brigus. Now that, I believe, was a mistake. I believe now it was a mistake on their part. I don't think they should have let a contracting firm build their plant for them. But they argued that they could build it a lot cheaper themselves if they were allowed to build it themselves. So we said: all right, go ahead, bring out your team and see what you can do. And they did. And they built a magnificent plant there. There is no doubt of that. It is a handsome building, too good for a factory; too hand-

some, too beautiful and it is wonderfully well built. And they began (I did not know this. I will tell the House this quite frankly) they were out in construction business out in Gander with a sub-contract to build, and engaged in the construction business before I knew it at all. And then when I did know it, it did not strike me (I will be quite frank) as being anything particularly objectionable. I certainly did not think it was wrong for that company to be in the contracting business. And I did not think very much about it. And Mr. Eckhardt himself used to run up occasionally, especially of a summer's evening or a Saturday night, to Roache's Line either to do some trout-ing or come up, if I happened to be there, just to sit down and talk.

So I was remarking that one of our needs up there was to build a fine large poultry house. He said: why don't you let us build it. I asked what it would cost. He said, I don't know. I will get Charlie (that was his architect) to work it out and get plans and give prices. I said' all right. And he did that and gave me a price. I won't tell the price. It is nobody's business. It was of the order of ten thousand dollars or over ten thousand dollars for that building. My son-in-law was in the poultry business doing well, doing extremely well. He had five thousand hens. And that is a lot of hens, and a lot of money, around two hundred dollars a day he was taking in, fourteen hundred dollars a week, for eggs. That is a substantial business for any farm anywhere. But nevertheless it was a lot of money to go in debt for, and we had to go in debt for that amount of money. Nevertheless we did. They built the building as a contract. It is paid for. It was not paid for in advance. Some of it was paid down and it was paid

for in amounts from time to time, and paid for in cash.

It is a little tough for a Premier to have to talk this way. It is just a little bit tough. But I am putting my cards on the table. I would rather do that here now than have it whispered about that there was graft, which there was not. We struggled hard to pay that money, and paid it all. We owe nothing on it. We owe other money but not to them. We owe up and down the street in the ordinary course of trade and business, as every firm does, and I am afraid that firm owes a lot more than most firms, but we don't owe anything on that. Now, that is that. I don't know if there is anything more that I can add. I suppose that when the next Bill comes in, Mr. Speaker, the gentleman opposite will wish to go all over the same ground again. I don't know whether or not Your Honour will allow it. We have had a pretty thorough discussion here in this debate on the question of borrowing and the question of debts, pretty thorough, I don't know whether we can now take the vote on this, pass this Bill and immediately enter again in another discussion on borrowing. I suppose up to a point we have to do it. I think that is all I need say on the second reading of this Bill.

On motion Bill ordered read a second time. On motion Bill ordered referred to a Committee of the Whole House later today.

Second Reading of Bill, "An Act to Authorize the Raising of a Sum of Money by Way of Loan on the Credit of the Province."

MR. SPEAKER: Second reading was moved by the Honourable the Premier.

MR. SMALLWOOD: Mr. Speaker, I think I adjourned the debate, and

certainly do not want to occupy any more time of the House now because I think I have said what I had to say in the matter.

The purpose of the loan is to enable us in the year now to come to build more roads and schools and have more fishery development and some further economic development. We argue and we insist that we must do these things in Newfoundland that we must expand and that we cannot stop expanding and that we are not expanding half enough; not half enough.

I do hope that the Opposition won't argue that a province as strong as we are today, as prosperous as we are today (and we are not prosperous enough) and with people as numerous as we are today (and we are not numerous enough), I do hope they won't argue that a province as strong, as prosperous, and as numerous as we are is in the faintest, the faintest danger in having a public debt of forty five or fifty or sixty million dollars. Because if they are arguing that I would like them to tell me how Newfoundland, with a quarter of a million people, a little more than half as much as we have now, without Confederation, without being linked to Canada as we are now, without the strength of economy that we now have, without the presence of the American bases in Newfoundland that we now have; how a Newfoundland as weak as water, with that small population carried a debt of sixty, seventy and eighty millions and got in trouble only when the debt went well over a hundred million dollars.

MR. BROWNE: We got in trouble before that. The total amount, I don't think, ever went over a hundred million dollars.

MR. SMALLWOOD: The funded debt was a hundred million and ten millions of floating debt. The last of that floating debt consisted of a loan from the syndicate of banks. The syndicate of banks lent the money, five million dollars, two and a half million dollars, just before New Year's Day when "Angry Angus" as they called him, the manager of the Bank of Montreal and the other three bank managers, four of them sat in on a Cabinet meeting until midnight before they finally agreed to pay two and a half million dollars over to the Government as a loan with which to meet the interest due on January the second. Then again there was the other two and a half million to meet the interest on the next six months, July the first.

MR. BROWNE: And we went off the gold standard.

MR. SMALLWOOD: That is when we went off the gold standard. Then there was another five millions borrowed from the Imperial Oil Company for which we gave them a monopoly on petroleum products. They raised some fund and they got five millions. That was ten millions, and the funded debt was a hundred million.

MR. BROWNE: It was eighty-seven million.

MR. SMALLWOOD: A hundred million. What the honourable and learned gentleman is talking about was what the Commission of Government dealt with after a large amount of the debt had been wiped off. That was a hundred and ten million dollars with a population of a quarter of a million, no Confederation, with none of the things that came to us by being a Province of Canada; one of the weakest nations of the world, a little island depending on our own efforts. Nevertheless we carried a debt of sixty, sev-

enty, eighty and ninety million and went to a hundred million dollars and over, even then, twenty-five or thirty years ago. Even then when we were as weak as we were we had to get to a hundred million before we were in any serious trouble.

MR. BROWNE: We were in serious trouble before that. In 1931 we could not raise any money.

MR. SMALLWOOD: Yes. We went broke in 1932.

MR. BROWNE: In 1931.

MR. SMALLWOOD: All right, 1931 or 1932. There is a year there. It spread over about a year or a year and a half. In fact it was not until 1934 the Commission came. As a matter of fact before that Newfoundland was in a very good position, not bad at all. Cracks were beginning to appear, indications were there all right, but we were not in too bad a condition. I know we could not raise the loan. I remember the ballad I paid five cents to a boy on the street for: Squires could not get the loan but get Alderdice in, there is the guy who can raise the loan. Newfoundland was then pretty nearly at the end of her tether then with a debt of a hundred million.

I do hope the Opposition won't argue that. They may argue justifiably and soundly whether the forty millions should have been spent for this or that. But surely they are not going to argue that Newfoundland has got to be different from all the other Provinces and stop doing the things borrowed money enables us to do.

Mr. Speaker, I move the second reading.

MR. HOLLETT: Mr. Speaker, it is not my intention to delay the House very long on this particular Bill. Asis another assembly and I heard the

the honourable the Premier has pointed out, we have already spoken considerably, three or four of us, relative to borrowing, lending, loans and what not. Therefore there is no need of my taking up very much time.

If I were to say anything at all I would say to the Government at this juncture to set the amount there to borrow this year high enough. Now, Sir, I shall qualify that in a moment. One thing I do say now is that, whatever I thought about our finances I will have to be pretty well convinced that we are in a bad way before I should mention it this afternoon, when I look around at a certain gallery and see one of the great hopes for the country which gave me birth. And like all of us—we all love our Fatherland from our birth, from our young manhood onward and in consequence therefore we are and ought to be, rightly so, ready to die at any time for the land of our birth. So it would be pretty much of a scathe who would say anything in the presence of young Newfoundlanders, the future manhood and womanhood of this country.

MR. SPEAKER: If the honourable member will excuse me; I believe these are young Americans. I take this opportunity of welcoming them.

MR. HOLLETT: It does not matter. We almost went in with America, Mr. Speaker. I am glad you put me wise to it because I have great admiration for the United States of America. And they are so like ourselves, Sir, that if I made any remarks relative to our population they will equally apply to the United States, which after all has quite a national debt.

But, Sir, I have to look backwards just a little bit. I remember when I sat on the opposite side of the House

words that there would be no more borrowing. It was this cursed debt—I maintain our debt was a hundred and six million, direct and indirect before we went into Confederation. And I hope my honourable colleagues won't contradict me. I am pretty well sure I am right. It was this cursed debt, we were told, that was around our necks that put us so low in the scale of humanity, that our people were starving and we had beri-beri and this and that. It was that nasty debt, that debt incurred by nasty old politicians of the past. They are there on these walls, a good many of them. Yes, we were told that then by no less a person than the honourable the Premier in that particular assembly to which I referred. But go into union with Canada and that will be wiped off so fast, and we will be only left with three and a half million dollars debt. Go in with Canada and that debt will be taken away, and then there will be no more debt. And now Sir, we are getting to tax people's property. No more taxes!

Now I remember that picture painted so well. And I remember as far back as 1952 when I first came to this Assembly we owed only three and a half million dollars. And that year, at that particular time, and I believe at that time rightly so, the Government considered they would go on the money market and borrow ten million dollars. That was in 1952. In 1953 they got along without borrowing and in 1954 they had to borrow again another twelve million dollars. In 1955 they went to the money markets again for sixteen million dollars and now this year there is an amount of fourteen millions. And we have to ask ourselves just when this borrowing is going to stop. How far may we go. We will admit here on this side of the House we may go a long distance yet when

it comes to borrowing. But anyone who throws all his eggs in one basket, so to speak, and borrow over a period of five or ten years—That amount of money which should have spread over a longer period—then he is jeopardizing the welfare of his country. Altogether then Sir, in these last five years (and the borrowing took place in four years) we will have borrowed fifty-two million dollars, which brings our national debt at the present time up to fifty-five and one half million dollars.

When I rose to my feet, Sir, I was convinced from looking at the estimates that it was a capital expenditure and that the Government had not arranged to borrow sufficient money for the next year. Because when you look at the capital account expenditure, Sir, I see that for education we have—and I presume—let us read this section first. This is the section of the Bill which refers to the loan for the purpose of reimbursing the consolidated fund for expenditures made on and to be made; made already and to be made; for the construction of hospitals, education, construction of the Trans-Canada Highway and other roads and bridges and for the development of farming and fisheries and such other purposes as the Lieutenant-Governor-in-Council may direct. Now if I look at capital expenditure, Sir, I find that for education next year, on capital account, there will be one and three quarters of a million dollars. There is to be one hundred and seventy-seven thousand spent on farming. For Public Works there is an amount of eight million ninety-four thousand dollars, and for Public Health, capital expenditure one million twenty-seven hundred and for Public Welfare one million. And so it goes on amounting to thirteen million six hundred and ninety thousand, practically fourteen million dollars there. Now we have to remember

Public Works gets about half that back, and as also I believe the Welfare gets a proportion back. But, Sir, this section reads for expenditures made and to be made, and when I look back at our old friend, the Loan and Guarantee Act, I find that we have made expenditures, mostly made not to be made as most of these have been made, of ten million six hundred and seventy-two thousand dollars already. So that it appears to me that instead of borrowing fourteen million it would be much nearer the mark if the Government had gone into the money market and said twenty million dollars. Instead of that they got fourteen million and got that in two attempts.

Sir, nobody has any objection to borrowing money for most of the things, all of the things, as far as I can see, that I mentioned here, for the construction of hospitals. Everybody knows that we have to have hospitals and the only way to build hospitals is through capital expenditure. Education, I think we ought to be able to do a good part of education expenditure from direct revenue, but undoubtedly we have to spend some on account of capital expenditure. The Trans-Canada Highway. In my opinion that is all capital expenditure, and in my opinion, Sir, that should be built by the Federal Government and the four hundred thousand people here in Newfoundland should have to contribute a very small amount for that Trans-Canada Highway. It is true it would benefit us if we had it. But I always believed that the Trans-Canada Highway was really something which was the duty of the Federal Government to put in here. Then there are the other roads and bridges and for the development of farming and the fisheries.

Now, Sir, if we look back at the Loan and Guarantee Act, much of this does

not come under any of these categories; Adler's \$650,000. More than was intended to give in the first instance. That does not come under any of these categories. Atlantic Gloves \$50,000 does not come under any of these. Atlantic Gypsum does not come under any special category. Eckhardt Mills; Hanning Electric; Koch Shoes; Newfoundland Hardwoods Limited. Money has to be spent out of that loan for these. Why not mention it here in this particular section. I will repeat again; for the construction of hospitals, education, the Trans-Canada Highway and other roads and bridges for the development of farms and for the fisheries.

As I mentioned Newfoundland Hardwoods, I heard no later than two weeks ago that Newfoundland Hardwoods were paying, I think it was twenty-five thousand dollars a year to a man, Baird, to run it—twenty-five thousand dollars a year. For a number of years, while that plant was under the management of Mr. Dawe—just imagine, Sir, paying a man twenty-five thousand dollars a year to run that factory, which is in the red to such an extent as it is—twenty-five thousand dollars a year.

There are a few others there that do not come under these categories. So that rather than decry the fact—I do deplore the fact that the Government has to go into the money markets; because, as I pointed out, that rosy picture had been painted to us so often, if we went into Union with Canada we would never again see any more hard times, no more dole, no difficulty in selling fish. And when we look around here today, and I have drawn this to the attention of the House before; the amount of able-bodied relief that has to be issued year to year, and particularly last February in the district of Burgeo and

LaPoile and in Fortune Bay, your own district, Mr. Speaker. And I am quite sure nobody deplores that more than you do, Sir, and all of us do. And we see the difficulties which we have had in the past in disposing of fish at an economic price, and we see the small prices obtained by our fishermen who are not getting one half the price which is being paid to their fellow fishermen in the Mainland of Canada and the United States of America. I say there is an awful lot to be put to right. And if all the promises held out to us could come true there would have been no need for borrowing even that first ten million dollars.

There is the position today, Sir. We are in debt to the tune of fifty-five and a half-million dollars direct debt and some forty-five million dollars indirect debt, which brings us to practically one hundred million dollars, back where we were, Sir, in the thirties when we went broke and we lost our status as a dominion and gave up self-government and became the wards of the United Kingdom. I say, Sir, there is reason that we should pause. There is cause for a pause, (that is getting poetic). There is cause to pause and look at the situation and just see where we are heading. I know that the Government has to borrow money for the Trans-Canada Highway, but, Sir, I cannot hold out such a rosy picture as the picture painted here a few days ago when the Premier came before the Royal Commission to testify as to our economic future over a period of the next twenty-five years. I believe that then the Honourable the Premier said that we would have to spend on capital account during the next twenty-five years one thousand million dollars.

MR. SMALLWOOD: I said that there would be need to spend that. I did not say we would spend it.

MR. HOLLETT: But it is needed. Then he said it would not bring us up to the other Atlantic Provinces.

MR. SMALLWOOD: That is right.

MR. HOLLETT: Well, Sir, if that is all there is for us in this great Canada of ours, if that is the greatest hope there is—Just imagine—Suppose we have to borrow, and we will have to borrow it, suppose the Premier is in here for the next twenty-five years—There is nobody in a hurry to get him out as far as I know—We will know after the next election. I am sure my honourable and learned friend down there, the member for Port-de-Grave, is most anxious that the honourable the Premier should remain here for the next twenty-five years. He will then be able to get the old age pension and retire from this House. In twenty-five years borrowing one thousand million dollars, and the interest and sinking fund on that alone per year would be sixty million dollars. So that we, in twenty-five years, would have to raise sixty million dollars to pay interest and sinking fund on that, which we would have to put under the Premier's dream of economic development of this country.

MR. SMALLWOOD: That would not be quite as bad for a million people or more. For a million people it would be sixty dollars per head of population.

MR. HOLLETT: That is before we touch the running expenses at all. That is just to take care of interest and sinking fund on these loans. But I am not quite sure the Premier thought seriously we would have to borrow at all, if so, I would be very much afraid if he is to remain there for the next twenty-five years. But I would say to him he has to step up his borrowing.

A mere fourteen million dollars a year will never reach that thousand million, not in our lifetime, and some of us hope to be here for the next twenty-five years, even though there is some doubt in the mind of the honourable member for Port de Grave about himself. However, we hope to be here. We will be much older and more experienced in twenty-five years time, and I am quite sure he would then be a very efficient man on whatever side of the House he is on.

MR. MERCER: We grow up in twenty-five years.

MR. HOLLETT: No, Mr. Speaker, it is not my intention to criticize the Government for borrowing fourteen million dollars. I see by looking at the estimates of revenue and the proposed expenditure, and apart from some of these expenditures here on some of these new industries about which I am very critical, although I am not criticizing them at the moment, there is need for that fourteen million dollars wisely and carefully and, in the name of somebody, do not be paying people twenty-five thousand dollars a year. We have not got them in this country. They are not worth it. They may be worth it in their country and from their own point of view, but we just can't pay them such salaries. We have three men in the Fisheries Authority getting twenty-five thousand dollars a year. We had this man in the Hardwoods Plant, I believe, until recently. There is a new man now but he was reduced to fourteen thousand eight hundred, I believe. The poor man, I don't know how he will get along.

Now, Mr. Speaker, I shall not say any more. If there is any other criticism I shall leave it to my honourable friend who is after all well able to

criticize and well able to take care of our duty here, I want the Government to know and to feel that both my colleagues and myself are no longer as young as we used to be once. And our only interest is the welfare of the country, as I am quite sure it should be the interest of every member on the other side of the House. So I take it for granted that every cent you borrow here is to be spent in the best interest of the country. We have charged you with making mistakes in the past. You have admitted making mistakes in the past, and I am thinking they might make some more if they are there. I think the Premier said three days ago he was going to announce an election.

MR. SMALLWOOD: That is an obsession. I don't know why the honourable gentleman is so obsessed by the date of the election.

MR. HOLLETT: I don't know, I am quite sure, why. Anyway I do hope they get their fourteen million and I do hope it will be spent wisely and well. And I will content myself with leaving you with that, Mr. Speaker.

(Applause from the Government side of the House).

MR. BROWNE: Mr. Speaker, whilst my honourable friend and Leader of the Opposition was speaking I thought I would draw a graph which honourable members can see, to show how we have been spending money on capital account during the past seven years. We spent about thirty-two million dollars out of surplus and this year will make it fifty-two millions that we have borrowed. That is eighty-four million dollars. And here is a graph showing the expenditure in the seven years, an average of twelve million dollars a year.

MR. SMALLWOOD: That is actually pitiful.

MR. BROWNE: It is pitiful.

MR. SMALLWOOD: I said pitifully small.

MR. BROWNE: I don't know whether it is pitifully small. I don't think we should expect to go at the pace that the Premier has in mind. After all he won't live much longer than three score and ten, and there will still be people coming along perhaps hundreds and thousands of years after him, and they will inherit something and have a responsibility. He should not expect to do everything during his lifetime for Newfoundland. As the occasion demands the men will rise. And I feel sure that they will be just as loyal and just as patriotic and just as ambitious for the welfare of the country as we are here today.

But as the Leader of the Opposition says, it is essential that when we borrow money we have a good system of looking after its spending. There is the thing that I would insist upon with the Government. I know they must borrow. They cannot get out of it. They got to finance the schools. They got to build the roads and got to finance hospitals and they got to bring to the people in this modern age the amenities such as electric lights and good housing that they require. But I would ask the Government if they are in office for another year that they do exercise in their departments greater care in the expenditure of money, scrutinize carefully the expenditure, and not to waste a cent but take care of our money and spend it wisely. Then there won't be the same amount of criticism. The chief spending departments have been Public Works and Economic Development, and most of the criticism has fallen on economic development, because that

department which had no experience to begin with, and in my opinion, I maintain, was inefficiently administered. Now, as the Premier has admitted, they have experience, it is hoped that the same danger does not exist as had existed in the past, and that therefore money will be spent with greater care in the future.

This might be the last occasion on which we get down to speaking about the great event that will be coming during this year, the opportunity of revising the Terms of Union. It has seemed to me that whilst the Canadian Government did us a great service by taking over our debt, I think we are entitled to more than that considering the amount of the public debt of Canada in comparison with our own. And their public debt was built up by the establishment of public services we did not possess. Therefore we are entitled to be compensated for the lack of these services. And I believe the Government could have gotten very much more out of the Dominion of Canada than they did get, and it would make a big difference to our financial position if a more favourable decision is made by this Royal Commission in a more substantial grant being made to us than we can expect after the expiration of these first twelve years. If we get a substantial sum it will help to ease the burden, the financial burden, of this country and will help in its development. But I believe that the conduct of investigating these terms now should not overlook the inadequacy of our rail and road transportation systems. The fact that Canada itself has invested millions, many hundreds of millions into its transportation system and whether it was Canadian National Railways or Canadian Pacific Railways public assistance was given to all of them, and we did not share in any of that. And it seems to

me that we have a big case to put before the Royal Commission for the improvements of that nature. And if that event should happen before the House should meet again I hope that they will use all their best endeavours to get good new and better financial terms for Newfoundland.

MR. SMALLWOOD: Mr. Speaker, I don't intend, again for obvious reasons, to take very much time in reply and because I don't think there is much need to take much time. But there was one thing said by the honourable and learned member for St. John's West that I think very honestly I should try to answer. I took down what he said and the words were: "The Premier should not try to do it all in his lifetime." Now I am taking, when he said that about the expansion of Newfoundland and the development of Newfoundland, I am sure, whilst he did not spell out what he had in mind, it was not only economic development but development and improvements of and expansion of our public services. In fact he did mention, I think, housing and roads and bridges and schools and hospitals and electric lights, etc. So, thinking all these things, he made the remark the Premier should not try to do it all in his lifetime.

Now, Mr. Speaker, may I say in reply to that, that whilst I suppose I have my full share of vanity and egotism and my full share of desire too, shall I say, to make a name for one's self, I do hope that there is more than that, more than merely a personal ambition or a personal feeling in the urgency that I have tried to put into the drive for economic development in all these fields. Does not the House, do not the honourable gentlemen opposite see that? This is

1956. It is not even 1946 and still less 1936. That the world itself is moving at a pace today that is enough to make a man dizzy, and that in that incredible fast-moving world Newfoundland suddenly, the other day, just the other day, found herself in the middle of the twentieth century by becoming a Province of Canada.

How can we believe for a moment that Newfoundlanders could be left the same after Confederation as they were before? Now put the two things together; this world war and all the titanic post-war discontent of people throughout the earth, this incoherent, this inexpressible yearning of people everywhere, including Newfoundland, for something better. Put that together with the fact of Confederation, these two things, hit in Newfoundland together. And surely, surely, Newfoundland statesmanship on both sides of this House in these last seven years and for the next three or four years, Newfoundland statesmanship is challenged by the greatest task that ever confronted it. The task is easy to state. The task is to inspire our Newfoundland people with the faith in Newfoundland, to persuade our Newfoundland people that Newfoundland has a great future, not only a place in which, if you are middle-aged, you can live yourself with some comfort some little feeling of security, but a place in which you can feel that your children and your grand-children can live.

That was a tremendous challenge. It is a tremendous challenge right now. Right now it is. The people who get together down at the tip of the Burin Peninsula, good, God-fearing people, common sense and decent, civilized people who get together and write a petition and sign it largely and send it in to the House of Assembly,

the People's House, which is where they should send it, saying we would like to have our roads kept open in the winter, and we would like to have a plow stationed here, preferably driven by diesel power, and a machinshop up here somewhere to service these road-working machines, the people who do that and the people who down in St. Anthony who are now insisting on hydro-electric development as they are in Springdale. The Mayor of Springdale came in to see me the other day and he said—(and the Mayor of Springdale is just as hard about building up Springdale as anyone in Newfoundland is about building up Newfoundland). And the Mayor of Springdale puts on a pair of blinders and all he can see, and very properly, is straight ahead, Springdale. And if he is interested at all in this debate here today it is only because he hopes the Bill will pass, that the Government will get the authority, will sell the bonds, will raise the money and use some of that money in building a hydro plant in Springdale. Now that is the feeling of our Newfoundland people. Now defy that if you dare. Defy it, fail to give them the roads, fail to give them the hospitals and schools. Thank God, I say, thank God that I have lived long enough to see our Newfoundland people, Newfoundland parents, not just a few of them here and there, to see our Newfoundland parents now in scores of thousands, because there are scores of thousands who have become bigoted, who have become intolerant, who have become fanatic in their demands for better educational opportunities for their children. Thank God we have lived to see that day when school teachers in Newfoundland are not regarded as something between a domestic servant and a pansy, the day that school teachers

at last are coming into their own as a vastly important segment of our Newfoundland people.

Now that is only because our Newfoundland people have come at last to realize the simply enormous importance of education. Thank God I have lived to see that day. And all over this Island that challenge has sprung up. Go out to Corner Brook and try your luck in Corner Brook and tell them about the difficulties of the Government, try your luck at going out there and arguing with great eloquence about the vast complexities that the Government has to solve. They just won't listen. They are not interested in the Government's problems, and they are not going to be. What they are interested in is "Our Problems" in Corner Brook, the roads in Corner Brook, the housing and the streets and electricity and sanitation. That is what they are interested in. But do you think that Corner Brook is any different from any other part of Newfoundland? Not a bit of it. Not one bit different. Wherever you go in Newfoundland today you have the most incredible demands on the part of the public for more and more and more and better and better and better public services. I am not kidding myself that in my lifetime these problems can be solved. (And I hope the honourable gentleman meant my political lifetime because I hope my political lifetime and my actual lifetime will not terminate together. I hope there will be a margin between the two, and that I will have a life which is not a political life.) I hope I can get out of this sometime. But before I do, I hope to see the shape of things stamped on Newfoundland.

And I think that in the first ten years of Confederation is the time to do it. And if in the first ten years

you do not have Newfoundland headed up right, have her set on the right course, then there is not a chance, not a chance for Newfoundland. There is no chance at all. Newfoundland is doomed if you do not get her set on the right course in the first ten years of Confederation.

Now, it was a desperate situation that required a desperate cure. It was indeed! And I am not going to say that we are out of danger yet. I am not going to say that. If you stop to think of a young man who comes out of St. Bon's College or Bishop Feild College or the Salvation Army College or the United Church College or the Amalgamated School of Corner Brook or the fine Roman Catholic High School in Grand Falls or any one of five hundred fine schools in Newfoundland—Just think for a moment of June coming, and the schools closing, and some fine young fellow of seventeen or eighteen years of age, fine, smart, clean-cut, well setup and having passed his grade eleven. All right, what is he going to do? He is a young Newfoundlander. And God knows if education means anything he is the cream of Newfoundland, is he not? He is the cream of Newfoundland. Thousands of these young men come out of school this year with their grade eleven. If we lose them, we lose more than we have borrowed in public debt. And we can't lose them. We can't afford to lose them. And there is only one way to hold them. And there is only one way to hold them. You know there is only one way to hold them, only one. I don't know of eight ways. I don't know of one-half or one-quarter I only know one way and that is to find jobs for them, to expand Newfoundland, to open her up, to open this island up. That has been my ambition. That is my ambition, to open

up Newfoundland. Open her up. As long back as I can remember it has been the anxious and yearning hope of every forward-looking Newfoundlander that Newfoundland somehow should be opened up. That is the term they always used—"Get it opened up." And I know what they meant. I know what they meant. They meant to get roads built and get railways built and to get hotels and to get schools and to get hospitals and to get industries and to get farms, to open her up, make her a place where a young fellow has a chance to make a living and not only a chance to make a living but a chance to expand, where a young engineer would be in demand, where a young doctor or lawyer or a young mechanic or a young fisherman would be in demand, would be prized, would be valued, would be respected, where young Newfoundlanders could make a decent living and get married and rear families and have a decent house and decent homes to live in—Open up Newfoundland.

Now is there anything more urgent than that? Do you think time will wait? Do you think we can be leisurely about that? Be leisurely about that, if at all, and I doubt that you ever can be leisurely, because I think until we get a few more mines and another paper mill and a few more industries going, until you get that I think it is going to be an uphill fight, an almost hopeless fight. You know, Mr. Speaker, a hundred times in the last seven years, a hundred times, I have about felt like throwing in the sponge, a hundred times at least. It is too big.

Yes, I did say to the Royal Commission on Canada's Economic Future that in the next twenty-five years it will take a thousand million dollars, to bring Newfoundland up to, in twenty-five years, where Nova Scotia today is.

Now I said that. I gave the facts. I do. I think we are going to spend a thousand million. How much is that a year? Forty millions a year. Do I think we will in fact? We can, in fact, spend forty millions a year in the next twenty-five years to build hospitals and roads and schools and hydro-electric plants and water and sewerage systems. No, I don't think so. And yet if we did spend forty millions a year for the next quarter of a century we will then be only where Nova Scotia is today, and Nova Scotia then will be twenty-five years ahead of where she is now. And it is because I think that any Newfoundlander is as good as any Nova Scotian, that any Newfoundlander deserves as much of a break as a Nova Scotian deserves. It is because I believe that, that I sometimes feel that it is hopeless, that it is too big for any of us or all of us put together to make Newfoundland what we would like her to be. Yet the honourable gentleman tells me I am trying to accomplish all this in my own lifetime. No, I am not. I know it cannot be done. I know it cannot be done. And I will go further now, Mr. Speaker.

Give Newfoundland a Government whose Prime Minister is Sir Winston Churchill (or Premier, if some gentlemen opposite think it highly offensive to call the Premier of a Province a Prime Minister. If he is not a Prime Minister I don't know what he is. He is a minister no doubt of that. He is the first minister and that is "Prime" or "Premier") have Sir Winston Churchill in his prime as Newfoundland's Premier, say ten years ago when he was in his prime. Have a cabinet now of Sir Winston Churchill (a Newfoundland Cabinet here sitting over here in these very seats) MacKenzie King, C. D. Howe, Franklin D. Roosevelt.

MR. HOLLETT: That is enough.

MR. SMALLWOOD: No, that is not enough. It would need a bigger cabinet than that. The late Philip Snowden (Lord Snowden, Ernest Bevin, Eamon De Valera, we would have to have an Irishman). Get a cabinet like that and give them Newfoundland to run and I don't believe that it would be possible for them in the next twenty-five years to make Newfoundland the equal of say Ontario or the equal of Nova Scotia, twenty-five years from now, nor to bring Newfoundland up to the general level, the general Canadian average. I don't think that is possible. Now that being so, if it is so, and I am convinced of it, if that is so, does not the House see the peril in which we live? When you think of these smart young men with their good educations which are costing so much for Newfoundland to give them. (It is up to ten millions this year. Ten million dollars! I remember when it reached a million. I remember Sir Richard Squires boasting in this very Chamber of the fact that this year, Mr. Speaker (and I can hear his voice, that magnificent voice telling the House) this year, Mr. Speaker, we will in the administration of His Majesty's Government be spending a million dollars on education. And I remember sitting down there in the press gallery and the thrill that went through me (1) as a Newfoundlander that a million dollars was being spent and (2) as a Liberal. But I saw two years later that vote being cut back from a million dollars to three-quarters of a million and a year later, when a new Government came in, saw it cut back to half a million dollars. And now this year we are spending ten million dollars. We are spending and spending and spending and getting more and more and better and better

schools and more and more young men. I wonder about these young men. Are they going to go up and make Ontario better than Ontario already is? Are they going to Nova Scotia and New Brunswick and the Western Provinces, or even are they going to the United States of America and make a great nation even greater? Or are we going to have them here? Are we going to have them here where we need them so badly?

We have got to face it. Does the honourable gentleman say Newfoundland is going too fast, that we are in too big a hurry? Are we? It is later than the honourable gentleman thinks it is. It is later than he thinks. And our fight is a fight against time. It is a fight that is uphill. It is a fight that may be doomed to failure. I am not going to guarantee success. I dare not do it. In the end we may have to close up shop and go off to live, thousands of us who can't afford to go any further than Nova Scotia, and thousands who can afford a little more go to Ontario, and thousands of us who are really well fixed go down to Jamaica. But we may have to close up shop because the fight is unequal, uneven, too much for us, the centrifugal tug of upper Canada, her great universities, her magnificent schools, her magnificent paved super-highways, her magnificent movies and theatres and all the Metropolitan life of that great province of Ontario and the great Metropolitan province of Quebec, the force and effect of that kind of life may be irresistible in the end and our population may not grow always as it is growing. So we are not in too big a hurry. We are not going too fast. We are not going fast enough. We are not seized too much by the sense of urgency. We are not seized enough by it.

The only honourable gentleman in this House that I know of, besides myself, (with all his hateful qualities, with all the qualities that put the devil in us sometimes, with all these) the only one, nevertheless the only honourable gentleman who I believe would fight like a tiger to realize these ideals is the very gentleman who said I am in too big a hurry, trying to do too much and trying to accomplish all in my own lifetime.

No, Mr. Speaker, we got her moving now. We got her moving. Like the old lady when she first saw the train, she said, "she will never go." And then when the train starts—"she will never stop." We got her moving. She is moving now. It is like hauling a big boat up, a big schooner, just too big, just too heavy, the inertia of her, and puny little men with their muscles trying to haul her up. They can't move her. They haul their guts out and strain their backs and try to move her—And they cannot move her—And finally she moves a little. Then it is—"Keep her going"—"Don't let her stop or you are finished"—Keep her going. That is what we are doing. It is just as simple as that. "Give her a jolly poker"—just as simple as that.

(Applause from the Government side of the House.)

On motion Bill read a second time.

On motion Bill ordered referred to a committee of the Whole House presently.

On motion the House recessed for ten minutes after which Mr Deputy-Speaker returned to the Chair.

MR. CURTIS: Mr. Speaker, I don't think this motion is necessary, but as His Honour the Lieutenant-Governor has signified his intention of coming here tomorrow afternoon at three of

the clock to prorogue this session of the Legislature, I would move (just to be on the safe side) that this House do not adjourn at six of the clock. I think we can finish our business before six of the clock, actually.

Motion, "That this House do not adjourn at six of the clock," carried.

On motion the House went into Committee of the Whole to consider Bills No. 47 and 49.

Committee of the Whole on Bill, "An Act Further to Amend the Loan and Guarantee Amendment Act, 1954."

On motion, clauses 1, 2 and 3 carried.

Clause 4 read—Preamble read.

Motion, that the committee report having passed this Bill without amendment, carried.

Committee of the Whole on Bill, "An Act to Authorize the Raising of a Sum of Money by Way of Loan on the Credit of the Province."

On motion Clause 1 read and carried.

Clause 2 read:

2. For the purpose of reimbursing the Consolidated Revenue Fund for expenditures made and to be made for the construction of hospitals, educational institutions, the Trans-Canada Highway and other roads and bridges, for the development of farming and the fisheries and for such other purposes as the Lieutenant-Governor in Council may direct, the Lieutenant-Governor-in-Council is hereby authorized to raise by way of loan upon the credit of the province a sum not exceeding fourteen million dollars (\$14,000,000) bearing interest at the rate

to be determined by the Lieutenant-Governor-in-Council.

MR. CURTIS: In this case, Mr. Chairman, we have to move a new amendment—In view of the condition of the Bond Market it is now proposed to issue these bonds not in one lot but in two. You know because of the increase in rates of the Royal Bank of Canada the bond market is not as healthy as it used to be. Therefore I am asking to insert an amendment so as to just make a few changes as to the words, to correct the situation. The amendment is in the sixth line. The word "loan" becomes "loans" and in the second last line, after fourteen million dollars (\$14,000,000) insert the words "in the aggregate" and then "at the rates to be determined."

MR. BROWNE: You say the bond market is not good at the present time?

MR. CURTIS: Ontario put through an issue of sixty million dollars the other day and had to pay four-and-a-quarter per cent on it.

MR. BROWNE: How long is this bond for?

MR. POWER: Fifteen years.

MR. HOLLETT: Could the minister give the details as to the amount, for instance, for hospitals—Is there any break down of this loan?

MR. POWER: It is all in capital account.

MR. HOLLETT: In Public Works, \$8,000,000 (eight millions).

On motion Clause 2 carried.

Motion that the committee rise and report having passed this Bill without amendment, carried.

MR. NORMAN: Mr. Speaker, the Committee of the Whole has consid-

ered the matter to it referred and passed Bills No. 48, without amendment and Bill No. 47 with some amendment.

On motion report received. On motion, Bills ordered read a third time now.

On motion, A Bill, "An Act to Authorize the Raising of a Sum of Money by Way of Loan on the Credit of the Province," read a third time, ordered passed and title be as on the Order Paper.

On motion, A Bill, "An Act Further to Amend the Loan and Guarantee Act," read a third time, ordered passed and title be as on the Order Paper.

On motion A Bill, "An Act to Amend the Companies Act," read a third time, ordered passed and title be as on the Order Paper.

On motion, A Bill, "An Act Further to Amend the Department of Public Works Act," be read a third time.

MR. BROWNE: Mr. Speaker, before this Bill is read a third time, I rise to move that it be referred back to Committee of the Whole. Honourable members will remember that when this Bill was first introduced it consisted of two sections, the first one being the title and the second one being the definition of "Municipal Authority," which was changed to some extent in committee. Then it was amended to include four new subsections, the effect of which is to give the Government the right to expropriate land for agricultural purposes and then to sell it to somebody else. Now, Sir, I think that is a very far-reaching action on the part of the Government which is not justified by the circumstances existing in this country at the present time. Thinking of it this morning I took up the report of

the Newfoundland Royal Commission on Agriculture, 1955, and at page 541, a chapter of the report deals with this subject —

MR. CURTIS: Mr. Chairman, I do not want to interrupt my honourable friend, but is he in order making a motion to recommit a Bill and now argue why it should be?

MR. BROWNE: Yes, Mr. Speaker, I move it be recommitted for the purpose of reconsideration—I am entitled to do that on third reading. Page 522 deals with the question of land which was given by grant in large amounts to Reid Newfoundland Company and so forth and here on page 552 there is a very important paragraph dealing with utilization of abandoned or unused land.

Now, I do think, since this was a matter which was considered by the Royal Commission on Agriculture—and it will be remembered this Bill which we are dealing with is being dealt with by the Department of Public Works, which really should not have any jurisdiction in agricultural purposes at all. This, Mr. Speaker, is being done for private purposes, and is a very dangerous thing for the Government to do. The report of the Royal Commission does call attention to legislation which is needed, and an example is found in the vacant land legislation of Ontario.

I could go on, Sir, at greater length, but my purpose is to ask the Government to reconsider this Bill, and consider the question of withdrawing it at the present time. As it stands now it is not to come into effect for six months, I know. But does not the honourable Minister of Mines and Resources think that this deserves more consideration, and that it should be introduced by the front door rather

than by the back door of the "Public Works Act?" It has nothing to do with Public Works. This should be done under legislation to the abandoned land legislation of 1933, and it should be done after mature consideration and after examination by the agricultural officials of his department and after full discussion here in the House.

That was introduced as a sort of second thought when we were in committee, and therefore has not been given the consideration that it deserves.

Mr. Speaker, I move that that be referred back to Committee for consideration along these lines.

MR. SPEAKER: I have looked up the rules and find this motion is in order. It would not be in order if the honourable member were speaking against the principle of the Bill, but since he is speaking against a clause which was put in to the Bill during committee this motion is in order.

MR. HOLLETT: Mr. Speaker, I do not want to take up too much time. First and foremost I would like to congratulate, on behalf of us on this side, my honourable colleague on my right for the care and attention he has taken in making a study of particular problems arising out of the Act presently before the House. It appears we have paid, I believe, ninety thousand dollars for an agricultural committee to bring in recommendations, and they brought in recommendations. And one of their recommendations was not to do the very thing that this Government is presently doing, i.e. bringing in legislation whereby they may expropriate land for the purpose of taking it away from one person and then conveying it to another person, another private individual—taking it from one private individual, taking it

back to the Crown and then handing it to John Jones, another private individual. That is the very thing that the Royal Commission has warned us against. I think, therefore, that the motion made by my learned colleague is well taken, and I think it should be considered well by the House. And unless he suggests some other reason against not accepting the idea, which I support, I certainly agree and give that motion all my support, and feel quite sure we all will on this side of the House. I do not need to elaborate any more than that. It is as clear as it can be, crystal clear—The Royal Commission which was set up recommended not to do this very thing we are now attempting. And I believe the legislation must have been brought in here in haste. It must have been ill-advised. And I am quite sure my honourable friend, the Attorney General, is not fully in accord with this particular Act, particularly now in view of the recommendations made by the Royal Commission.

MR. HIGGINS: Mr. Speaker, I support the motion of my honourable colleague from St. John's West. I think there is no urgency as to this thing. This is justified in the fact that the amendment, which caused him to make his motion, was introduced in Committee of the Whole. It is a Bill which might properly have been expected to come from the honourable Minister of Mines and Resources. Certainly it looks a little bit out of place in the Department of Public Works. The reasons advanced by the honourable and learned member for St. John's West are, in my opinion, quite sound. And I feel he is justified in making the motion, and I think this House might well support it—I certainly do.

MR. CURTIS: Mr. Speaker, I would move, as it is now one minute to six

of the clock and there is very little business to be done. I wonder would the honourable members rather stay a few minutes and do it rather than perhaps come back tonight.

Motion, that the House do not adjourn at six of the clock, carried.

MR. CURTIS: Mr. Speaker, I am very sorry that my honourable friends on the other side who have been so co-operative should take this stand and I hate like the mischief not to be able to agree with this suggestion on their part, which I think is honestly brought forward and has been carefully considered by them. On the other hand I would point out to my honourable friend that the Abandoned Land Act, 1933, dealt with when no owner could be discovered. That Act, as far as this land is concerned, is absolutely valueless because we know who owns it and know where they can be found. In fact before we proceed under this Act we will try to arrange an agreeable purchase. The effect of this Act is simply to strengthen our hand in our negotiations so that no ridiculous fancy price will be asked. I might say the Government does not intend to use this Act rashly. I assure the House we will use it very carefully and not at all if a reasonable arrangement can be made for acquisition of the land. But we do not want to be held up for unreasonable prices by people who do not live in the country, who just happen to own this property and who intend to sit on it.

Now, Mr. Speaker, it is true, as my honourable friend says, this amendment was introduced in committee. That was done to avoid bringing in an additional act. This matter has been under consideration by the Government for many months, and the department over which I have the honour to pre-

side have been drafting legislation to cover it. It was felt that the easiest way to strengthen the Government's hand at the moment would be to insert this clause in this piece of pending legislation. For that reason we have put it in. I see no object, Mr. Speaker, in going back into committee on the Bill. We have allowed the honourable member, as was right, to make his point fully. But the Government has no alternative but to insist on its attitude in this respect, consequently, although I have to appear to be discourteous, the Government feels it must refuse this motion and therefore we have to press for third reading.

On division Bill ordered read a third time.

Motion, that this Bill be now read a third time, ordered passed and title be as on the Order Paper, carried.

On motion a Bill, "An Act Further to Amend the Local School Tax Act, 1954," read a third time, ordered passed and title be as on the Order Paper.

On motion a Bill, "An Act Further to Amend the Local School Tax Act, 1954," read a third time, ordered passed and title be as on the Order Paper.

On motion a Bill, "An Act to Amend the Education Act," read a third time, ordered passed and title be as on the Order Paper.

On motion a Bill, "An Act to Provide for the Payment of Accelerated Pensions to Employees of the Newfoundland Government transferred to the Services of the Government of Canada at the date of Union," read a third time, ordered passed and title be as on the Order Paper.

MR. CURTIS: Mr. Speaker, that is all the legislation that the Government is interested in at this session. It is not going to proceed with Bill No. 50, "An Act to Amend the St. John's Housing Co-operation Act here this session. There is a section in that Bill which the Government does not approve, and it is not intended to proceed with it. I understand the St. John's Municipal Council would like very much to have us proceed with Bill No. 52, which is a Bill in connection with Bowring Park. If my honourable friends opposite and my honourable friends on this side of the House would have no objection perhaps we might agree to put that Bill through all its stages?

On motion a Bill, "An Act to Amend the Bowring Park Area Control Act," read a first time. Ordered read a second time now.

MR. HIGGINS: Mr. Speaker, I might say this Bill is brought in at the request of the St. John's Municipal Council and merely provides for an expansion in a westerly direction. Presently the Bowring Park Act controls building in a certain area contiguous to Bowring Park. The St. John's Municipal Council is presently negotiating for the acquisition of certain property in the immediate area. The council has made provisions for the acquisition of other land, and it is to protect areas which will be included there that that amendment is sought.

To set at rest the feeling that may be in the hands of people whose property is affected, whose property is going to be expropriated, I am authorized to say by the Council that the passage of this Act will not in any way tend to be regarded as depreciating the value of the properties. It is a very simple amendment, Sir, and one that the Council is anxious to have passed.

MR. HOLLETT: Mr. Speaker, there is one thing of which I am not quite certain: Have these lands been expropriated or have they yet to be acquired? If they have been acquired does not the passage of this Bill sort of give the council a sort of lever over the owners of the property? Can they not say—"Well now, look, you are now in the park area—We are going to have the land anyway—Can we come to some agreement or if not we shall expropriate"—Is it not correct that the Bowring Park Authority should acquire the land first and then bring in an Act here including that land in that large park area?

MR. CURTIS: The question, Mr. Speaker, that my honourable friend, the Leader of the Opposition, brings up is a good one—And I was going to suggest when we get in committee that we add a section to the Bill saying this Act shall come in by proclamation—and that the proclamation not be issued until the land is expropriated.

MR. HIGGINS: The land is all taken with the exception of one owner.

On motion as agreed by the whole House, Bill read a second time, ordered referred to a Committee of the Whole House presently:

MR. CURTIS: Mr. Speaker, before the House goes into committee on this Bill—There were two Bills which passed at this session, Bill No. 27 and Bill No. 23. One is "The City of St. John's Act" and the other "The Highway Traffic Act." Both Bills deal with traffic commissions, and both name a traffic commission of six persons. Well, actually one of the members has been taken ill, and I noticed by the newspaper yesterday that they have appointed a seventh member of the committee. Now that makes the committee unlawful. I wonder, therefore, if

the House would give permission to refer to committee on these two Bills, just to strike out the word "six" and put in the word "seven." That is one point.

Motion, that the Bill be recommitted, carried.

Mr. Deputy-Speaker left the Chair.

Mr. Courage, Chairman of Committee of the Whole.

MR. CHAIRMAN: I think the committee might take the Bowring Park Bill first. That would give the clerk time to get the other two Bills.

MR. CURTIS: Mr. Chairman, the section we are going to add, Sub-section 3, "This Act shall come into force on a date to be proclaimed by the Lieutenant-Governor in Council.

On motion, Clause as amended, carried.

Motion, that the committee report having passed a Bill, "An Act to Amend the Bowring Park Area Control Act," with some amendment, carried.

Committee of the Whole on Bill, "An Act to Amend the City of St. John's Act."

MR. CURTIS: In this Bill I just ask that in clause 2 the word "six" be amended to read "seven."

On motion, Clause as amended, carried:

Motion, that the committee report having passed this Bill with some amendment, carried.

Committee of the Whole on Bill, "An Act Further to Amend the Highway Traffic Act."

Motion, that Clause 3 be amended to read "seven" instead of "six," carried.

Motion, that the committee rise and report having passed this Bill with some amendment, carried.

Mr. Deputy-Speaker returned to the Chair.

MR. NORMAN: Mr. Speaker, the Committee of the Whole have considered the matter to them referred and have passed Bills No. 27, 33 and 25 with some amendments.

On motion report received, Bills ordered read a third time now.

On motion a Bill, "An Act to Amend the Bowring Park Area Control Act," read a third time, ordered passed and title be as on the Order Paper.

On motion a Bill, "An Act to Amend the City of St. John's Act," on motion read a third time, ordered passed and title be as on the Order Paper.

On motion a Bill, "An Act Further to Amend the Highway Traffic Act," read a third time, ordered passed and title be as on the Order Paper.

MR. CURTIS: Mr. Speaker, on moving that the remaining orders of the day do stand deferred and that the House at its rising do adjourn until tomorrow, Thursday, at three of the clock, I would like to inform the House that His Honour, the Lieutenant-Governor will be here at three of the clock tomorrow afternoon to prorogue the House. At the same time I would like to express my personal thanks to the members of the House particularly the members of the Opposition who have agreed to remain these few minutes and save us coming back here tonight.

On motion all remaining Orders of the Day deferred.

On motion the House at its rising adjourned until tomorrow, Thursday, at three of the clock.

THURSDAY, May 10, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

SERGEANT-AT-ARMS: His Honour, the Lieutenant-Governor has arrived.

His Honour took the Chair.

MR. DEPUTY-SPEAKER: It is my agreeable duty on behalf of Her Majesty's dutiful and loyal subjects, Her faithful Commons in Newfoundland to present to Your Honour a Bill for the Appropriation of Supply granted in the Present Session.

Whereupon the Clerk read the following Bill:

A Bill, "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-First Day of March, One Thousand Nine Hundred and Fifty-Seven, and for Other Purposes Relating to the Public Service."

His Honour then said, "In Her Majesty's name I thank her loyal subjects, I accept their benevolence, and assent to this Bill."

MR. DEPUTY-SPEAKER: May it please Your Honour, the General Assembly of the Province has at its present session passed certain Bills, to which, in the name and on behalf of the General Assembly, I respectfully request Your Honour's assent."

Whereupon the Clerk read the following Bills entitled:

A Bill, "An Act to Amend the Poultry and Poultry Products Act."

A Bill, "An Act to Amend the Social Assistance Act, 1954."

A Bill, "An Act Further to Amend the School Attendance Act."

A Bill, "An Act to Empower the St. John's Municipal Council to Raise a Loan for Municipal Purposes by the Issue of Bonds."

A Bill, "An Act to Restrict the Use of White Canes to Blind Persons."

A Bill, "An Act to Amend the Frobisher Limited (Confirmation of Agreement) Act, 1955."

A Bill, "An Act Further to Amend the Gasoline Tax Act."

A Bill, "An Act to Amend the St. John's Memorial Stadium Act, 1954."

A Bill "An Act to Amend the City of St. John's Act."

A Bill "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Community Councils."

A Bill "An Act to Amend an Agreement Relating to a Loan to be Raised by Wabush Lake Railway Company Limited made in Pursuance of the Wabush Lake Railway Company Limited (Loan Guarantee) Act, 1955, The Act No. 1 of 1955 (Second Session) Between the Lieutenant-Governor-in-Council, and Wabush Lake Railway Company Limited and Canadian Javelin Limited."

A Bill, "An Act to Establish the Board of Trustees of the Newfoundland Museum."

A Bill, "An Act to Amend the City of Corner Brook Act, 1955."

A Bill, "An Act to Amend the Law Relating to the Frustration of Contracts."

A Bill, "An Act Further to Amend Trustee Board of the Presbyterian Church in Canada."

A Bill "An Act Further to Amend the Health and Public Welfare Act."

A Bill, "An Act Further to Amend the Highway Traffic Act."

A Bill, "An Act Respecting the Appointment of Commissioners to Enquire into the Present Use of a Wharf Constructed in the Harbour of St. John's During the Second World War and to Make Recommendations as to the Future Use of the Wharf."

A Bill, "An Act for the Protection of the Water Supply from Larkin's Pond and Other Contiguous Lakes."

A Bill, "An Act Further to Amend the Act 4 Ed VII Cap. 13 Entitled "An Act to Provide for the Transportation of Timber Over Streams and Lakes, and for Other Purposes in Connection with Crown Lands."

A Bill, "An Act Respecting the Distribution of Electricity in the Grand Falls, Windsor, Bishop's Falls and Botwood Areas."

A Bill, "An Act to Amend the Tourist Development Loan Act."

A Bill, "An Act Further to Amend the Local Authority Guarantee Act, 1952."

A Bill, "An Act to Incorporate the Newfoundland Association of Architects."

A Bill, "An Act Further to Amend the Companies Act."

A Bill, "An Act to Provide for the Establishment and Administration of Local Road Boards."

A Bill, "An Act Respecting the Filing, Publication and Consolidation of Regulations."

A Bill, "An Act to Provide for the Payment of Accelerated Pensions to Employees of the Newfoundland Government Transferred to Services of the Government of Canada at the Date of Union."

A Bill, "An Act Further to Amend the Education Act."

A Bill, "An Act Further to Amend the Local School Tax Act, 1954."

A Bill, "An Act Further to Amend the Department of Public Works Act."

A Bill, "An Act to Amend the Bowring Park Area (Control) Act."

A Bill, "An Act Further to Amend the Loan and Guarantee Act, 1954."

A Bill, "An Act to Authorize the Raising of a Sum of Money by Way of Loan on the Credit of the Province."

A Bill, "An Act Further to Amend the Public Utilities Act."

A Bill, "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Local Government."

His Honour then said, "In Her Majesty's Name I assent to these Bills."

His Honour the Lieutenant Governor was then pleased to make the following speech:

**MR. SPEAKER AND MEMBERS
OF THE HONOURABLE HOUSE
OF ASSEMBLY:**

The Session now concluded has been a busy one and I wish to thank you for the careful attention you have given to the many and varied matters my Ministers have placed before you,

Included in these measures has been the proposal of my Ministers to provide free medical, dental and optical

care for all our children up to the age of sixteen years. The Legislation has been ratified and funds voted for the first phase of this great health plan.

The rate of payments under the Workmen's Compensation Board has been increased, thereby making greater provision for the dependents of deceased workmen.

The decision of my Ministers to have the Government assume full financial responsibility for the maintenance of all local roads through the instrumentality of elected Road Boards has been approved by the House, and funds voted for that purpose.

Legislation providing for the encouragement and growth of local government by means of town councils or community councils has been amended and consolidated.

The unsatisfied judgment fund has been made available to victims of hit and run motor accidents, thus broadening the disbursement of the payments under this legislation.

Many other matters have been considered during your deliberations, including amendments to the Wabush Agreements, the Companies Act, the School Attendance Act, and the Fro-bisher Agreements.

MR. SPEAKER AND MEMBERS
OF THE HONOURABLE HOUSE
OF ASSEMBLY:

I thank you for the provision you have made for all essential services for the current fiscal year. I am confident that the monies voted will be wisely and judiciously expended by my Ministers.

In the normal course of events this will be the last session of this 30th. General Assembly

To all of you whether you continue to occupy a seat in this House or not, I wish success in your several avocations and a measure of well-deserved relaxation after your heavy duties.

As you return to your homes, I express the hope that Divine Providence will continue to bless our people with peace, prosperity and happiness.

His Honour the Lieutenant Governor left the Assembly Chamber.

MR. SPEAKER: It is the will and pleasure of His Honour the Lieutenant Governor that this General Assembly be prorogued until Wednesday the Sixth Day of June next, and this Assembly is prorogued accordingly.

Journal and Proceedings
of the Seventh Session
of the
Thirtieth General Assembly
of Newfoundland

BEGUN and holden at St. John's in the Province of Newfoundland on Wednesday the 14th day of March, Anno Domini, Nineteen Hundred and Fifty-six in the Fifth Year of the reign of Her Majesty our Sovereign Lady Elizabeth the Second, by the Grace of God of the United Kingdom, Canada and Her other Realms and Territories, Queen, Head of the Commonwealth, Defender of the Faith.

WEDNESDAY, March 14th., 1956.

His honour the Lieutenant Governor having fixed the hour at which he proposed to open the present Session of the Legislature at three of the clock in the afternoon of this Wednesday, the 14th. day of March, the Members of the House of Assembly met in the Assembly Chamber at three of the clock in the afternoon, when Mr. Speaker took the Chair.

At three of the clock the Sergeant-at-Arms announced that His Honour the Lieutenant Governor had arrived.

His Honour entered the Assembly Chamber preceded by the Sergeant-at-Arms.

Mr. Speaker left the Chair.

His Honour the Lieutenant Governor took the Chair.

His Honour was then pleased to open the Session with a Speech from the Throne as follows:

**MR. SPEAKER AND MEMBERS OF
THE HONOURABLE HOUSE OF
ASSEMBLY:**

In this last session of the Thirtieth General Assembly your attention will be invited to a number of matters of great importance to the people of the Province. At every session of the present General Assembly you have dealt with many public affairs of moment and so it was in the General Assembly which preceded this one. From the hour when Newfoundland became a Province of Canada, just before the stroke of midnight on the last day of March, 1949, there have been ten sessions of your Honourable House, this one which commences today being the eleventh. In those ten sessions over 500 separate pieces of legislation have

been considered, debated and passed into law. It is an impressive seven year record of work done in behalf of your constituents, the people of the Province of Newfoundland.

The most important single piece of legislation to engage your studies in this present session will be one which my Ministers will submit for the purpose of giving them authority and making it mandatory upon them, to introduce and enforce a system of Children's Health benefits which my Ministers believe will rapidly become the greatest system of its kind anywhere to be found in North America. My Prime Minister has already announced, by means of television and radio, the broad outlines of the system under which the Government of Newfoundland will take on full responsibility for the costs and expenses of all medical, dental and optical care of all children in Newfoundland and Labrador until they reach the age of sixteen. From their studies of the facts my Ministers believe that it will cost several millions of dollars to carry out this great Children's Health scheme. They are further convinced that so great a project cannot be put into full effect in the first year. More than 170,000 children will come under the scheme, and this number will of course increase as the general population increases. Additional numbers of medical doctors, dentists, optometrists and opticians will have to be found for Newfoundland and Labrador. Additional hospital beds will have to be provided, and it is the intention of my Ministers to make plans for the provision of a Children's Hospital in St. John's, a second Children's Hospital which will be in Gander, and a third which will be in Corner Brook. All of this will, of course, take more than one year to carry out, no matter how

energetically the Government proceeds with their plans. It is my Ministers plan to commence the program in the present year by providing completely free hospital care for all children up to the age of sixteen. This one feature alone is a very great step, but it will be followed by other features of equal or even greater importance, until the whole plan is in operation. I know that you will give these matters your careful and sympathetic consideration in the days and weeks ahead.

A second matter of considerable importance which you will be asked to consider is my Ministers' desire to introduce drastic changes in the present system of maintaining purely local roads. For the greater part of the century, prior to the system of Government by Commission, the Government of Newfoundland was solely responsible for the upkeep of all roads in Newfoundland, including those within the borders of all the towns and settlements. The Commission of Government introduced what was for Newfoundland a completely new feature of road policy when they announced that they would no longer be responsible for the upkeep of roads within the boundaries of the settlements. The most the Commission of Government were prepared to do was to make matching grants to those settlements which took steps to have Local Road Committees.

My Ministers now propose to reverse the policy, and to readopt the policy that always existed before the system of Government by Commission was installed in 1934. The policy which you will be asked to approve and authorize will be one in which the Government will again be responsible for the maintenance of all local roads, and you will be asked to approve an appropriation of nearly three-quarters

of a million dollars for the purpose in the present year. As it will take a year or two to get the new system working smoothly my Ministers do not propose to ask your authorization of a larger amount for the present year, but feel that this sum will suffice for the coming road season. My Ministers, who believe strongly in the development of the system of local self-government, do not propose that the new system, or rather the restoration of the old system shall be permitted to discourage the continuation and expansion of the system of Town Councils and Community Councils, and their proposals take this consideration fully into account, as will appear when the details are submitted to you. My Ministers believe that the present system of maintaining local roads, while it had merit in the times and under the conditions that existed in Newfoundland in 1936, is now hopelessly, even absurdly, out of place in the prosperous and fast-growing Province of 1956.

Mr. Speaker, at the end of the present month Newfoundland will have been a member of the Canadian family of Provinces for exactly seven years; and that fact reminds us of an extremely important clause that was written into the Terms of Union. This is a Term which provides for the setting up, by the Government of Canada, of a Royal Commission which would examine Newfoundland's financial position after Confederation, and make recommendations as to the form and scale of additional financial assistance, if any, that may be required by the Government of the Province of Newfoundland to enable it to continue public services at the levels and standards reached subsequent to the date of Union without resorting to taxation more burdensome, having regard to

the capacity to pay, than that obtained generally in the region comprising the Maritime Provinces of Nova Scotia, New Brunswick and Prince Edward Island.

Term 29 is, in effect, candid recognition of the fact that the Terms of Confederation could not be worked out and agreed fully in 1949, or indeed at any time before Confederation had been in effect for some years. The Terms of Confederation were not finalized in 1949. Perhaps they never will be final, but the time approaches rapidly when the next great step must be taken. This is the setting up, by the Government of Canada, of the Royal Commission for which Term 29 provides.

More than eighteen months ago my Ministers began the preparation of Newfoundland's case for the forthcoming Royal Commission. This they did by securing the appointment of our own Newfoundland Royal Commission on Revision of the Terms of Union. For a year and a half the distinguished citizens who constitute this Royal Commission have been hard at work at their task. They have engaged the services of able assistants in finance, economics and statistics; and my Ministers will be adequately equipped, thanks to all this painstaking preparation by the Newfoundland Royal Commission, to advocate Newfoundland's case vigorously before the Federal Royal Commission. My Ministers propose, later in the present year, to request the appointment of the Royal Commission agreed to in Term 29, and they will strive to ensure that this Term of the Union of Newfoundland and Canada will be honoured by the full implementation of its plain meaning and spirit.

Since you last met in session my Ministers have held discussions with

the Government of Canada regarding the problem of unemployment assistance. These talks have resulted in an agreement whereby the Government of Canada will assume responsibility for one half of the cost of all unemployment assistance above a basic minimum figure of slightly less than one half of one per cent of the population of the Province. This agreement will include persons receiving sick relief and Dependents' Allowances, as well as those receiving periodic able-bodied relief. You will be asked to consider legislation embodying this agreement which, it is estimated, will bring annually into the Provincial Treasury approximately one million dollars from Ottawa.

After a considerable period of preparation, during which foundations were laid and other basic work done, the fisheries development programme is beginning to take shape. The new plant at Quirpon has been completed and will go into operation this year. The plant at Merasheen also is finished and will operate in the coming season. Construction of the plant at Seldom-Come-By will commence this year and should be completed before the end of the season, thus making this enterprise ready for operation next year. Considerable progress has been made in the great new plant at LaScie. The large new piers will be finished early in the coming summer, and construction of the plant itself will then commence without delay. The waterlines will be laid in the present year, and the construction of the new breakwater will commence in this season and probably will be completed before the end of the year. The plant at LaScie is designed to be the largest fish establishment in Newfoundland, and it may well be the largest in Canada.

As you are well aware, these four plants have been built or are to be built as a result of recommendations made to my Ministers by the Fisheries Development Committee, of which Sir Albert Walsh was the Chairman. They are experimental in character and purpose, and in the cases of Quirpon, Seldom-Come-By and Merasheen, success in their operation will almost certainly result in the establishment of numerous similar plants in different parts of our coastline. Successful operation of the great new plant at LaScie would be followed at most by the establishment of a strictly limited number of such establishments at appropriate points, and success in the operation of all four of these experimental ventures would, my Ministers believe, stimulate a great new interest in the profitable possibilities of our fisheries for fishermen and merchants alike.

In the meantime two well known fishing companies in Newfoundland have applied to the Government for financial assistance to construct large new salt fish plants, and negotiations on these matters are proceeding presently. Other salt fish plants are in contemplation, and my Ministers believe that there is at least the beginning of a revival of interest in the salt fish industry. My Ministers are anxious to extend sound financial and other assistance to any reputable person, company or co-operative group who wish to play a more active part in the development of the salt fish industry. It is the firm belief of my Ministers that one of Newfoundland's greatest present-day needs is for enterprising persons or groups to engage more energetically than ever in an industry which is far from collapse or extinction. You will be asked in this season to appropriate further considerable sums of money for fishery development.

We have all, I feel, been deeply pleased by the encouraging news we have heard with regard to the British Newfoundland Corporation, that impressive combination of almost thirty large financial, industrial and mining companies of the United Kingdom and Canada. BRINCO, as it is popularly known, have come into Newfoundland and Labrador with great stores of experience and capital, and have from the commencement pursued their surveys and prospecting with skill and vigor. They have spent some millions of dollars in the past three years or less, and propose to spend millions more, on their programme of intensive prospecting and drilling. We look forward eagerly to the early development of the vast hydro-electric potential of the Hamilton River watershed in Labrador, and even more eagerly to the outcome of this coming season's drilling in the Monkey Hill and the Stormy Lake regions of Labrador, where profoundly impressive deposits of uranium-bearing pitchblende have been found. It is coming to be widely recognized that Labrador is almost certainly the greatest single storehouse of undeveloped natural wealth existing anywhere today in the whole of North America. Any Province of Canada, indeed any State of the United States of America, would be happy to have within its boundaries so vast and rich an area as Labrador. My Ministers have striven, and continue to strive, to expedite the development of this great storehouse of wealth.

I am sure, Mr. Speaker, that all Newfoundlanders rejoice in the never-ending growth of the prosperity with which our Province and people have been blessed almost from the commencement of Confederation with Canada. Not all Newfoundlanders enjoy the standard of living to which, as

Canadians, they are entitled; there are still some sectors of our Provincial economy that badly need strengthening but it is scarcely to be denied that in broad outline Newfoundland is moving rapidly ahead. Never were so many of our bread-winners employed. Never were wages so high. Never were they so well fed, so well clothed, so well housed, so healthy. Never were our people so confident of their future.

MR. SPEAKER AND MEMBERS OF THE HONOURABLE HOUSE OF ASSEMBLY:

You will be requested to make provision of Supply to Her Majesty.

I know that you will apply yourselves with zeal to the public business that will come before you in this Session, and I pray the blessing of Providence upon your labours.

His Honour left the Assembly Chamber.

Mr. Speaker resumed the Chair.

On motion of Hon. the Attorney General, the Bill entitled "An Act Further to Amend the Registration of Deeds Act" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Mr. Speaker announced that His Honour the Lieutenant-Governor had been pleased to make a speech to the Members met in General Assembly and that for greater accuracy he had obtained a copy.

The Clerk then read the said Speech at the Table.

It was moved by Mr. Courage and seconded by Mr. Norman that an Address of Thanks be presented to His Honour in reply to the gracious speech

with which he had been pleased to open the present Session of the Legislature and that a Select Committee be appointed to draft such Address in Reply.

It was ordered accordingly and the following gentlemen were appointed to such Committee:

Mr. Courage

Mr. Norman

Mr. Jackman.

On motion of Hon. the Premier, seconded by Honourable the Leader of the Opposition, the following resolution was passed unanimously:

RESOLVED: That this House desires to record the expression of its deep sorrow at the death of the Right Reverend Philip Selwyn Abraham, M.A., D.D., sixth Bishop of Newfoundland.

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill, "An Act Further to Amend the Memorial University Act."

A Bill, "An Act Further to Amend the Memorial University (Pensions) Act."

Hon. the Minister of Labour gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Workmen's Compensation Act."

Hon. the Minister of Mines and Resources gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill, "An Act to Amend the Agricultural Societies Act."

A Bill, "An Act Respecting the Disposal of Waste Material and the Protection of Non Tidal Waters."

A Bill, "An Act to Amend the Frobisher Limited (Confirmation of Agreement) Act, 1955."

A Bill, "An Act to Amend the Sawmills Act."

A Bill, "An Act Further to Amend the Crown Lands (Mines and Quarries) Act."

Hon. the Minister of Public Welfare gave notice that he would on tomorrow ask leave to introduce a Bill entitled: "An Act to Approve and Give Statutory Effect to an Agreement Between the Government of Canada and the Government of Newfoundland relating to Assistance to Unemployed Persons and the Sharing of the Cost Thereof."

Hon. the Minister of Finance gave notice that he would on tomorrow ask leave to introduce a Bill, "An Act Further to Amend the Cancer Control Tax Act, 1953."

Mr. Browne gave notice of Questions.

Mr. Hollett gave notice of Question.

It was moved and seconded that when the House rises, it adjourn until Monday afternoon, March 19th, at three of the clock.

The House then adjourned accordingly.

MONDAY, March 19, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

On motion of Hon. the Attorney General, seconded by Mr. Higgins, the following resolution was passed unanimously:

RESOLVED: That this House desires to record the expression of its

deep regret at the death of William F. Proudfoot, LL.B., former Law Clerk of the House of Assembly.

Hon. the Premier tabled a photographic reproduction of the Architect's drawing of the new fountain and landscaping presently under construction in front of the House.

Hon. the Premier tabled maps showing divisions of new constituencies.

Hon. the Minister of Finance tabled "Public Accounts of the Province of Newfoundland for the year ended March 31st, 1955" and on motion was given permission to print additional copies.

Petitions were presented by:

Hon. the Minister of Provincial Affairs from Trepassey Re Hydro-Electric Development.

Hon. the Attorney General from Whale's Gulch Re Road.

Mr. Brown, on behalf of Mr. Speaker, from Sally's Cove, Re Bridge, and from Rocky Harbour Re Road.

Mr. Courage, on behalf of the Select Committee appointed to draft a reply to the Speech of His Honour the Lieutenant Governor, presented the report of the Select Committee as follows:

To His Honour the Lieutenant Governor,

Sir Leonard Cecil Outerbridge
Knight Bachelor, C.B.E., D.S.O.

May it please Your Honour,

We, the Commons of Newfoundland, in Legislative Session assembled, beg to thank Your Honour for the Gracious Speech which Your Honour has addressed to this House.

Sgd. John R. Courage,
G. M. Norman.

Assembly Room,
March 19th, 1956.

On motion it was ordered that the Debate on the Address in Reply be deferred until a later hour in the day.

Mr. Browne gave notice of Question.

Mr. Hollett gave notice of Question.

The second reading of the Bill entitled "An Act Further to Amend the Registration of Deeds Act" was debated and on motion was adjourned for further debate on tomorrow.

Pursuant to notice and on motion of Hon. the Attorney General, the following Bills were introduced and read a first time and ordered to be read a second time on tomorrow.

A Bill, "An Act Further to Amend the Memorial University Act."

A Bill "An Act Further to Amend the Memorial University (Pensions) Act."

Pursuant to notice and on motion of Hon. the Minister of Labour, the Bill entitled "An Act Further to Amend the Workmen's Compensation Act" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Mines and Resources, the following Bills were introduced and read a first time and ordered to be read a second time on tomorrow:

A Bill, "An Act to Amend the Agricultural Societies Act."

A Bill, "An Act Respecting the Disposal of Waste Material and the Protection of Non Tidal Waters."

A Bill, "An Act to Amend the Fro-bisher Limited (Confirmation of Agreement) Act, 1955."

A Bill, "An Act to Amend the Saw Mills Act."

A Bill, "An Act Further to Amend the Crown Lands (Mines and Quarries) Act."

Pursuant to notice and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement Between the Government of Canada and the Government of Newfoundland Relating to Assistance to Unemployed Persons and the Sharing of the Cost Thereof" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Finance, the Bill entitled "An Act Further to Amend the Cancer Control Tax Act, 1953," was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

The Address in Reply was debated.

The following amendment was moved by Mr. Browne and seconded by Mr. Higgins:

That the following words be added to the Address in Reply:

"This House, having become aware of the fact that the Superior Rubber Company Limited, which was financed entirely with public funds, contrary to the spirit of the mandate sought and received by the Government in its appeal to the electorate in 1951, has been compelled to cease operation, and fearing that other new industries financed by public funds, are meeting great difficulties, feels that the whole matter of the present and future status of all Government owned or sponsored new industries should be referred to

a Royal Commission for immediate investigation and Report."

The debate on the amendment to the Address in Reply was adjourned until tomorrow.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, March 20th, at three of the clock.

The House then adjourned accordingly.

TUESDAY, March 20, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Hon. the Attorney General made a statement Re Dr. Alfred Valdmanis.

Petitions were presented by:

Hon. the Minister of Municipal Affairs and Supply from Peley Re Road.

Hon. the Minister of Provincial Affairs read a letter from the French Consul stating that the people of Saint Pierre and Miquelon had sent a cheque for \$1,180.00 to be shared between the families of the two unfortunate fishermen, Mr. Thomas Young and Mr. Abraham Vardy, who lost their lives off Miquelon on the 18th day of February, 1956.

On motion of Hon. the Minister of Provincial Affairs, seconded by the Leader of the Opposition, a vote of thanks was passed for the gesture made by the residents of the said islands.

Hon. the Minister of Mines and Resources tabled "Annual Report of the Department of Mines and Resources for the year ended 31st March, 1955."

Hon. the Premier tabled Fifth Annual Report of the Industrial Development Loan Board of Newfoundland for the period ended March 31st, 1955."

Mr. Brown gave notice of Question.

Mr. Hollett gave notice of Question.

The debate on the amendment to the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act Further to Amend the Registration of Deeds Act" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Labour, the Bill entitled "An Act Further to Amend the Workmen's Compensation Act" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Mines and Resources the following Bills were read a second time and ordered to be referred to a Committee of the Whole House on tomorrow.

A Bill, "An Act to Amend the Agricultural Societies Act."

A Bill, "An Act Respecting the Disposal of Waste Material and the Protection of Non Tidal Waters."

A Bill, "An Act to Amend the Saw Mills Act."

A Bill, "An Act Further to Amend the Crown Lands (Mines and Quarries) Act."

The second reading of the Bill entitled "An Act to Amend the Frobisher Limited (Confirmation of Agreement) Act, 1955" was debated and on motion was adjourned for further debate on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, March 21st, at three of the clock.

The House then adjourned accordingly.

WEDNESDAY, March 21, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Courage presented a Petition from Coomb's Cove, Re Hydro Electric Development.

Mr. Courage presented a petition from the Architects of the Province asking for incorporation.

It was ordered that the petition be referred to the Committee on Standing Orders.

Hon. the Minister of Public Welfare tabled "Annual Report of the Department of Public Welfare for the Year ended March 31st, 1955."

Hon. the Premier tabled maps showing division of new constituencies.

Hon. the Minister of Public Welfare gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the Social Assistance Act, 1954."

Hon. the Minister of Mines and Resources gave notice that he would on

tomorrow ask leave to introduce the following Bills:

A Bill, "An Act to Amend the Poultry and Poultry Products Act."

A Bill, "An Act to Amend the Regulation of Mines Act."

Hon. the Minister of Provincial Affairs gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill, "An Act Further to Amend the Election Act, 1954."

A Bill, "An Act Respecting the Filing, Publications and Consolidation of Regulations."

A Bill, "An Act to Amend the Department of Provincial Affairs Act."

Hon. the Minister of Education gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Relating to Public Examinations in Schools."

Hon. the Minister of Health gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Health and Public Welfare Act."

Hon. the Minister of Municipal Affairs and Supply gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Local Government."

Mr. Browne gave notice of Question.

The debate on the amendment to the Address in Reply was concluded.

On the amendment to the Address in Reply having been put by Mr. Speaker, the House divided and there appeared in favour of the amendment: Hon. the Leader of the Opposition and

Mr. Browne (2); and against it: Hon. the Premier, Hon. the Attorney General, Hon. the Minister of Finance, Hon. the Minister of Fisheries and Co-operatives, Hon. the Minister of Labour, Hon. the Minister of Provincial Affairs, Hon. the Minister of Municipal Affairs and Supply, Hon. the Minister of Public Works, Hon. the Minister of Mines and Resources, Hon. Mr. Lewis, Mr. Norman and Mr. Courage (12). The Amendment was lost.

On motion it was ordered that the debate on the Address in Reply be adjourned until tomorrow.

Pursuant to order and on motion of Hon. the Minister of Provincial Affairs, the following Bills were read a second time and ordered to be referred to a Committee of the Whole House on tomorrow.

A Bill, "An Act Further to Amend the Memorial University Act."

A Bill, "An Act Further to Amend the Memorial University (Pensions) Act."

Pursuant to order and on motion of Hon. the Minister of Finance, the Bill entitled "An Act Further to Amend the Cancer Control Tax Act, 1953" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

At six of the clock Mr. Speaker adjourned the House until tomorrow afternoon, March 22nd, at three of the clock.

The House then adjourned accordingly.

THURSDAY, March 22nd, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Browne gave notice of Question.

Pursuant to order and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement Between the Government of Canada and the Government of Newfoundland Relating to Assistance to Unemployed Persons and the Sharing of the Cost Thereof" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Provincial Affairs, the following Bills were introduced and read a first time:

A Bill, "An Act Respecting the Filing, Publication and Consolidation of Regulations."

A Bill, "An Act Further to Amend the Election Act, 1954."

A Bill, "An Act to Amend the Department of Provincial Affairs Act."

On motion it was ordered that the said Bills be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Education, the Bill entitled "An Act Relating to Public Examinations in Schools" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Amend and Consolidate the Law Relating to the Establishment and Ad-

ministration of Local Government" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Mines and Resources, the following Bills were introduced and read a first time:

A Bill, "An Act to Amend the Poultry and Poultry Products Act."

A Bill, "An Act to Amend Chapter 178 of the Revised Statutes of Newfoundland, 1952, entitled "An Act Respecting the Safety of Workmen in Mines'."

On motion it was ordered that the said Bills be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Public Welfare, the Bill entitled "An Act to Amend the Social Assistance Act, 1954" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Health, the Bill entitled "An Act Further to Amend the Health and Public Welfare Act" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, March 23rd, at three of the clock.

The House then adjourned accordingly.

FRIDAY, March 23rd, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Petitions were presented by:

Hon. the Minister of Municipal Affairs and Supply from Little Catalina, Re Change of Name.

Hon. the Minister of Labour from Cornack, Re Electric Power.

Mr. Courage from Milltown, Re Road.

Hon. the Premier presented a Petition from the Presbyterian Church in Canada asking for incorporation by Act of the Legislature.

It was ordered that the said Petition be referred to the Committee on Standing Orders.

Hon. the Minister of Provincial Affairs gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the School Attendance Act."

Hon. the Minister of Finance gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Gasoline Tax Act."

Hon. the Minister of Public Works gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Department of Public Works Act."

Hon. the Minister of Municipal Affairs and Supply gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill, "An Act to Amend the St. John's Memorial Stadium Act, 1954."

A Bill, "An Act to Empower the St. John's Municipal Council to Raise a Loan for Municipal Purposes by the Issue of Bonds."

Mr. Browne gave notice of Question.

Pursuant to order and on motion of Hon. the Minister of Public Welfare,

the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Approve and Give Statutory Effect to An Agreement Between the Government of Canada and The Government of Newfoundland Relating to Assistance to Unemployed Persons and the Sharing of the Cost Thereof."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the said Bill without amendment.

On motion this report was received and adopted, and it was ordered that the said Bill be read a third time presently.

On motion of Hon. the Minister of Public Welfare, and with unanimous consent, the Bill entitled "An Act to Approve and Give Statutory Effect to an Agreement Between the Government of Canada and the Government of Newfoundland Relating to Assistance to Unemployed Persons and the Sharing of the Cost Thereof" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for his assent.

Pursuant to order and on motion of Hon. the Attorney General, the House resolved itself into a Committee of the Whole to consider the following Bills:

A Bill, "An Act Further to Amend the Memorial University Act."

A Bill, "An Act Further to Amend the Memorial University (Pensions) Act."

A Bill, "An Act Further to Amend the Cancer Control Tax Act, 1953."

A Bill, "An Act Further to Amend the Registration of Deeds Act."

A Bill, "An Act Further to Amend the Workmen's Compensation Act."

A Bill, "An Act to Amend the Agricultural Societies Act."

A Bill, "An Act Respecting the Disposal of Waste Material and the Protection of Non Tidal Waters."

A Bill, "An Act to Amend the Saw Mills Act."

A Bill, "An Act Further to Amend the Crown Lands (Mines and Quarries) Act."

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matters to them referred and had passed the following Bills without amendment.

A Bill, "An Act Further to Amend the Memorial University Act."

A Bill, "An Act Further to Amend the Memorial University (Pensions) Act."

A Bill, "An Act Further to Amend the Cancer Control Tax Act, 1953."

A Bill, "An Act Further to Amend the Registration of Deeds Act."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

The Chairman from the Committee further reported that they had consid-

ered the Bill entitled "An Act to Amend the Agricultural Societies Act" and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

The Chairman from the Committee reported that they had considered the other Bills to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

The Sergeant-at-Arms announced that His Honour the Lieutenant-Governor had arrived.

His Honour took the Chair.

Mr. Speaker addressed His Honour as follows:

May it please Your Honour, the General Assembly of this Province has at its present Session passed a certain Bill, to which, in the name and on behalf of the General Assembly, I respectfully request Your Honour's assent.

Whereupon the Clerk read the following Bill entitled:

A Bill, "An Act to Approve and Give Statutory Effect to an Agreement Between the Government of Canada and the Government of Newfoundland Relating to Assistance to Unemployed Persons and the Sharing of the Cost Thereof."

His Honour then said "In Her Majesty's name I assent to this Bill."

His Honour left the Assembly Chamber.

Mr. Speaker resumed the Chair.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Tuesday afternoon, April 3rd, at three of the clock.

The House then adjourned accordingly.

TUESDAY, April 3rd, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Petitions were presented by:

Hon. the Minister of Municipal Affairs and Supply from Deer Harbour, Re Road.

Hon. the Premier from Grate's Cove, District of Carbonear-Bay de Verde, Re Road.

Hon. the Premier from St. Anthony Bight, District of White Bay, Re Road.

Hon. the Minister of Labour tabled:

Report on the matters transacted by the Minister of Labour during 1955, under the provisions of the Labour Relations Act.

Report of Newfoundland Labour Relations Board for the year 1955.

Report of the Proceedings of the Minimum Wage Board established under the Minimum Wage Act, covering the year 1955.

Hon. the Minister of Mines and Resources tabled "Report of the Investigation and Utilization of the Bogs of Newfoundland," by Dr. Agr. Aasuly Loddosol, Director of the Norwegian Bog Association.

Hon. the Minister of Municipal Affairs and Supply gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill, "An Act to Amend the City of St. John's Act."

A Bill, "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Community Councils."

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Restrict the Use of White Canes to Blind Persons."

Mr. Browne gave notice of Question.

Mr. Hollett gave notice of Question.

Pursuant to notice and on motion of Hon. the Minister of Education, the Bill entitled "An Act Further to Amend the School Attendance Act" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Finance, the Bill entitled "An Act Further to Amend the Gasoline Tax Act" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Public Works, the Bill entitled "An Act Further to Amend the Department of Public Works Act" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Municipal Affairs and Supply, the following Bills were introduced and read a first time:

A Bill, "An Act to Amend the St. John's Memorial Stadium Act, 1954."

A Bill, "An Act to Empower the St. John's Municipal Council to Raise a Loan for Municipal Purposes by the Issue of Bonds."

On motion it was ordered that the said Bills be read a second time on tomorrow.

Pursuant to order, the following Bills were read a second time:

A Bill, "An Act Respecting the Filing, Publication and Consolidation of Regulations."

A Bill, "An Act Further to Amend the Election Act, 1954."

A Bill, "An Act to Amend the Department of Provincial Affairs Act."

A Bill, "An Act Relating to Public Examinations in Schools."

A Bill, "An Act to Amend the Poultry and Poultry Products Act."

A Bill, "An Act to Amend the Social Assistance Act, 1954."

On motion it was ordered that the said Bills be referred to a Committee of the Whole House on tomorrow.

The Second Reading of the Bill entitled "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Local Government" was debated and on motion was adjourned for further debate on tomorrow.

The debate on the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, April 4th, at three of the clock.

The House then adjourned accordingly.

WEDNESDAY, April 4th, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Speaker read a letter from Reverend Canon J. A. Meaden, M.A., Administrator of the Anglican Church of Canada in Newfoundland, expressing thanks to the House for the Resolution passed on the 14th day of March expressing the deep sorrow of the House at the death of the Right Reverend Philip Selwyn Abraham, M.A., D.D., Sixth Bishop of Newfoundland.

Mr. Courage reported that the Select Committee on Standing Orders had considered the petition of the Architects of the Province and had found that the rules of the House with respect to Private Bills had been complied with.

On motion of Mr. Courage, the Bill entitled "An Act to Incorporate the Newfoundland Association of Architects" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Mr. Courage reported that the Select Committee on Standing Orders had considered the Petition of the Presbyterian Church in Canada and had found that the rules of the House with respect to Private Bills had been complied with.

On motion of Mr. Courage, the Bill entitled "An Act Respecting the Trus-

tee Board of the Presbyterian Church in Canada" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Mr. Browne gave notice of Question.

The debate on the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

On motion the remaining Orders of the Day were deferred.

At six of the clock, Mr. Speaker adjourned the House until tomorrow afternoon, April 5th, at three of the clock.

The House then adjourned accordingly.

THURSDAY, April 5th, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Hon. the Premier made a statement Re Canadian Javelin Limited, and tabled a document relating thereto.

Hon. the Minister of Public Works gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Highway Traffic Act."

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill, "An Act Further to Amend the Companies Act."

A Bill, "An Act to Amend the Law Relating to the Frustration Contracts."

The debate on the Address in Reply was continued and on motion was ad-

journed for further debate on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, April 6th, at three of the clock.

The House then adjourned accordingly.

FRIDAY, April 6th., 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

A Petition was presented by Mr. Brown from Brig Bay, Re Road.

Hon. the Minister of Health tabled "Annual Report of the Department of Health, 1954."

Mr. Browne gave notice of Question.

Hon. the Minister of Finance informed the House that he had received a Communication from His Honour the Lieutenant Governor, which Mr. Speaker read to the House as follows:

The Honourable the Minister of Finance:

I, the Lieutenant Governor of the Province of Newfoundland, recommend that, pending the tabling of the Estimates for the financial year 1956-57, a vote on account of Five Million, Two hundred and Forty-two Thousand Dollars, calculated on the basis of approximately one-tenth of the total vote for the year 1955-56 to meet essential public services, be provided by the Provincial Legislature.

(Sgd.) Leonard Outerbridge,
Lieutenant Governor.

April 5th, 1956.

On motion of Hon. the Minister of Finance, and with unanimous consent, the House resolved itself into Committee of Supply to consider certain resolutions in relation to the Grant of Interim Supply to Her Majesty.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed certain Resolutions granting Interim Supply to Her Majesty and recommending that a Bill be introduced to give effect to the same.

The said Resolutions being read a first and second time, it was moved and seconded that the House concur with the Committee therein and the said Resolutions were agreed to.

On motion of Hon. the Minister of Finance, the Bill entitled "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty First Day of March One Thousand Nine Hundred and Fity Seven and for Other Purposes Relating to the Public Service" was read a first time and it was ordered that the said Bill be read a second time presently.

Pursuant to order and on motion of Hon. the Minister of Finance, the said Bill was read a second time and it was ordered that the said Bill be read a third time presently.

Pursuant to order and on motion of Hon. the Minister of Finance, the Bill entitled "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year

Ending the Thirty First Day of March One Thousand Nine Hundred and Fifty Seven and for Other Purposes Relating to the Public Service" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for His Assent.

The debate on the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

The Sergeant-at-Arms announced that His Honour the Lieutenant Governor had arrived.

His Honour the Lieutenant Governor took the Chair.

Mr. Speaker addressed His Honour as follows:

It is my agreeable duty on behalf of Her Majesty's dutiful and loyal subjects, Her Faithful Commons in Newfoundland, to present to Your Honour a Bill for the appropriation of Supply granted in the Present Session.

Whereupon the Clerk read the Bill entitled "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-First Day of March One Thousand Nine Hundred and Fifty Seven and for Other Purposes Relating to the Public Service."

His Honour then said "In Her Majesty's Name, I thank Her Loyal Subjects, I accept their benevolence, and assent to this Bill."

His Honour the Lieutenant Governor left the Assembly Chamber.

Mr. Speaker resumed the Chair.

Pursuant to order the following Bills were read a third time:

A Bill, "An Act Further to Amend the Memorial University Act."

A Bill, "An Act Further to Amend the Memorial University (Pensions) Act."

A Bill, "An Act Further to Amend the Cancer Control Tax Act, 1953."

A Bill, "An Act Further to Amend the Registration of Deeds Act."

A Bill "An Act to Amend the Agricultural Societies Act."

On motion it was ordered that the said Bills be printed, being entitled as above, and that they be submitted to the Lieutenant Governor for His assent.

Pursuant to notice and on motion of Hon. the Attorney General, the following Bills were introduced and read a first time:

A Bill, "An Act to Restrict the Use of White Canes to Blind Persons."

A Bill, "An Act to Amend the Law Relating to the Frustration of Contracts."

A Bill, "An Act to Amend the Companies Act."

On motion it was ordered that the said Bills be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Municipal Affairs and Supply the following Bills were introduced and read a first time.

A Bill, "An Act to Amend the City of St. John's Act."

A Bill, "An Act to Amend and Consolidate the Law Relating to the Es-

establishment and Administration of Community Councils."

On motion it was ordered that the Bills be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Public Works, the Bill entitled "An Act Further to Amend the Highway Traffic Act" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Mr. Courage, the Bill entitled "An Act Respecting the Trustees Board of the Presbyterian Church in Canada" was read a second time and it was ordered that the said Bill be referred to a Select Committee consisting of the following Members:

Mr. Courage

Mr. W. J. Browne

Mr. C. S. Brown

Mr. Norman

Mr. Mercer

Pursuant to order the following Bills were read a second time:

A Bill, "An Act Further to Amend the School Attendance Act."

A Bill, "An Act Further to Amend the Department of Public Works Act."

On motion it was ordered that the said Bills be referred to a Committee of the Whole House on tomorrow.

The second reading of the Bill entitled "An Act to Amend the St. John's Memorial Stadium Act, 1954," was debated and on motion was adjourned for further debate on tomorrow.

On motion of Hon. the Minister of Mines and Resources it was ordered

that the Bill entitled "An Act to Amend Chapter 178 of the Revised Statutes of Newfoundland, 1952, Entitled 'An Act Respecting the Safety of Workmen in Mines,'" be removed from the Order Paper.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Monday, April 9th, at three of the clock.

The House then adjourned accordingly.

MONDAY, April 9th., 1956.

The House met at three of the clock pursuant to adjournment.

Petitions were presented by:

Mr. Brown from Greater Happy Adventure, re road.

Mr. Higgins from Torbay, re roads.

Mr. Browne gave notice of Question.

The debate on the Address in Reply was continued by Hon. the Premier and while he was speaking Mr. W. J. Browne interjected a remark which was objectionable to Hon. the Premier.

Mr. Speaker ruled that the words used were unparliamentary and asked Mr. Browne to withdraw them.

Mr. Browne refused and, after warning, was named by Mr. Speaker and ordered to leave the Chamber.

Mr. W. J. Browne left the Assembly Chamber.

It was moved by Mr. Higgins and seconded by Hon. the Leader of the Opposition that Mr. W. J. Browne be

suspended from the House for the remainder of the afternoon.

It was moved in amendment by Hon. the Attorney General and seconded by Hon. the Minister of Mines and Resources that the words "for the remainder of the afternoon" be deleted and the following words substituted therefor "for two days, Tuesday and Wednesday of this week, and be allowed to resume his seat on Thursday."

Mr. Speaker put the motion that the words "for the remainder of the afternoon" remain part of the Question. The House divided. There appeared in favour of the motion: Hon. the Leader of the Opposition and Mr. Higgins (2); and against it: Hon. the Premier, Hon. the Attorney General, Hon. the Minister of Finance, Hon. the Minister of Education, Hon. the Minister of Fisheries and Co-operatives, Hon. the Minister of Public Works, Hon. the Minister of Provincial Affairs, Hon. the Minister of Municipal Affairs and Supply, Hon. the Minister of Mines and Resources, Hon. the Minister of Labour, Mr. Courage, Mr. Norman, Mr. Brown (13). The motion was lost and the said words were deleted.

Mr. Speaker put the motion that the following words be inserted "for two days, Tuesday and Wednesday of this week and be allowed to resume his seat on Thursday."

The motion was passed, the said words were inserted, and it was ordered accordingly.

The debate on the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, April 10th, at three of the clock.

The House then adjourned accordingly.

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TUESDAY, April 10th, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

A petition was presented by Hon. the Premier from Point of Bay, District of Green Bay, Re Road.

Hon. the Minister of Finance tabled "Report of the Civil Service Commission of Newfoundland for the Fiscal Year ended 31st March, 1956."

Hon. the Minister of Finance gave notice that he would on tomorrow move the House into Committee of Supply.

Hon. the Minister of Finance gave notice that he would on tomorrow move the House into Committee of Ways and Means.

The debate on the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

On motion of Hon. the Attorney General, seconded by Hon. Mr. Lewis it was ordered that the rules of the House relating to time of setting up the Committees of Supply and Ways and Means with reference to the Address in Reply to the Speech from the Throne be relaxed to permit these Committees to be set up before the Address in Reply is agreed to.

Pursuant to order and on motion of Mr. Courage the Bill entitled "An Act to Incorporate the Newfoundland

Association of Architects" was read a second time and it was ordered that the said Bill be referred to a Select Committee consisting of the following Members:

Mr. Courage
 Mr. C. S. Brown
 Mr. Higgins
 Mr. Mercer
 Mr. Norman

The second reading of the Bill entitled "An Act Further to Amend the Highway Traffic Act" was debated and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General the Bill entitled "An Act to Restrict the Use of White Canes to Blind Persons" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Persuant to order and on motion of Hon. the Minister of Municipal Affairs and Supply the Bill entitled "An Act to Empower the St. John's Municipal Council to Raise a loan for Municipal Purposes by the Issue of Bonds," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, April 11th, at three of the clock.

The House then adjourned accordingly.

WEDNESDAY, April 11th, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Hon. the Premier made a Statement Re Tilt Cove Copper Mine.

Mr. Hollett gave notice of Question.

On the motion that the House resolve itself into Committee of Ways and Means, Hon. the Minister of Finance delivered the Budget Speech and concluded with the motion that Mr. Speaker leave the Chair.

On motion of Hon. the Premier it was ordered that the debate on the said motion be deferred until tomorrow.

Hon. the Minister of Finance informed the House that he had received a message from His Honour the Lieutenant Governor, which message Mr. Speaker read to the House as follows:

The Honourable the Minister of Finance:

I, the Lieutenant Governor of the Province of Newfoundland, transmit Estimates of sums required for the public service of the Province for the year ending the 31st March, 1957, aggregating Fifty Three Million, Eight Hundred and Sixty Seven Thousand, One Hundred Dollars (\$53,867,100), and, in accordance with the provisions of the British North America Act of 1867, as amended, I recommend the Estimates to the House of Assembly.

(Sgd.) Leonard Outerbridge,
 Lieutenant Governor.

April 11th, 1956.

On motion of Hon. the Minister of Finance it was ordered that the message together with the Estimates, be referred to the Committee of Supply.

Mr. Speaker left the Chair.

Mr. Courage took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, April 12th, at three of the clock.

The House then adjourned accordingly.

THURSDAY, April 12th, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Hollett gave notice of Question.

The debate on the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

On the motion that the Bill entitled "An Act to Amend the Frobisher Limited (Confirmation of Agreement) Act, 1955" be now read a second time, it was moved in amendment by Mr. Browne and seconded by Mr. Higgins, that all words after the word 'that' be stricken out and the following substituted therefor: "This Bill be read a second time six months hence."

On motion the debate on the said amendment was adjourned until tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, April 13th, at three of the clock.

The House then adjourned accordingly.

FRIDAY, April 13th, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Petitions were presented by:

Mr. Jackman from Bell Island Re Road.

Mr. Courage from Grand La Pierre Re Road.

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Amend the City of Corner Brook Act, 1955."

Hon. the Minister of Provincial Affairs gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Establish the Board of Trustees of the Newfoundland Museum."

Mr. Browne gave notice of Question.

The debate on the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

The debate on the Amendment to the Bill entitled "An Act to Amend the Frobisher Limited (Confirmation of Agreement) Act, 1955" was concluded.

Mr. Speaker put the motion that the word "now" do stand part of the Question. The Amendment was lost on division and it was ordered that the said Bill be read a second time.

Pursuant to order and on motion of Hon. the Minister of Mines and Resources, the Bill entitled "An Act to Amend the Frobisher Limited (Confirmation of Agreement) Act, 1955" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Monday afternoon, April 16th, at three of the clock.

The House then adjourned accordingly.

MONDAY, April 16th, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

The debate on the Address in Reply was continued and on motion was adjourned for further debate on tomorrow.

On motion the following Bills were read a second time:

A Bill, "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Local Government."

A Bill, "An Act Further to Amend the Gasoline Tax Act."

A Bill, "An Act to Amend the St. John's Memorial Stadium Act, 1954."

A Bill, "An Act Further to Amend the Highway Traffic Act."

A Bill, "An Act to Amend the City of St. John's Act."

A Bill, "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Community Councils."

On motion it was ordered that the said Bills be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Wednesday afternoon, April 18th, at three of the clock.

The House then adjourned accordingly.

WEDNESDAY, April 18th, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Hon. the Minister of Municipal Affairs and Supply gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act to Provide for the Establishment and Administration of Local Road Boards."

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill, "An Act to Amend the Wabush Lake Railway Company Limited (Loan Guarantee) Act, 1955."

A Bill, "An Act Respecting the Appointment of Commissioners to Enquire into the present use of a Wharf Constructed in the Harbour of St. John's during the Second World War and to

make Recommendations as to the Future Use of the Wharf."

Mr. Browne gave notice of Question.

The debate on the Address in Reply was concluded.

On motion the report of the Select Committee appointed to draft a Reply to the Opening Speech of His Honour the Lieutenant Governor, was adopted.

Pursuant to order and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend the Law Relating to the Frustration of Contracts" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to notice and on motion of Hon. the Attorney General the Bill entitled "An Act to Amend the City of Corner Brook Act, 1955" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Provincial Affairs, the Bill entitled "An Act to Establish the Board of Trustees of the Newfoundland Museum" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General the House resolved itself into a Committee of the Whole to consider certain Bills.

Mr. Deputy Speaker left the Chair.

Mr. Mercer took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman of the Committee reported that they had considered the

following Bills to them referred and had passed the same each without amendment:

A Bill, "An Act to Amend the Saw Mills Act."

A Bill, "An Act Further to Amend the Crown Lands (Mines and Quarries) Act."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

The Chairman of the Committee further reported that they had also considered the following Bills and had passed the same each with some amendment:

A Bill, "An Act Further to Amend the Workmen's Compensation Act."

A Bill, "An Act Respecting the Disposal of Waste Material and the Protection of Non Tidal Waters."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

The Chairman of the Committee further reported that they had considered the other Bills to them referred, had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the Houses rises, it adjourn until tomorrow afternoon, April 19th, at three of the clock.

The House then adjourned accordingly.

THURSDAY, April 19th, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Hon. the Minister of Finance gave notice that he would on tomorrow move the House into Committee of Supplementary Supply.

The second reading of the Bill entitled "An Act Further to Amend the Health and Public Welfare Act" was debated and on motion was adjourned for further debate on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Finance the House resolved itself into Committee of Supply.

Mr. Deputy Speaker left the Chair.

Mr. Mercer took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the Estimates of Current Expenditure under the following headings:

I. Consolidated Fund Services.

II. Legislative.

III. Executive Council.

The Chairman from the Committee asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

On motion, the following Bills were severally read the third time and were passed.

A Bill, "An Act Further to Amend the Workmen's Compensation Act."

A Bill, "An Act Respecting the Disposal of Waste Material and the Protection of Non Tidal Waters."

A Bill, "An Act to Amend the Saw Mills Act."

A Bill, "An Act Further to Amend the Crown Lands (Mines & Quarries) Act."

On motion it was ordered that the said Bills be printed, being entitled as above, and that they be submitted to the Lieutenant Governor for His assent.

Pursuant to notice and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act to Provide for the Establishment and Administration of Local Road Boards" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Attorney General the following Bills were introduced and read a first time.

A Bill, "An Act Respecting the Appointment of Commissioners to Enquire into the Present Use of a Wharf Constructed in the Harbour of St. John's During the Second World War and to Make Recommendations as to the Future Use of the Wharf."

A Bill, "An Act to Amend the Wabush Lake Railway Company, Limited (Loan and Guarantee) Act, 1955."

On motion it was ordered that the said Bills be read a second time on tomorrow.

Pursuant to order and on motion of Hon. the Attorney General the House

resolved itself into a Committee of the Whole to consider certain Bills.

Mr. Deputy Speaker left the Chair.

Mr. Mercer took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman of the Committee reported that they had considered the following Bills to them referred and had passed the same without amendment:

A Bill, "An Act Further to Amend the Election Act, 1954."

A Bill, "An Act to Amend the Department of Provincial Affairs Act."

A Bill, "An Act Relating to Public Examinations in Schools."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, April 20th, at three of the clock.

The House then adjourned accordingly.

FRIDAY, April 20th, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

The second reading of the Bill entitled "An Act Further to Amend the Health and Public Welfare Act" was debated and on motion was adjourned for further debate on tomorrow.

Pursuant to order the Bill entitled "An Act to Amend the City of Corner Brook Act, 1955" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

The second reading of the Bill entitled "An Act to Amend an Agreement Relating to a Loan to be Raised by Wabush Lake Railway Company Limited made in Pursuance of the Wabush Lake Railway Company Limited (Loan Guarantee) Act, 1955, The Act No. 1 of 1955 (Second Session) Between the Lieutenant-Governor-in-Council, and Wabush Lake Railway Company Limited and Canadian Javelin Limited" was debated and on motion was adjourned for further debate on tomorrow.

Hon. the Minister of Finance informed the House that he had received a Communication from His Honour the Lieutenant-Governor which Mr. Deputy Speaker read to the House as follows:

The Honourable the Minister of Finance:

I, the Lieutenant Governor of the Province of Newfoundland, transmit Estimates of sums required for the public services of the Province for the year ended the 31st March, 1956, as supplementary supply, and in accordance with the provisions of the British North America Act of 1867, as amended, I recommend these Estimates to the House of Assembly.

(Sgd) Leonard Outerbridge
Lieutenant Governor.

April 17th, 1956.

Pursuant to notice and with unanimous consent, the House resolved itself into Committee of Supply to con-

sider certain resolutions in relation to the grant of Supplementary Supply to Her Majesty.

Mr. Deputy Speaker left the Chair.

Mr. Mercer took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed certain Resolutions granting Supplementary Supply to Her Majesty and recommending that a Bill be introduced to give effect to the same.

The said Resolutions being read a first and second time, it was moved and seconded that the House concur with the Committee therein and the said Resolutions were agreed to.

On motion of Hon. the Minister of Finance, and with unanimous consent, the Bill entitled "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ended the Thirty-first Day of March One Thousand Nine Hundred and Fifty-six and For Other Purposes Relating to the Public Service" was read a first time and it was ordered that the said Bill be read a second time presently.

Pursuant to order and on motion of Hon. the Minister of Finance, the said Bill was read a second time and it was ordered that the said Bill be read a third time presently.

On motion of Hon. the Minister of Finance, and with unanimous consent, the Bill entitled "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial

Year Ended the Thirty-first Day of March One Thousand Nine Hundred and Fifty-six and for Other Purposes Relating to the Public Service" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for His assent.

Pursuant to order the Bill entitled "An Act to Establish the Board of Trustees of the Newfoundland Museum" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Tuesday afternoon, April 24th., at three of the clock.

The House then adjourned accordingly.

TUESDAY, April 24th, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Hon. the Minister of Education tabled "Annual Report of the Department of Education."

Mr. Hollett gave notice of Question.

The Second Reading of the Bill entitled "An Act Further to Amend the Health and Public Welfare Act" was debated and on motion was adjourned for further debate on tomorrow.

The Budget Speech was debated and on motion was adjourned for further debate on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, April 25th, at three of the clock.

The House then adjourned accordingly.

WEDNESDAY, April 25th, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

On motion of Hon. the Premier, seconded by Hon. the Leader of the Opposition, it was ordered that the House record the expression of its deep sorrow at the death of eight children of the Curtis family by fire in Corner Brook.

Hon. the Premier made a statement Re the re-opening of the Pyrophyllite Mine and Mill at Long Pond, Manuels.

Pursuant to order the Bill entitled "An Act Further to Amend the Health and Public Welfare Act" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

On motion it was ordered that the House do not adjourn at six of the clock.

The debate on the Budget Speech was continued and on motion was adjourned for further debate at a later hour in the day.

The House recessed until eight of the clock.

Mr. Deputy Speaker took the Chair.

The debate on the Budget Speech was continued and on motion was ad-

journed for further debate on tomorrow.

Pursuant to order the House resolved itself into Committee of Supply

Mr. Deputy Speaker left the Chair.

Mr. Mercer took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed the Estimates of Current Expenditure under the following headings:

IV. Department of Finance.

V. Department of Provincial Affairs.

VI. Department of Education.

The Chairman from the Committee asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, April 26th, at three of the clock.

The House then adjourned accordingly.

THURSDAY, April 26th, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Hon. the Premier expressed the sympathy of the House to Miss Katherine

Murphy, Stenotypist-reporter, on the death of her father.

Hon. the Minister of Mines and Resources made a statement Re Pulpwood Operations in Labrador by Consolidated Pulp and Timber Limited.

Hon. the Minister of Municipal Affairs and Supply gave notice that he would on tomorrow move the House into Committee of the Whole to consider certain Resolutions in relation to a Bill entitled "An Act Further to Amend the Local Authority Guarantee Act, 1952."

Hon. the Minister of Municipal Affairs and Supply gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act for the Protection of the Water Supply from Larkin's Pond and Other Contiguous Lakes."

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill, "An Act to Amend the Act 4 Ed. VII Cap. 13 entitled "An Act to Provide for the Transportation of Timber Over Streams and Lakes and for Other Purposes in Connection with Crown Lands."

A Bill, "An Act Respecting the Distribution of Electricity in the Grand Falls, Windsor, Bishop's Falls and Botwood Areas."

Mr. Browne gave notice of Question.

Pursuant to order the Bill entitled "An Act to Amend an Agreement Relating to a Loan to be Raised by Wabush Lake Railway Company Limited Made in Pursuance of the Wabush Lake Railway Company Limited (Loan Guarantee) Act, 1955, The Act No. 1 of 1955 (Second Session) Between

the Lieutenant-Governor-in-Council and Wabush Lake Railway Company Limited and Canadian Javelin Limited" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

The debate on the Budget Speech was continued.

Mr. Deputy Speaker ruled that since the new industries had been thoroughly debated on the Amendment to the Address in Reply, only a passing reference to the new industries could be made in the debate on the Budget.

It was moved by Hon. the Leader of the Opposition, seconded by Mr. W. J. Browne, that the Speaker's ruling be not upheld.

The House divided. There appearing in favour of the motion: Hon. the Leader of the Opposition, Mr. W. J. Browne and Mr. Higgins (3); and against it: Hon. the Premier, Hon. the Attorney General, Hon. the Minister of Finance, Hon. the Minister of Education, Hon. the Minister of Fisheries and Co-operatives, Hon. the Minister of Provincial Affairs, Hon. the Minister of Municipal Affairs and Supply, Hon. the Minister of Public Works, Hon. the Minister of Mines and Resources, Mr. Norman, Mr. C. S. Brown, Mr. Mercer, and Mr. Canning (13). The motion was lost.

On motion the debate on the Budget Speech was adjourned for further debate on tomorrow.

The House recessed until eight of the clock.

Mr. Deputy Speaker resumed the Chair.

Pursuant to order the following Bills were read a third time and passed:

A Bill, "An Act Further to Amend the Election Act, 1954."

A Bill, "An Act to Amend the Department of Provincial Affairs Act."

A Bill "An Act Relating to Public Examinations in Schools."

On motion it was ordered that the said Bills be printed, being entitled as above, and that they be submitted to the Lieutenant-Governor for His assent.

Pursuant to order the following Bills were read a second time and ordered to be referred to a Committee of the Whole House on tomorrow.

A Bill "An Act to Amend the Companies Act."

A Bill, "An Act to Provide for the Establishment and Administration of Local Road Boards."

Pursuant to order the House resolved itself into Committee of Supply.

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed Estimates of Current Expenditure under Heading VII—Department of the Attorney General and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until

tomorrow afternoon, April 27th., at three of the clock.

The House then adjourned accordingly.

FRIDAY, April 27th, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Hon. the Premier tabled "Report of the Commission of Enquiry into the Questions Relating to the Imposition of the School Tax at Corner Brook."

Hon. the Premier made a Statement Re Gasoline supplied to Cabinet Ministers.

Mr. Hollett gave notice of Question.

Mr. Browne gave notice of Question.

The debate on the Budget Speech was continued and on motion was adjourned for further debate at a later hour in the day.

The Sergeant-at-Arms announced that His Honour the Lieutenant-Governor had arrived.

His Honour the Lieutenant Governor took the Chair:

Mr. Deputy Speaker addressed His Honour as follows:

May it please Your Honour, the General Assembly of the Province has at its Present Session passed Certain Bills, to which, in the name and on behalf of the General Assembly, I respectfully request Your Honour's assent.

Whereupon the Clerk read the following Bills entitled:

A Bill, "An Act Further to Amend the Cancer Control Tax Act, 1953."

A Bill, "An Act Further to Amend the Memorial University Act."

A Bill, "An Act Further to Amend the Memorial University (Pensions) Act."

A Bill, "An Act Further to Amend the Registration of Deeds Act."

A Bill, "An Act to Amend the Agricultural Societies Act."

A Bill, "An Act Relating to Public Examinations in Schools."

A Bill, "An Act to Amend the Department of Provincial Affairs Act."

A Bill, "An Act Further to Amend the Election Act, 1954."

A Bill, "An Act Further to Amend the Crown Lands (Mines and Quarries) Act."

A Bill, "An Act to Amend the Saw Mills Act."

A Bill, "An Act Respecting the Disposal of Waste Material and the Protection of Non-Tidal Waters."

A Bill, "An Act Further to Amend the Workmen's Compensation Act."

His Honour then said "In Her Majesty's name I assent to these Bills."

Mr. Deputy Speaker addressed His Honour as follows:

It is my agreeable duty on behalf of Her Majesty's dutiful and loyal subjects, Her faithful Commons in Newfoundland to present to Your Honour a Bill for the Appropriation of Supplementary Supply granted in the present session.

Whereupon the Clerk read the following Bill entitled:

A Bill, "An Act for Granting to Her Majesty Certain Sums of Money for

Defraying Certain Expenses of the Public Service for the Financial Year Ended the Thirty-first day of March One Thousand Nine Hundred and Fifty-six and for Other Purposes Relating to the Public Service."

His Honour then said "In Her Majesty's name I thank Her loyal subjects, I accept their benevolence, and assent to this Bill."

His Honour the Lieutenant-Governor left the Assembly Chamber.

Mr. Deputy Speaker resumed the Chair.

The debate on the Budget Speech was continued and on motion was adjourned for further debate on tomorrow.

The House recessed until eight of the clock.

Mr. Deputy Speaker resumed the Chair.

On the motion that the House resolve itself into Committee of Supply Mr. W. J. Browne expressed a grievance regarding night sessions.

The House resolved itself into Committee of Supply.

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed Estimates of Current Expenditure under Heading VIII—Department of Mines and Resources, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that

the Committee have leave to sit again on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act for the Protection of the Water Supply from Larkin's Pond and Other Contiguous Lakes" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Attorney General, the following Bills were introduced and read a first time:

A Bill, "An Act Further to Amend the Act 4 Ed. VII Cap. 13 entitled "An Act to Provide for the Transportation of Timber Over Streams and Lakes, and for Other Purposes in Connection with Crown Lands."

A Bill, "An Act Respecting the Distribution of Electricity in the Grand Falls, Windsor, Bishop's Falls and Botwood Areas."

On motion it was ordered that the said Bills be read a second time on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until Monday afternoon, April 30th, at three of the clock.

The House then adjourned accordingly.

MONDAY, April 30th, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Pursuant to order the following Bills were read a second time and or-

dered to be referred to a Committee of the Whole House on tomorrow.

A Bill, "An Act Respecting the Appointment of Commissioners to Enquire into the Present Use of a Wharf Constructed in the Harbour of St. John's During the Second World War and to Make Recommendations as to the Future Use of the Wharf."

A Bill, "An Act For the Protection of the Water Supply from Larkin's Pond and Other Contiguous Lakes."

The Second Reading of the Bill entitled "An Act to Provide for the Transportation of Timber Over Streams and Lakes and for Other Purposes in Connection with Crown Lands" was debated and on motion was adjourned for further debate on tomorrow.

Pursuant to order the House resolved itself into Committee of the Whole to consider certain Bills.

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matters to them referred and had passed the following Bills without amendment:

A Bill, "An Act to Amend the Poultry and Poultry Products Act."

A Bill, "An Act to Amend the Social Assistance Act, 1954."

A Bill, "An Act Further to Amend the School Attendance Act."

A Bill, "An Act to Empower the St. John's Municipal Council to Raise a

Loan for Municipal Purposes by the Issue of Bonds."

A Bill, "An Act to Restrict the Use of White Canes to Blind Persons."

A Bill, "An Act to Amend the Fro-bisher Limited (Confirmation of Agreement) Act, 1955."

A Bill, "An Act to Amend the St. John's Memorial Stadium Act, 1954."

A Bill, "An Act to Amend the City of St. John's Act."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

The Chairman from the Committee further reported that they had passed the following Bills with some amendment:

A Bill, "An Act Further to Amend the Gasoline Tax Act."

A Bill, "An Act to Amend and Consolidate the Law Relating to the Establishment of Community Councils."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

The Chairman from the Committee further reported that they had considered the following Bills, had made some progress, and asked leave to sit again on tomorrow.

A Bill, "An Act Further to Amend the Department of Public Works Act."

A Bill, "An Act Further to Amend the Highway Traffic Act."

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order the House resolved itself into Committee of Supply.

Mr. Deputy Speaker left the Chair

.Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed items 901-907, 03, 10, (inclusive) of Current Expenditure under Heading IX—Department of Public Works and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, May 1st., at three of the clock.

The House then adjourned accordingly.

TUESDAY, May 1st., 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Petitions were presented by:

Mr. Drover from Jackson's Arm Re Roads.

Hon. the Minister of Fisheries and Co-operatives from Flat Bay Re Road.

Mr. Drover from Ming's Bight Re Bridge.

Mr. Drover from George's Cove Re Road.

Mr. Drover from Wild Cove Re Road.

Mr. Norman from the Committee on the Bill entitled "An Act Respecting the Trustee Board of the Presbyterian Church in Canada" reported that the preamble of the said Bill had been proven and that the Committee recommended the said Bill to the House.

On motion this report was received and adopted and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Mr. Norman from the Committee on the Bill entitled "An Act to Incorporate the Newfoundland Association of Architects" reported that the preamble of the said Bill had been proven and that, having amended certain clauses with the consent of the petitioners, the Committee recommended the said Bill to the House.

On motion this report was received and adopted and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Hon. the Minister of Economic Development gave notice that he would on tomorrow move the House into Committee of the Whole to consider certain Resolutions in relation to the advancing or guaranteeing of certain loans for tourist development.

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled "An Act Further to Amend the Public Utilities Act."

Hon. the Minister of Education gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill, "An Act Further to Amend the Education Act."

A Bill, "An Act Further to Amend the Local School Tax Act, 1954."

Hon. the Minister of Finance gave notice that he would on tomorrow move the House into a Committee of the Whole to consider certain Resolutions in relation to the raising of a loan on the credit of the Province.

Hon. the Minister of Finance gave notice that he would on tomorrow move the House into a Committee of the Whole to consider certain Resolutions in relation to the guaranteeing of certain bonds or debentures or the guaranteeing or advancing of certain loans.

Mr. Deputy Speaker informed the House that His Honour the Lieutenant Governor would be pleased to receive the Address in Reply presently.

Accordingly Mr. Deputy Speaker and Members of the House proceeded to Government House and being returned to the Assembly Chamber, Mr. Deputy Speaker informed the House that His Honour had received the Address of Thanks and had been pleased to reply thereto as follows:

Mr. Deputy Speaker and Gentlemen of the Honourable House of Assembly:

I thank you for the Address in Reply to the Speech with which your present session was opened.

Pursuant to order the Bill entitled "An Act to Provide for the Transportation of Timber Over Streams and Lakes, and for Other Purposes in Connection with Crown Lands" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on tomorrow.

Pursuant to order the House resolved itself into Committee of the Whole to consider certain Bills.

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matters to them referred and had passed the following Bills without amendment:

A Bill, "An Act to Amend the Law Relating to the Frustration of Contracts."

A Bill, "An Act to Amend the City of Corner Brook Act, 1955."

A Bill, "An Act to Establish the Board of Trustees of the Newfoundland Museum."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

The Chairman from the Committee further reported that they had considered the Bill entitled "An Act to Amend an Agreement Relating to a Loan to be Raised by Wabush Lake Railway Company Limited Made in Pursuance of the Wabush Lake Railway Company Limited (Loan Guarantee) Act, 1955, the Act No. 1 of 1955 (Second Session) Between the Lieutenant-Governor-in-Council, and Wabush Lake Railway Company Limited and Canadian Javelin Limited" and had passed the said Bill with some Amendment.

On motion this report was received and adopted and was ordered that the said Bill be read a third time on tomorrow.

The Chairman from the Committee further reported that they had con-

sidered the following Bills, had made some progress, and asked leave to sit again on tomorrow:

A Bill, "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Local Government."

A Bill, "An Act Further to Amend the Highway Traffic Act."

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow:

Pursuant to order the House resolved itself into Committee of Supply.

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matters to them referred and had passed items of Current Expenditure under the following headings:

IX—Department of Public Works—
Items 907-03-11 to 909 (inclusive)

X—Department of Health—items
1001—1032 (inclusive) with some
amendment to item 1001-02.

On motion this report was received and adopted.

The Chairman from the Committee further reported that they had reconsidered the following items and had passed the same with some amendment:

Items 401-02, 501-02, 601-02, 701-02,
801-02, 901-02.

On motion this report was received and adopted.

On motion it was ordered that the Committee of Supply have leave to sit again on tomorrow.

Pursuant to order the following Bills were read a third time and passed:

A Bill, "An Act to Amend the Poultry and Poultry Products Act."

A Bill, "An Act to Amend the Social Assistance Act, 1954."

A Bill, "An Act Further to Amend the School Attendance Act."

A Bill, "An Act to Empower the St. John's Municipal Council to Raise a Loan for Municipal Purposes by the Issue of Bonds."

A Bill, "An Act to Restrict the use of White Canes to Blind Persons."

A Bill, "An Act to Amend the Fro-bisher Limited (Confirmation of Agreement) Act, 1955."

A Bill, "An Act Further to Amend the Gasoline Tax Act."

A Bill, "An Act to Amend the St. John's Memorial Stadium Act, 1954."

A Bill, "An Act to Amend the City of St. John's Act."

A Bill, "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Community Councils."

On motion it was ordered that the said Bills be printed, being entitled as above, and that they be submitted to the Lieutenant-Governor for His assent.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, May 2nd., at three of the clock.

The House then adjourned accordingly.

WEDNESDAY, May 2nd, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

A Petition was presented by Mr. Brown from Sweet Bay Re Road.

Pursuant to order the House resolved itself into Committee of the Whole to consider the following Bills:

A Bill, "An Act to Incorporate the Newfoundland Association of Architects."

A Bill, "An Act Respecting the Trustee Board of the Presbyterian Church of Canada."

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

The Chairman from the Committee reported that they had considered the matters to them referred and had passed the Bill entitled, "An Act Respecting the Trustee Board of the Presbyterian Church of Canada" without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

The Chairman from the Committee further reported that they had considered the Bill entitled "An Act to Incorporate the Newfoundland Association of Architects," had made some

progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to notice the House resolved itself into a Committee of the Whole to consider certain Resolutions in relation to the guaranteeing of certain Bonds or Debentures and the guaranteeing or advancing of certain loans.

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed certain Resolutions recommending the introduction of a Bill to Amend "The Local Authority Guarantee Act, 1952" the Act No. 58 of 1952, to provide for the guarantee of the repayment of bonds or debentures issued by, the guarantee of the repayment of loans advanced to, and the advance of loans to certain Local Authorities, the sum of such guarantees and loans amounting to one million and thirty five thousand dollars (\$1,035,000.00)

The said Resolutions being read a first and second time, it was moved and seconded that the House concur with the Committee therein and the said Resolutions were agreed to.

On motion of Hon. the Minister of Municipal Affairs and Supply, the Bill entitled "An Act Further to Amend the Local Authority Guarantee Act, 1952" was introduced and read a first time and it was ordered that the said

Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Economic Development, the House resolved itself into a Committee of the Whole to consider certain Resolutions in relation to the Advancing or Guaranteeing of Certain Loans for Tourist Development.

Mr. Deputy Speaker left the Chair

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matters to them referred and had passed certain resolutions recommending the introduction of a Bill to Amend "The Tourist Development Loan Act, 1953" the Act No. 18 of 1953, to provide for the advance to or the guarantee of repayment by certain persons and companies of certain loans totaling six hundred and thirty-five thousand dollars (\$635,000).

The said Resolutions being read a first and second time, it was moved and seconded that the House concur with the Committee therein and the said Resolutions were agreed to.

On motion of Hon. the Minister of Economic Development, the Bill entitled "An Act to Amend the Tourist Development Loan Act" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Attorney General, the Bill entitled "An Act Further to Amend the Public Utilities Act" was introduced and read a first time and it was

ordered that the said Bill be read a second time on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Education, the following Bills were introduced and read a first time:

A Bill, "An Act Further to Amend the Local School Tax, 1954."

A Bill, "An Act Further to Amend the Education Act."

On motion it was ordered that the said Bills be read a second time on tomorrow.

Pursuant to order the following Bills were read a third time and passed.

A Bill, "An Act to Amend the Law Relating to the Frustration of Contracts."

A Bill, "An Act to Amend the City of Corner Brook Act, 1955."

A Bill, "An Act to Establish the Board of Trustees of the Newfoundland Museum."

A Bill, "An Act to Amend an Agreement Relating to a Loan to be Raised by Wabush Lake Railway Company Limited Made in Pursuance of the Wabush Lake Railway Company Limited (Loan Guarantee) Act, 1955, the Act No. 1 of 1955 (Second Session) Between the Lieutenant-Governor-in-Council and Wabush Lake Railway Company Limited and Canadian Javelin Limited."

On motion it was ordered that the said Bills be printed being entitled as above, and that they be submitted to the Lieutenant Governor for His assent.

On motion it was ordered that the House do not adjourn at six of the clock.

Pursuant to order the House resolved itself into a Committee of the Whole to consider certain Bills.

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matters to them referred and had passed the following Bills with some amendment:

A Bill, "An Act Respecting the Filing, Publication and Consolidation of Regulations."

A Bill, "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Local Government."

A Bill, "An Act Further to Amend the Highway Traffic Act."

A Bill, "An Act Further to Amend the Health and Public Welfare Act."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

On motion it was ordered that the said Committee have leave to sit again on tomorrow.

Pursuant to order the House resolved itself into Committee of Supply.

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the

matters to them referred and had passed estimates of Current Expenditure under the following headings:

XI—Department of Public Welfare. Items 1101-1120 (inclusive) with some amendment to item 1101-02.

XII—Board of Liquor Control. Items 1201-1203 (inclusive).

XIII—Department of Municipal Affairs and Supply. Items 1301-1333 (inclusive) with some amendment to item 1301-02.

XIV—Department of Fisheries and Co-operatives. Items 1401-1422-03-01 (inclusive) with some amendment to item 1401-02.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, May 3rd., at three of the clock.

The House then adjourned accordingly.

THURSDAY, May 3rd., 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Petitions were presented by:

Hon. the Premier from St. Brendans Re Roads.

Hon. W. J. Browne from Portugal Cove Re Electric Light.

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce the following Bills:

A Bill, "An Act to Amend the St. John's Housing Corporation Act."

A Bill, "An Act to Provide for the Payment of Accelerated Pensions to Employees of the Newfoundland Government transferred to Services of the Government of Canada at the date of Union."

Pursuant to order the following Bills were read a second time:

A Bill, "An Act Respecting the Distribution of Electricity in the Grand Falls, Windsor, Bishop's Falls and Botwood Areas."

A Bill, "An Act Further to Amend the Local Authority Guarantee Act, 1952."

A Bill, "An Act to Amend the Tourist Development Loan Act."

On motion it was ordered that the said Bills be referred to a Committee of the Whole House on tomorrow.

Pursuant to order the House resolved itself into Committee of Supply.

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matters to them referred and had passed Estimates of Current Expenditure under the following headings:

XIV—Department of Fisheries and Co-operatives. Items 1422-03-05 to 1453 inclusive.

XV—Department of Economic Development. Items 1501 to 1505 (inclusive). Estimates under the said Heading were amended by the addition of item 1506—Power Commission.

XVI—Department of Labour. Items 1601 to 1606 (inclusive) with some amendment to item 1601-02.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, May 4th., at three of the clock.

The House then adjourned accordingly.

FRIDAY, May 4th., 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Hon. the Attorney General gave notice that he would on tomorrow ask leave to introduce a Bill entitled, "An Act to Amend the Bowring Park Area (Control) Act."

Pursuant to order the following Bills were read a second time and ordered to be referred to a Committee of the Whole House on tomorrow:

A Bill, "An Act Further to Amend the Public Utilities Act."

A Bill, "An Act Further to Amend the Local School Tax Act, 1954."

A Bill, "An Act Further to Amend the Education Act."

Pursuant to notice and on motion of Hon. the Attorney General the Bill entitled "An Act to Amend the St. John's Housing Corporation Act" was introduced and read a first time and it was

ordered that the said Bill be read a second time on tomorrow.

Pursuant to order the House resolved itself into a Committee of the Whole to consider certain Bills.

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matters to them referred and had passed the following Bills without amendment:

A Bill, "An Act For the Protection of Water Supply from Tarkin's Pond and Other Contiguous Lakes."

A Bill, "An Act to Provide for the Transportation of Timber over Streams and Lakes, and for Other Purposes in Connection with Crown Lands."

A Bill, "An Act Respecting the Distribution of Electricity in the Grand Falls, Windsor, Bishop's Falls and Botwood Areas."

A Bill, "An Act Further to Amend the Local Authority Guarantee Act, 1952."

A Bill, "An Act to Amend the Tourist Development Loan Act."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

The Chairman from the Committee further reported that they had passed the following Bills with some amendment:

A Bill, "An Act to Incorporate the Newfoundland Association of Architects."

A Bill, "An Act to Amend the Companies Act."

A Bill, "An Act to Provide for the Establishment and Administration of Local Road Boards."

A Bill, "An Act Respecting the Appointment of Commissioners to Enquire into the Present Use of a Wharf Constructed in the Harbour of St. John's During the Second World War and to Make Recommendations as to the Future Use of the Wharf."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

The Chairman from the Committee further reported that they had considered the Bill entitled "An Act Further to Amend the Department of Public Works Act," had made some progress, and asked leave to sit again on tomorrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Finance, the House resolved itself into Committee of the Whole to consider certain Resolutions in relation to the guaranteeing of certain bonds or debentures for the guaranteeing or advancing of certain loans.

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

Mr. W. J. Browne informed the House that while in Committee of the Whole the Chairman had ruled that

debate on Industries was out of order because the resolutions did not mention any Industries and that he had asked to have the said ruling appealed to the House.

On motion of Hon. the Attorney General it was ordered that the Chairman's ruling be upheld.

On motion of Hon. the Minister of Finance the House resolved itself into Committee of the Whole to consider certain Resolutions in relation to the guaranteeing of certain bonds or debentures for the guaranteeing or advancing of certain loans.

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed certain resolutions recommending the introduction of a Bill to Amend the "Loan and Guarantee Act, 1954" the Act No. 59 of 1954 to provide for the guarantee of the repayment of bonds or debentures issued by, the guarantee of the repayment of loans made to, and the advance of loans to certain persons, companies and Boards of Education, the sum of such guarantees and loans amounting to ten million six hundred and seventy-two thousand five hundred dollars (\$10,672,500).

The said Resolutions being read a first and second time, it was moved and seconded that the House concur with the Committee therein and the said Resolutions were agreed to.

On motion of Hon. the Minister of Finance the Bill entitled "An Act Fur-

ther to Amend the Loan and Guarantee Act, 1954" was introduced and read a first time and it was ordered that the said Bill be read a second time presently.

On motion the second reading of the said Bill was debated and on motion was adjourned for further debate on tomorrow.

Pursuant to notice and on motion of Hon. the Minister of Finance, the House resolved itself into Committee of the Whole to consider certain Resolutions in relation to the raising of a Loan on the Credit of the Province.

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed certain resolutions recommending the introduction of a Bill to authorize the raising of a Loan of fourteen million dollars (\$14,000,000) on the credit of the Province.

The said resolutions being read a first and second time, it was moved and seconded that the House concur with the Committee therein and the said Resolutions were agreed to.

On motion of Hon. the Minister of Finance the Bill entitled "An Act to Authorize the Raising of a Sum of Money by Way of Loan on the Credit of the Province" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

On motion of Hon. the Attorney General and with unanimous consent the House resolved itself into Commit-

tee of the Whole to consider certain resolutions in relation to the payment of accelerated pensions to employees of the Newfoundland Government transferred to services of the Government of Canada at the date of Union.

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred and had passed certain resolutions recommending the introduction of a Bill to provide for the payment of Accelerated Pensions to Employees of the Newfoundland Government transferred to Services of the Government of Canada at the date of Union.

The said Resolutions being read a first and second time, it was moved and seconded that the House concur with the Committee therein and the said Resolutions were agreed to.

On motion of Hon. the Attorney General the Bill entitled, "An Act to Provide for the Payment of Accelerated Pensions to Employees of the Newfoundland Government Transferred to the Services of the Government of Canada at the date of Union" was introduced and read a first time and it was ordered that the said Bill be read a second time on tomorrow.

Hon. the Minister of Mines and Resources tabled "Report of Labrador Conference."

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until

Monday afternoon, May 7th at three of the clock.

The House then adjourned accordingly.

MONDAY, May 7th., 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Hon. the Premier informed the House that Mr. Speaker, who has been absent because of illness, had entered the Hospital for treatment. Hon. the Premier and Hon. the Leader of the Opposition expressed regret at Mr. Speaker's illness and hope for a speedy recovery.

Petitions were presented by:

Hon. the Premier from Point May, District of Burin, Re Electricity.

Hon. the Premier from Lord's Cove, District of Burin, Re Snow Clearance.

Hon. the Minister of Fisheries and Co-operatives tabled:

Fifth Annual Report of Co-operative Development Loan Board of Newfoundland for the Year Ended March 31, 1955.

Fifth Annual Report of Fisheries Loan Board of Newfoundland for the year ended March 31, 1955.

Annual Report of the Newfoundland Fisheries Development Authority for the Year ending March 31, 1955.

Mr. Browne gave notice of Question.

The second reading of the Bill entitled "An Act Further to Amend the Loan and Guarantee Act, 1954" was debated and on motion was adjourned for further debate on tomorrow.

The second reading of the Bill entitled "An Act to Authorize the Raising of a Sum of Money by Way of Loan on the Credit of the Province" was debated and on motion was adjourned for further debate on tomorrow.

Pursuant to order the following Bills were read a third time and passed:

A Bill, "An Act Respecting the Trustee Board of the Presbyterian Church of Canada."

A Bill, "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Local Government."

A Bill, "An Act Further to Amend the Health and Public Welfare Act."

A Bill, "An Act to Incorporate the Newfoundland Association of Architects."

A Bill, "An Act to Provide for the Establishment and Administration of Local Road Boards."

A Bill, "An Act for the Protection of the Water Supply from Larkin Pond and Other Contiguous Lakes."

A Bill, "An Act Respecting the Appointment of Commissioners to Enquire into the Present Use of a Wharf Constructed in the Harbour of St. John's During the Second World War and to Make Recommendations as to the Future Use of the Wharf."

A Bill, "An Act to Provide for the Transportation of Timber over Streams and Lakes, and for Other Purposes in Connection with Crown Lands."

A Bill, "An Act Respecting the Distribution of Electricity in the Grand Falls, Windsor, Bishop's Falls and Botwood Areas."

A Bill, "An Act Further to Amend the Local Authority Guarantee Act, 1952."

A Bill, "An Act to Amend the Tourist Development Loan Act."

On motion it was ordered that the said Bills be printed, being entitled as above, and that they be submitted to the Lieutenant Governor for his assent.

On motion it was ordered that the following Bills be recommitted to a Committee of the Whole House at a later hour in the day:

A Bill, "An Act Respecting the Filing, Publication and Consolidation of Regulations."

A Bill, "An Act Further to Amend the Highway Traffic Act."

On motion the Bill entitled, "An Act to Provide for the Payment of Accelerated Pensions to Employees of the Newfoundland Government Transferred to Services of the Government of Canada at the Date of Union" was read a second time, and with unanimous consent, it was ordered that the said Bill be referred to a Committee of the Whole House presently.

Pursuant to order the House resolved itself into a Committee of the Whole to consider certain Bills.

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matters to them referred and had passed the following Bills without amendment:

A Bill, "An Act Further to Amend the Highway Traffic Act."

A Bill, "An Act Further to Amend the Public Utilities Act."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

The Chairman from the Committee further reported that they had considered the Bill entitled "An Act Respecting the Filing, Publication and Consolidation of Regulations" and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time on tomorrow.

The Chairman from the Committee further reported that they had made some progress on the following Bills:

A Bill, "An Act Further to Amend the Department of Public Works Act."

A Bill, "An Act Further to Amend the Education Act."

A Bill, "An Act to Provide for the Payment of Accelerated Pensions to Employees of the Newfoundland Government Transferred to Services of the Government of Canada at the Date of Union."

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order the House resolved itself into Committee of Supply.

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matters to them referred and had passed Estimates of Capital Account Expenditure under the following headings:

- I—Consolidated Fund Services.
- IV—Department of Finance.
- VI—Department of Education.
- VIII—Department of Mines and Resources.
- IX—Department of Public Works, Items 941-01 to 941-02-03.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until tomorrow afternoon, May 8th., at three of the clock.

The House then adjourned accordingly.

TUESDAY, May 8th, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. W. J. Browne raised a Question of Privilege regarding an article in the St. John's "Daily News" of May 8th.

Pursuant to order the following Bills were read a third time:

A Bill "An Act Respecting the Filing, Publication and Consolidation of Regulations."

A Bill, "An Act Further to Amend the Highway Traffic Act."

A Bill, "An Act Further to Amend the Public Utilities Act."

On motion it was ordered that the said Bills be printed, being entitled as above, and that they be submitted to the Lieutenant Governor for his assent.

On motion of Hon. the Attorney General it was ordered that the Bill entitled "An Act to Amend the Companies Act" be recommitted to a Committee of the Whole House presently.

Pursuant to order the House resolved itself into Committee of the Whole to consider certain Bills.

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matters to them referred and had passed the following Bills without amendment:

A Bill, "An Act Further to Amend the Local School Tax Act, 1954."

A Bill, "An Act Further to Amend the Education Act."

A Bill, "An Act to Provide for the Payment of Accelerated Pensions to Employees of the Government of Newfoundland Transferred to the Services of the Government of Canada at the Date of Union."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

The Chairman from the Committee further reported that they had pass-

ed the following Bills with some amendment:

A Bill, "An Act Further to Amend the Public Works Act."

A Bill "An Act to Amend the Companies Act."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time on tomorrow.

On the motion that the House resolve itself into Committee of Supply, Mr. W. J. Browne and Hon. the Leader of the Opposition expressed a grievance regarding the School Tax in the City of Corner Brook.

On motion the House resolved itself into Committee of Supply.

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matters to them referred and had passed Estimates of Capital Account Expenditure under the following headings:

IX—Department of Public Works.
Items 941-02-01 to 41-03-03 inclusive.

X—Department of Health.

XI—Department of Public Welfare.

XIII—Department of Municipal Affairs and Supply.

XIV—Department of Fisheries and Co-operatives. Items 1440 to 1444-01 inclusive.

On motion this report was received and adopted and it was ordered that

the Committee of Supply have leave to sit again presently.

On motion it was ordered that the House do not adjourn at eleven of the clock.

Pursuant to order the House resolved itself into Committee of Supply.

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had completed their consideration of the Estimates and had passed Estimates of Capital Account Expenditure under the following headings:

XIV—Department of Fisheries and Co-operatives. Item 1444-02.

XV—Department of Economic Development.

And under Financial Surplus Account:

I—Consolidated Fund Services.

IV—Department of Finance.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on tomorrow.

Pursuant to order and on motion of Hon. the Minister of Finance, the House resolved itself into Committee of Ways and Means.

Mr. Deputy Speaker left the Chair.

The Chairman from the Committee reported that they had considered the

matter to them referred, had passed certain resolutions granting Supply to Her Majesty and recommending that a Bill be introduced to give effect to the same.

The said resolutions being read a first and second time, it was moved and seconded that the House concur with the Committee therein and the said resolutions were agreed to.

On motion it was ordered that the Committee have leave to sit again at a later hour in the day.

On motion of Hon. the Minister of Finance, the Bill entitled "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-first Day of March, One Thousand Nine Hundred and Fifty-seven, and for Other Purposes Relating to the Public Service" was introduced and read a first, second and third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant Governor for His assent.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises, it adjourn until this morning at eleven of the clock.

The House then adjourned accordingly.

WEDNESDAY, May 9th., 1956.

The House met at eleven of the clock in the morning, pursuant to adjournment.

Petitions were presented by:

Mr. Norman, on behalf of Mr. Deputy Speaker, from Belleoram, Re Electricity.

Mr. Norman, on behalf of Mr. Deputy Speaker, from Piccaire, Re Road.

Mr. Norman, on behalf of Mr. Deputy Speaker, from Harbour Breton, Re Road.

Mr. Norman, on behalf of Mr. Deputy Speaker, from English Harbour East, Re Road.

The second reading of the Bill entitled "An Act Further to Amend the Loan and Guarantee Act, 1954" was debated and on motion was adjourned for further debate at a later hour in the day.

The House recessed until half past two of the clock.

Mr. Deputy Speaker resumed the Chair.

Pursuant to order the following Bills were read a second time and ordered to be referred to a Committee of the Whole House at a later hour in the day:

A Bill, "An Act to Authorize the Raising of a Sum of Money by Way of Loan on the Credit of the Province."

A Bill, "An Act Further to Amend the Loan and Guarantee Act, 1954."

On motion it was ordered that the House do not adjourn at six of the clock.

Pursuant to order the House resolved itself into a Committee of the Whole to consider certain Bills.

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the

Bill entitled "An Act Further to Amend the Loan and Guarantee Act, 1954," and had passed the said Bill without amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently.

The Chairman from the Committee further reported that they had considered the Bill entitled "An Act to Authorize the Raising of a Sum of Money by Way of Loan on the Credit of the Province" and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently.

Pursuant to order and with unanimous consent, the following Bills were read a third time and passed:

A Bill, "An Act Further to Amend the Loan and Guarantee Act, 1954."

A Bill, "An Act to Authorize the Raising of a Sum of Money by Way of Loan on the Credit of the Province."

A Bill, "An Act to Amend the Companies Act."

A Bill, "An Act Further to Amend the Local School Tax Act, 1954."

A Bill, "An Act Further to Amend the Education Act."

A Bill, "An Act to Provide for the Payment of Accelerated Pensions to Employees of the Newfoundland Government Transferred to Services of the Government of Canada at the Date of Union."

On motion it was ordered that the said Bills be printed, being entitled as above, and that they be submitted

to the Lieutenant-Governor for his assent.

It was moved by Mr. W. J. Browne and seconded by Honourable the Leader of the Opposition that the Bill entitled "An Act Further to Amend the Department of Public Works Act" be recommitted to the Committee of the Whole House presently.

On Division, the motion was lost.

Pursuant to order, the Bill entitled "An Act to Amend the Department of Public Works Act" was read a third time and passed and it was ordered that the said Bill be printed, being entitled as above, and that it be submitted to the Lieutenant-Governor for his assent.

Pursuant to notice and on motion of Hon. the Attorney General, the Bill entitled "An Act to Amend the Bowring Park Area (Control) Act" was introduced and read a first time and it was ordered that the said Bill be read a second time presently.

On motion and with unanimous consent, the Bill entitled "An Act to Amend the Bowring Park Area (Control) Act" was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

Pursuant to order the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Bowring Park Area (Control) Act."

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the

matter to them referred and had passed the said Bill with some amendment.

On motion this report was received and adopted and it was ordered that the said Bill be read a third time presently.

On motion of Hon. the Attorney General, it was ordered that the following Bills be recommitted to a Committee of the Whole House presently:

A Bill, "An Act to Amend the City of St. John's Act."

A Bill, "An Act Further to Amend the Highway Traffic Act."

On motion the House resolved itself into a Committee of the Whole to consider certain Bills:

Mr. Deputy Speaker left the Chair.

Mr. Norman took the Chair of Committee.

Mr. Deputy Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matters to them referred and had passed the following Bills with some amendment:

A Bill, "An Act to Amend the City of St. John's Act."

A Bill, "An Act Further to Amend the Highway Traffic Act."

On motion this report was received and adopted and it was ordered that the said Bills be read a third time presently.

Pursuant to order the following Bills were read a third time:

A Bill, "An Act to Amend the City of St. John's Act."

A Bill, "An Act Further to Amend the Highway Traffic Act."

A Bill, "An Act to Amend the Bowring Park Area (Control) Act."

On motion it was ordered that the said Bills be printed, being entitled as above, and that they be submitted to the Lieutenant-Governor for his assent.

On motion the remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises it adjourn until tomorrow afternoon, May 10th., at three of the clock.

The House then adjourned accordingly.

THURSDAY, May 10th, 1956.

The House met at three of the clock in the afternoon, pursuant to adjournment.

The Sergeant-at-Arms announced that His Honour the Lieutenant-Governor had arrived.

His Honour took the Chair.

Mr. Deputy Speaker addressed His Honour as follows:

It is my agreeable duty on behalf of Her Majesty's dutiful and loyal subjects, Her faithful Commons in Newfoundland to present to Your Honour a Bill for the Appropriation of Supply granted in the Present Session.

Whereupon the Clerk read the following Bill:

A Bill, "An Act for Granting to Her Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Year Ending the Thirty-First Day of March,

One Thousand Nine Hundred and Fifty-Seven, and for Other Purposes Relating to the Public Service."

His Honour then said "In Her Majesty's name I thank her loyal subjects, I accept their benevolence, and assent to this Bill."

Mr. Deputy Speaker addressed His Honour as follows:

May it please Your Honour, the General Assembly of the Province has at its present session passed certain Bills, to which, in the name and on behalf of the General Assembly, I respectfully request Your Honour's assent."

Whereupon the Clerk read the following Bills entitled:

A Bill, "An Act to Amend the Poultry and Poultry Products Act."

A Bill, "An Act to Amend the Social Assistance Act, 1954."

A Bill, "An Act Further to Amend the School Attendance Act."

A Bill, "An Act to Empower the St. John's Municipal Council to Raise a Loan for Municipal Purposes by the Issue of Bonds."

A Bill, "An Act to Restrict the Use of White Canes to Blind Persons."

A Bill, "An Act to Amend the Fro-bisher Limited (Confirmation of Agreement) Act, 1955."

A Bill, "An Act Further to Amend the Gasoline Tax Act."

A Bill, "An Act to Amend the St. John's Memorial Stadium Act, 1954."

A Bill, "An Act to Amend the City of St. John's Act."

A Bill, "An Act to Amend and Consolidate the Law Relating to the Es-

tablishment and Administration of Community Councils."

A Bill, "An Act to Amend an Agreement Relating to a Loan to be Raised by Wabush Lake Railway Company Limited Made in Pursuance of the Wabush Lake Railway Company Limited (Loan Guarantee) Act, 1955, The Act No. 1 of 1955 (Second Session) Between the Lieutenant-Governor-in-Council, and Wabush Lake Railway Company Limited and Canadian Javelin Limited."

A Bill, "An Act to Establish the Board of Trustees of the Newfoundland Museum."

A Bill, "An Act to Amend the City of Corner Brook Act, 1955."

A Bill, "An Act to Amend the Law Relating to the Frustration of Contracts."

A Bill, "An Act Respecting the Trustee Board of the Presbyterian Church in Canada."

A Bill, "An Act Further to Amend the Health and Public Welfare Act."

A Bill, "An Act Further to Amend the Highway Traffic Act."

A Bill, "An Act Respecting the Appointment of Commissioners to Enquire into the Present Use of a Wharf Constructed in the Harbour of St. John's During the Second World War and to Make Recommendations as to the Future Use of the Wharf."

A Bill, "An Act for the Protection of the Water Supply from Larkin's Pond and Other Contiguous Lakes."

A Bill, "An Act Further to Amend the Act 4 Ed. VII Cap. 13 entitled "An Act to Provide for the Transportation of Timber Over Streams and Lakes,

and for Other Purposes in Connection with Crown Lands."

A Bill, "An Act Respecting the Distribution of Electricity in the Grand Falls, Windsor, Bishop's Falls and Botwood Areas."

A Bill, "An Act to Amend the Tourist Development Loan Act."

A Bill, "An Act Further to Amend the Local Authority Guarantee Act, 1952."

A Bill, "An Act to Incorporate the Newfoundland Association of Architects."

A Bill, "An Act Further to Amend the Companies Act."

A Bill, "An Act to Provide for the Establishment and Administration of Local Road Boards."

A Bill, "An Act Respecting the Filing, Publication and Consolidation of Regulations."

A Bill, "An Act to Provide for the Payment of Accelerated Pensions to Employees of the Newfoundland Government Transferred to Services of the Government of Canada at the Date of Union."

A Bill, "An Act Further to Amend the Education Act."

A Bill, "An Act Further to Amend the Local School Tax Act, 1954."

A Bill, "An Act Further to Amend the Department of Public Works Act."

A Bill, "An Act to Amend the Bowring Park Area (Control) Act."

A Bill, "An Act Further to Amend the Loan and Guarantee Act, 1954."

A Bill, "An Act to Authorize the Raising of a Sum of Money by Way of Loan on the Credit of the Province."

A Bill, "An Act Further to Amend the Public Utilities Act."

A Bill, "An Act to Amend and Consolidate the Law Relating to the Establishment and Administration of Local Government."

His Honour then said "In Her Majesty's Name I assent to these Bills."

His Honour the Lieutenant-Governor was then pleased to make the following speech:

MR. SPEAKER AND MEMBERS OF THE HONOURABLE HOUSE OF ASSEMBLY:

The Session now concluded has been a busy one and I wish to thank you for the careful attention you have given to the many and varied matters my Ministers have placed before you.

Included in these measures has been the proposal of my Ministers to provide free medical, dental and optical care for all our children up to the age of sixteen years. The Legislation has been ratified and funds voted for the first phase of this great health plan.

The rate of payments under the Workmen's Compensation Board has been increased, thereby making greater provision for the dependents of deceased workmen.

The decision of my Ministers to have the Government assume full financial responsibility for the maintenance of all local roads through the instrumentality of elected Road Boards, has been approved by the House, and funds voted for that purpose.

Legislation providing for the encouragement and growth of local government by means of town councils or community councils has been amended and consolidated.

The unsatisfied judgement fund has been made available to victims of hit and run motor accidents, thus broadening the disbursement of the payments under this legislation.

Many other matters have been considered during your deliberations, including amendments to the Wabush Agreement, the Companies Act, the School Attendance Act, and the Fro-bisher Agreements.

**MR. SPEAKER AND MEMBERS OF
THE HONOURABLE HOUSE OF
ASSEMBLY:**

I thank you for the provision you have made for all essential services for the current fiscal year. I am confident that the monies voted will be wisely and judiciously expended by my Ministers.

In the normal course of events this will be the last session of this 30th General Assembly.

To all of you whether you continue to occupy a seat in this House or not, I wish success in your several avocations and a measure of well deserved relaxation after your heavy duties.

As you return to your homes, I express the hope that Divine Providence will continue to bless our people with peace, prosperity and happiness.

His Honour the Lieutenant Governor left the Assembly Chamber.

Mr. Speaker then said:

It is the will and pleasure of His Honour the Lieutenant-Governor that this General Assembly be prorogued until Wednesday the Sixth day of June next, and this Assembly is prorogued accordingly.

HENRY H. CUMMINGS,
Clerk of the House of Assembly.

NEWFOUNDLAND HOUSE OF ASSEMBLY

1956

Hon. the Speaker, R. F. Sparkes, L.C.

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Baxter Morgan, Esq.	Member for Green Bay
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