

Debates of the House of Assembly 1932

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This is the only existing copy of the proceedings of the House of Assembly of Newfoundland of the session of the House which opened on February 4, 1932.

Although the debates are complete, the Minutes covering the period from February 4th to March 10th as compiled by the Clerk of the House are missing, having been destroyed in a riot which occurred at the House on April 5th when a large number of citizens paraded to the House to present a petition to the House pursuant to a public meeting previously held at the Majestic Theatre at St. John's.

R. C. B. Meaney
Supervisor of Debates

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Thursday, February 4, 1932

His Excellency the Governor, having fixed the hour at which he proposed to open the present Session of the Legislature at three o'clock in the afternoon of this, Thursday, the fourth day of February instant, the Members of the House of Assembly met in the Assembly Rooms at a quarter to three in the afternoon, when Mr. Speaker took the Chair.

At three of the clock a message from his Excellency the Governor was delivered by the Gentleman Usher of the Black Rod, commanding the immediate attendance of Mr. Speaker and the House in the Legislative Chamber.

Whereupon Mr. Speaker and the House attended His Excellency in the Council Chamber; and being returned to the Assembly Room, Mr. Speaker informed the House that, when in attendance upon His Excellency the Governor in the Council Chamber, His Excellency had been pleased to make a Gracious Speech to both branches of the Legislature, a copy of which, for greater accuracy, he had obtained, and then read to the House as follows:

Mr. President and Honourable Members of the Legislative Council:

Mr. Speaker and Members of the Honourable House of Assembly:

Since I last had the pleasure of addressing you, the page of history has recorded events of grave importance. Questions in connection with international finance and economics have occupied the attention of the world's legislators and financiers, and we are now entering a period even more momentous which will test the basis of our civilization in the solution of the greater problems that are affecting the well-being of humanity. Newfoundland, in common with the rest of the world, feels the burden, and I have called you together at an earlier date than is usual in order that you may give consideration to the various matters which in the opinion of my Ministers require attention for the economic upbuilding of this country.

The exports of pulp and paper for the last fiscal year show an increase in quantity and value. Our mineral production did not quite equal that of the previous fiscal year, while the value was considerably lower. Fishery products also show a total lower value, while the results of last season's catch show still greater depreciation. Our total exports, however, exceeded the imports in value by a sum of over \$4,000,000. Adequate returns for our products cannot be expected until the necessary adjustment of the world's economic condition has been carried out. The low prices received have been further discounted by the loss in exchange.

As my Ministers consider that the fisheries are of paramount importance, they have decided to continue the operations of the Fishery Research Commission in cooperation with the Empire Marketing Board of the United Kingdom. It is absolutely essential to the successful prosecution of this industry that we make use of the assistance which science offers, and in the preparation and marketing of the product take advantage of the world's knowledge and experience.

Mr. Speaker and Members of the Honourable House of Assembly:

The financial crisis throughout the world has had its reflection on our own Budget position. The deficit on our account of 1930-31 had to be met by borrowing and, in view of the serious financial situation which was developing, my Ministers deemed it advisable to obtain outside assistance and advice in the rehabilitation of the country's finances. For this purpose my Prime

Minister proceeded to England, and, in consultation with the appropriate Financial Departments, selected Sir Percy Thompson, K.B.E., C.B., Deputy Chairman of the Board of Inland Revenue, and Mr. J. H. Penson, M.C., an acting Principal in the Treasury, men of high financial standing and experience, recommended by the British Treasury.

Prior to their arrival here, steps had already been taken to curtail expenditure, and, under their advice, a more comprehensive system of financial control has been established and considerable further economies have been effected.

In the early Summer my Prime Minister arranged to secure the services of an outstanding business executive from Canada in the person of Mr. R. J. Magor. In September last Mr. Magor commenced the reorganizing of the Railways and other commercial and industrial enterprises with which the Government are concerned. As a result, these services are making a considerably improved financial showing and it is confidently hoped that before long they will entirely cease to be a charge on Public Funds.

The process of financial reform is not yet completed, but substantial progress has already been made, and various bills giving effect, so far as Legislation is necessary, to the reforms which have been introduced, will be laid before you.

It is anticipated that there will again be a substantial deficit in the accounts of the current fiscal year. It was necessary once more to resort to borrowing in order to obtain the funds required to pay the interest on the public debt which became due on the 1st January. It is also expected that the interest due on the 1st July will have to be met in part by borrowing, and a Bill providing for an Internal Loan will be laid before you in due course.

The estimates of Expenditure and Revenue for the next fiscal year will be submitted to you, and it is hoped that, as a result of the reduction in expenditure which is taking place, and of measures, which will be laid before you, adequate provision will be made for balancing Revenue and Expenditure, and for the payment out of Revenue of all future interest on the Public Debt as and when it falls due.

Mr. President and Honourable Members of the Legislative Council:

Mr. Speaker and Members of the Honourable House of Assembly:

A Bill will be laid before you which is intended to bring the currency policy of this Dominion into greater harmony with that of the rest of the Empire. It will provide for the restriction of the right to export gold and for rendering legal tender the notes of certain Banks operating in Newfoundland.

A Bill will also be laid before you providing for a system of Treasury Control of expenditure on the lines of that which has been put into force since December last. The Bill will also provide that the Controller of the Treasury and Deputy Minister of Finance will hold office on terms similar to those relating to the office of the Comptroller and Auditor General.

The establishment of the new system of financial control will render necessary a considerable alteration of our present audit procedure, and it will be necessary to amend the present Audit Act.

In carrying out the policy of economical reform it has been decided to amalgamate the Departments of Agriculture and Mines and of Marine and Fisheries to form a Department of Natural Resources. The Department of Public Works will include that of the Government Engineer

and of the Highroads Commission. Bills for legislative sanction to such reorganization will be laid before you.

I trust that you may have Divine guidance in your consideration of the important matters which will come before you affecting the welfare of the people of this Dominion.

Mr. Winsor: Mr. Speaker, I move that a Select Committee be appointed to draft an Address in Reply to the gracious speech with which His Excellency has been pleased to open this session of the Legislature.

Mr. Greene: Mr. Speaker, I beg to rise for the purpose of seconding the motion that a Select Committee be appointed to draft an Address in Reply to the gracious speech of His Excellency the Governor.

Hon. Leader of the Opposition: Mr. Speaker, I hoped that I would have had the opportunity to congratulate the honourable mover and seconder of this motion on the excellence of their speech. Unfortunately the best that I can say for them is that they have been mercifully brief.

Another matter which I referred to last year was in connection with the speech itself. I drew the attention of the Prime Minister, the Rt. Hon. Prime Minister, to the fact that it was the usual courtesy in every part of the Empire to permit the Leader of the Opposition to have a sight of the speech at least an hour before it was delivered, and as this is going to be one of the most important speeches ever uttered by the Governor in the Legislative Council, I think that recognition of my complaint of last year should have been taken for this year.

This session, which has just been opened by his Excellency the Governor, probably will be one of the most momentous ever held in the annals of this country. We are asked – and I have not had a chance to read it; I heard you very indistinctly, and the Governor even more indistinctly; I am going by guesswork – [and] I believe it is our patriotic duty to assist in every possible way in enacting the legislation that should come before us which has for its object first of all the balancing of the budget, and what I set more store upon is the fact that it is going to regulate Government offices with the idea of preventing maladministration and the misuse of public funds. I look upon that as a much more important item than the balancing of the budget because one is the cause and the other the effect. If we can remove the cause the effect becomes non-existent, and if we have an economic, patriotic and a constructive government I don't think that there is any doubt that we [illegible]¹ ... our day of reckoning. I don't care whether it be individuals, business concerns or Government, if revenue does not exceed or equal expenditure, just as sure as night follows day the inevitability is coming, and that is the day of reckoning. We are met here to-day, and we will continue to meet for many days trying to solve a way out of this day of reckoning. Is it our intention to meet it resolutely, to make up our minds to meet our liabilities? Are we going to put ourselves in a position that we can look every man straight in the face? Are we going to act in such a way that we

¹ "... it is our patriotic duty to assist in the passing of legislation which has for its object the putting to an end of the extravagance in Government expenditure which has been going on for many years, which reached its culmination at the hands of the present Government and which in its wantonness and total disregard for decency has been sapping the manhood and independence of so many of our people." *Evening Telegram*, February 5, 1932.

can hold our heads up amongst our sister dominions? If not, if we are going to squirm out of this, then everlastingly we shall hang our heads with shame, and be a by-word not only amongst the Empire but the world at large. We must do, as the old homely expression puts it, we must cut our garment according to our cloth, and the pity of it is, Mr. Speaker, that just the time when this day of reckoning strikes us, we are in a position least able to cope with it. I have not the figures, and I don't suppose it would be possible to arrive at them, but never in the history of this country was the per capita earning power lower, that is to say, comparatively lower than it is to-day, and we have to try and balance our budget, try and reduce expenditure. We have to put on increased taxation, and we are going to do it at a time when we are least, in the history of this country, according to my opinion, least able to do it, and that is what I would like to draw to the attention of the Government. I would like to put this to them, that they must not tax us beyond our ability to pay. In their retrenchment they must not stint us to the extent that our productive efficiency is going to be impaired. If in their excessive zeal they overtax us, then they are going to defeat the very end they have in view. We have been doing our best in many ways to straighten out our [*illegible*], but there is one thing – I don't mean to criticize them for one moment, but I do wish they started with the higher-ups, the men with the large salaries first. I think it is unfair to hit the \$600 a year schoolmasters. It is unfair to take the mite that we give the widows and leave the large-salaried men immune. I think that there should have been some intimation to us, to quell that spirit of discontent that is so much abroad at present, that there is going to be a real drastic cut amongst higher-up officials. It has not come yet, and it would have made those on [lower] salaries more reconciled to their fate if they had known that those higher up were having a proportionate cut.

There is one matter, and it is partly a word of explanation so far as this agreement is concerned, and I take this view in connection with it, that had we been doing our best to meet our financial obligations; had we a government that was absolutely setting its face against all overexpenditure; had we a government putting graft out of the question; had we a government that was maintaining our public service to the highest state of efficiency so far as humanly possible, and at the same time keeping the cost down to the lowest possible limit – I say had all these things been happening to us; and had we been no more than innocent victims of a worldwide depression, I would have given long hesitation before I would have agreed to the terms under which we received the loan to pay the interest. Unfortunately, we have been making no effort to meet our financial obligations. There has been no effort at constructive government, no effort to keep down extravagance, the consequence of which is that we don't come into court with clean hands. And if we wanted the money, I believed there was nothing else to do but sign that agreement.

Now, Mr. Speaker, I should like to ask you if you will carry your memory back to the Fall of 1928, that is the time, perhaps you will remember the time when the present Government marched into office with the tune of a gramophone record. It was very encouraging. It was a sort of "Land of Hope and Glory" sort of tune, but there was very little hope and precious little glory.² There was going to be lots of employment, there was going to be no dole, because dole was degradation and labour was independence. The landscape was going to be dotted over with \$5,000,000 industries. I

² "We led to believe that we were going to have a land of hope and glory, but there has been no glory and precious little hope." [Alternative version in transcript] From this point the speech as reported in the transcript follows more closely the version published in the newspapers.

put it to the whole House, can you point out one constructive effort, one attempt to follow along the lines of that magnificent programme? When we consider our present industries, look where we will, whether it be our fisheries, our mining industries, our paper industries or manufacturing, can one see one constructive effort that has been put forth to enhance the national wealth, or increase the earning power of our people?

It is my firm opinion that if the Government had taken full advantage of all the opportunities that had been offered since 1928, that this country to-day would be enjoying an annual revenue and an earning power which, capitalized at 5 per cent, would not have been far short of \$100,000,000. Supposing our national wealth had been increased by a potential \$5,000,000 per annum, do you suppose that an \$8,000,000 loan would have been turned down last Spring? I imagine that the situation would have been reversed, and that the financiers would have been looking for us. The whole record of the past administration is one of lost opportunities, and the pity of it is that every man, woman and child in the country to-day has got to pay the price of these lost opportunities.

Mr. Speaker, at the last session of the House I was censuring the Government for not taking notice of the impending gale. We are a sea-faring people, and I thought that a nautical metaphor would be appropriate. I said then that when every businessman was shortening his commercial sails, and battening down his commercial hatches to meet the commercial storm that was coming upon us, at the same time our ship of state was being sailed into the storm with all sails set, resulting in canvas to the tune of a \$2,000,000 deficit being carried away. I warned the Minister of Finance and Customs that if he did not give a better exhibition of financial seamanship during the next year, there was every possibility of the spars being ripped out of the good ship Newfoundland. To-day we are in the hands of the underwriters, that is those who underwrite our loans.

But, Mr. Speaker, good can come out of evil. I believe we have at last reached the turning point. I believe we shall get back to sanity and reason. We shall get back to habits of economy. Our people will get back to the paths of industry and self-reliance from which the credulous have for years been cajoled, to their own undoing, by self-seeking politicians. We have a hard road to travel. The innocent are going to suffer with the guilty, but if we be true to our country [and] to ourselves we shall yet bless the day when this, the present situation, was upon us.

Rt. Hon. Prime Minister: First of all I wish to extend to the mover and seconder of the Address in Reply my congratulations for what may be termed their able brevity. This is to be primarily a commercial session, and consequently I am of the opinion that all formal motions [should] be made as brief as possible, and that we should get down to business without delay. I wish also to extend my congratulations to the Hon. Leader of the Opposition on the public-spirited stand he has taken in the economic crisis. It is worthy of a Newfoundlander. To-day we are face to face with problems of life and death, and I hope we shall take a stand against them in the words of the message I gave to Rotary on New Year's Eve, of "Cooperation, Carry On." By this I mean that I hope we shall have the same combination of forces as we had in the Great War, when Englishmen fought as Englishmen, Frenchmen as Frenchmen, Italians as Italians against the common peril.

I am exceeding sorry that the Leader of the Opposition did not get the Speech from the Throne in advance. I understood that he was to receive a copy, and instructions to that effect had been given. Again, I wish to tender my hearty congratulations to the mover and seconder and to the Leader of the Opposition.

It was ordered accordingly, and that the following gentlemen be such Committee: Mr. Winsor, Mr. Greene, Mr. Strong, Mr. Tobin, Mr. Quinton.

Rt. Hon. the Prime Minister gave notice that he would on to-morrow ask leave to introduce the following Bills, entitled:

"An Act to Make Provision for Controlling the Export of Gold and for Regulating the Currency in Periods of Emergency."

"An Act to Amend Chapter 23 of the Consolidated Statutes (Third Series) entitled 'Of the Auditing of Public Accounts.'"

"An Act to Amend the Law Relating to the Carriage of Goods by Sea."

"An Act to Amend Chapter 27 of the Consolidated Statutes (Third Series) entitled 'Of Death Duties.'"

"An Act to Amend Chapter 22 of the Consolidated Statutes (Third Series) entitled 'Of the Customs.'"

"An Act to Amend Chapter 10 of the Consolidated Statutes (Third Series) entitled 'Of the Department of Finance and Customs.'"

Rt. Hon. the Prime Minister also gave notice that he would on to-morrow move the following:

That Supply be granted to His Majesty.

The House into Committee of the Whole to consider certain Resolutions in relation to the Amendment of the Loan Acts 1898, 1927, 1928 and 1929.

The House into Committee of the Whole to consider certain Resolutions for the Amendment of Chapter 127 of the Consolidated Statutes (Third Series) entitled "Of Companies."

The House into Committee of the Whole to consider certain Resolutions for the Amendment of Chapter 111 of the Consolidated Statutes (Third Series) entitled "Of the Registration of Deeds and other Documents."

The House into Committee of the Whole on Ways and Means.

The House into Committee of the Whole on Supply.

Mr. Puddester: I would like to ask what the Hon. Prime Minister means by to-morrow?

Rt. Hon. Prime Minister: The intention is that when the House adjourns, notice will be given that it will not meet again until February 16th. This year there will be a deviation from normal practice. In former years it was the practice to introduce Supply first, and Ways and Means afterwards. This year a reversal of the practice is intended, and Ways and Means will be introduced first. When the House meets again, it is hoped to have full information as at the end of January available, and the staff will also be able to compile the whole information at the one time. It is also hoped to be able to lay on the table of the House bound volumes of the public accounts. It is also proposed to have copies of Bills distributed on first reading, rather than on second reading as formerly.

Mr. Puddester: It was bright and breezy, but it was not very brief.³ I take it from the remarks of the Prime Minister that the House is to adjourn this evening until February 16th next. Surely this is hardly to be expected. Whilst I agree to an adjournment over the weekend, which is a reasonable period, I submit, Sir, that any longer adjournment of this House would be unnecessary and certainly not in the best interests of the people of Newfoundland. We surely have enough business to go along with until new legislation is ready to proceed with, because all of us may not be as brief as the proposer and seconder of the Motion for the Address in Reply. It seems, though, as if Newfoundland has been always setting precedents, and we have the sorry spectacle of another precedent set here this afternoon. Never in the history of any Parliament throughout the British Empire did it happen for two members to move and second a motion of this sort, without a single word in defence of the Government. However, I do not believe that the real reason for such a long adjournment was given by the Prime Minister, and we shall find that out as the session advances.

Hon. Leader of the Opposition: I would like to know from the Hon. the Prime Minister if any of these figures in connection with the public accounts are ready to be laid on the table, or if they will be ready at the earliest opportunity, so that we can have until the 16th instant to study them?

Rt. Hon. Prime Minister: My intention is to furnish them as soon as they are received from the printers, just as bills will be available to the Opposition gentlemen on their first reading.

Hon. Leader of the Opposition: The reason why I ask to have these figures and reports of the different departments of the Government laid on the table to-day, if at all possible, is in order to expedite the business of the House very considerably.

Mr. Puddester: May I ask when we might expect to have here the reports of the experts?

Rt. Hon. Prime Minister: In about five minutes.

Mr. Emerson: I would like to know if the Auditor General's report is to be included among the documents to be tabled at [the] next sitting?

Rt. Hon. Prime Minister: Yes.

Mr. Emerson: Also, may I ask are we to address questions, which ordinarily are addressed to the Finance Minister, to the Prime Minister?

Rt. Hon. Prime Minister: Yes, if it is the Hon. Member's pleasure to do so.

Hon. Leader of the Opposition: Will the Auditor General's report be in typescript?

³ "Mr. Puddester said that last year the House was informed that the session would be 'bright, brief, and breezy.' It was bright and breezy, but had not been so brief as anticipated." *Daily News*, February 5, 1932, p. 5.

Rt. Hon. Prime Minister: I presume so.

Mr. Speaker, I beg to lay upon the table of the House a report covering the following items: the Interim Report of Mr. R. J. Magor, and the printed documents in connection with the loan negotiations, as up to the end of January 1, 1932, and a memorandum of certain other correspondence, which have been sent to the printers and which will be distributed to the honourable gentlemen of the Opposition this evening.

Hon. the Minister of Posts gave notice that he would on to-morrow move the House into a Committee of the Whole to consider certain Resolutions for the Amendment of Chapter 35 of the Consolidated Statutes (Third Series) entitled "Of the Postal and Telegraph Services."

The Minister of Marine and Fisheries and Acting Minister of Agriculture and Mines gave notice that he would on to-morrow ask leave to introduce "An Act to Re-organize and Continue the Departments of Marine and Fisheries and of Agriculture and Mines."

The Minister of Public Works gave notice that he would to-morrow ask leave to introduce "An Act to Reorganize the Department of Public Works."

Mr. Alderdice gave notice of question.

Mr. Byrne gave notice of question.

Mr. Bennett gave notice of question.

Mr. Moore gave notice of question.

Mr. Abbott gave notice of question.

Mr. Tobin gave notice of question.

Mr. Quinton gave notice of question.

Mr. Emerson gave notice of question.

Mr. Puddester gave notice of question.

Mr. Winter gave notice of question.

Hon. Leader of the Opposition: Mr. Speaker, I think in view of the fact that we are adjourning until the 16th, I think that it might be possible to have replies to all questions asked by that time.

Rt. Hon. Prime Minister: Some of the questions can be answered in a day in the form of accounts etc., but some questions will take a lot of time, but we will speed up the staff and try to have them by that time.

Mr. Cashin: It was not my intention to make any explanation to-day covering my reasons for resigning from my post as Minister of Finance and a member of the present Government, but, in order that there be no misunderstanding as to my attitude, I shall read for the House a copy of my written resignation forwarded to the Prime Minister and His Excellency the Governor. It will be seen from my resignation that I could not agree with the present methods of the administration of the affairs of the country. It is therefore necessary for me to give an explanation as to what I mean by the word "methods." In case there may be any misunderstanding that I disagreed with the methods

adopted by Sir Percy Thompson and Mr. Penson, I want to make it quite clear that no such misunderstanding existed. What I mean by the word "methods" is that, particularly during the last two months, deliberate falsification of the Minutes of Council has taken place, giving individuals large sums of money without the direct or indirect knowledge of the members of the Executive Government. Surely, this is not a method that any decent member of the Legislature can agree with. I also disagree with methods along the same lines, manipulating monies from one bank to another to the credit of certain accounts. I also disagree with the methods adopted by a certain individual member of the Government who, despite the fact that he supported legislation three years ago introducing the putting into effect of the Income Tax Law, that he persistently and brazenly violated the same law by refusing to conform with the regulations and still persists in not making his legitimate returns.

These are merely two details that may be covered by the word "methods," but I do not purpose at the present juncture to delay the House at any length by going into further details, but merely wish, Mr. Speaker, to disassociate myself with the Government Party, and would therefore request that my seat be moved to the centre of the House. When this House meets again for the conduct of the public business I shall be in a position to explain in concise form the meaning of the word "methods," which are used by some of the present members of the Government.

If the members of this Legislature are prepared to countenance methods of this nature, I cannot stop them, and in view of the fact that I am seriously considering retiring from public life, such matters will have to be dealt with by both present and future members of the House.

I regret that at this particular period I have to take such drastic action, but, it seems to me that in the time of a crisis, such as we are confronted with at the present time, that some bold stand is essential, in order that the country's affairs and its financial stability be directed in a courageous, honest manner. [*Evening Telegram*, February 5, 1932]

Mr. Puddester asked if in view of the seriousness of the charges made and the fact that the Hon. Member had read them from manuscript, was he going to lay this on the table of the House to be transmitted to His Excellency the Governor for his information.

Mr. Cashin stated he did not intend to do so to-day but later in the session he would be given an opportunity of dealing with them more fully and then he would take whatever action was necessary.

Mr. Alderdice said if he was a member of the Government and heard charges such as were made by the Hon. Member, he would not wait until later in the session for the Hon. Member to deal further with the charges, but as an innocent man would be on his feet now to vindicate himself against the charges made. [*Daily News*, February 5, 1932]

*It was moved and seconded that when the House rises it adjourn until Tuesday afternoon, February 16th, at three of the clock.*⁴

⁴ "Intensive silence prevailed for some time until the Speaker ruled the adjournment..." *Evening Telegram*,

The House then adjourned accordingly.

Tuesday, February 16, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Cashin: Before any questions are put, I would just like to know, from what I have seen here this afternoon if discrimination is being shown as to who may or may not enter the House. It appears to me that some people are kept out and other people are allowed in. I take it that this is a matter of instruction of the Justice Department. I noticed when coming in the House this afternoon a squadron of cavalry brigade. I presume some steps have been taken by the Justice Department to shut off certain people and allow others in. If we are going to shut off some people against others, I think it is unfair. It is supposed to be a free country and this is the place where the business of the public is transacted.

Hon. the Speaker: I wish at the very beginning to warn strangers in this House that they are to listen to the debates and remarks in absolute silence. If there is any applause or any interference whatsoever with the deliberations of this House, strangers will be promptly ordered to be ejected.

Mr. Cashin: Strangers are being kept out by force at the present time. I want to know why they are being kept out by force. There are police detailed here, some people are being thrown out of the House, others are allowed in. What is the reason? I think I am entitled to an answer from the Minister of Justice.

Rt. Hon. Prime Minister: In answer to the Hon. Member, Mr. Speaker, this House has a capacity for so many score or hundred of people; no more will be admitted into the House than there is seating or standing capacity for.

Mr. Puddester: Following on that line, I would suggest to the Speaker that the seating capacity of this House be filled; when seating capacity is filled and standing room, then you can keep others out. I don't think it is fair to keep anyone out until the seating capacity is filled.

Hon. the Speaker: The order is given from the Chair that strangers be admitted.

Mr. Emerson: Mr. Speaker, I presume that there is nobody outside interfering with your orders.

Mr. Cashin: If the order is to admit strangers, I suggest that the Sergeant at Arms give instructions to the police department to allow people in.

Hon. the Speaker: I must qualify that by ordering the attendant to keep the passageways open, and not to allow so many people within the bar.

Rt. Hon. Prime Minister tabled the following Public Documents:

The Public Accounts.

Office Contingencies, Education Bureau.

Expenditures of Finance Department.

Treasury Statements.

Expenditures of Assessor.

Current Account Loan Expenditure.

Detailed Statement Expenditure, Department of Marine and Fisheries.

Detailed Statement Expenditure, Department of Public Works.

Detailed Statement Expenditure, Department of Secretary of State.

Detailed Statement Expenditure, Department of Posts and Telegraphs.

Accounts of the Fiscal Year.

Statement Constabulary Department.

Expenditure for Tuition of Juvenile Prisoners.

Mr. Emerson gave notice of question.

Mr. Alderdice gave notice of question.

Mr. Abbott gave notice of question.

Mr. Moore gave notice of question.

Mr. Tobin gave notice of question.

Mr. Byrne gave notice of question.

Mr. Winter gave notice of question.

Mr. Puddester gave notice of question.

Mr. Bennett gave notice of question.

Mr. Quinton gave notice of question.

Hon. Leader of the Opposition: Mr. Speaker, I must take the opportunity afforded by this motion to draw the attention of the House to certain charges against unnamed members of the Executive made by the Hon. Member for Ferryland at the last session of the House. First of all I should like to read the charges (*reads*). I am very sure that all will agree that these charges are of a most serious nature, so serious are they indeed that it is the opinion of colleagues and myself, and I am sure it is that of the other Members opposite also, that the business of the House should not be proceeded with until the truth or falsity of these charges has been proved. The Hon. Member has said either too much or too little; in my opinion he has said too little, and I think he ought [to] take advantage of the first opportunity to name the Member in question and to have his guilt or innocence established. I think that this matter should be above party politics, it concerns the honour of the whole House, and it behoves the House to see to it that its honesty and integrity is maintained. I think that on an occasion like this the barriers of party politics should be let down and both sides should consider the matter with an open mind. If Members referred to are innocent it is up to them to say so; if guilty, they should be dealt with unequivocally. I honestly hope that these charges are baseless, as it is a reflection not on the Members themselves, but on the people of the country who elected them. I think it is now incumbent on the Prime Minister to give some explanation of these charges.

Rt. Hon. Prime Minister: As to the charge made about the income tax, I can say that it is absolutely without foundation. I am about to proceed to table the returns in order to give details as to the number who have paid their taxes, the number of those who have made arrangements and are paying

in installments, the number that have been declared insolvent, and the number handed to the solicitors for collection. As appears on the official record, a substantial number have made arrangements to pay in installments. With one exception, I think, five-sixths of the total assessments have been paid, as the reports of the Assessor, which I have now and which will be tabled in due course, will show.

My honourable friend during his term of office as Finance Minister probably did not make himself acquainted with the practice respecting Minutes of Council, and Minutes of Council are not only the responsibility of the Prime Minister, as he should know. There are three things to be considered. There is an Order in Council, a Minute of Council and a Record of Council. Now, when Minutes of Council are made, each page is signed in the record book by a properly authorized Minister. There is an original and duplicate copy of each Minute. These two copies are sent to Government House by the Secretary of State or his Deputy. One copy is signed by his Excellency the Governor and returned to the Secretary of State for his signature, and is then transcribed into the official book, and then checked over by the responsible clerks of the Department of the Secretary of State. The Governor-in-Council meets on the first Tuesday in each month at 11 a.m. at Government House. It is the business of each member of Council to be at that meeting and meet Sir John Middleton. At that meeting there is a sealed dispatch box produced. That book contains the Minutes of Council and is laid upon the table to be read. There is no occasion in which His Excellency the Governor has not on his book a duplicate copy of each Minute, from which he can check over all Minutes to make sure that there is no Minute omitted. He then acts in the ordinary course, just as the President of any company would act in the usual form. That is the procedure so far as the meetings held at Government House is concerned, so that it is absolutely impossible to have any irregularity in this respect, unless it is suggested that there was any irregularity at Government House, or any irregularity in what was signed by the Governor and subsequently signed by the Governor-in-Council. Of course, it is impossible for me to discuss matters of Council with the Hon. Member for Ferryland, as these are matters which members of Council are sworn to keep secret, as that is a matter which can be discussed with His Excellency the Governor and with him alone. To give you an idea of how absolutely imperative it is for the utmost secrecy to be maintained in such matters, I will read you an attack made upon Lord Snowden in England. After he had resigned from the old government he was reported to have disclosed something during the recent British election in connection with the late government. I would not suggest that the charge is true, but to show the absolute imperativeness of members keeping their oaths of office, I will read to the House the criticism of H. P. Lees-Smith, Minister of Education, against Lord Snowden during his administration in the Cabinet: (*reads*). Now as to whether that is a just or unjust statement is a matter of opinion, but my own personal knowledge is that it was unjust. Very often in the heat of debate certain regrettable things are said, but not by Cabinet members who are sworn to positive secrecy. As I have already intimated, it is absolutely impossible for anything irregular to have happened [to] any Minutes of Council after they have gone to His Excellency the Governor, but if there is any shadow of doubt that there was, then it is a matter which cannot be introduced for discussion in this Chamber, a matter which involves His Excellency and I shall be glad to submit any definite written statement in that respect to His Excellency the Governor who, no doubt, will be pleased to take the matter up.

Hon. Leader of the Opposition: I would like to know if there had been any transfer of funds from

[the] Exchequer Account to any District Account.

Rt. Hon. Prime Minister: There were from Humber District Trust Account to accounts which have been liquidated. When elected for the Humber constituency, things were not on an organized basis there, and I took charge and decided to conduct the affairs of the District on strict business lines, and instead of all moneys going to road boards and such like, the moneys as they came in were deposited to the credit of a Special Trust Account, an interest bearing account, so that the money would be there for some big programme of public works.

Mr. Cashin: Where was that account kept?

Rt. Hon. Prime Minister: In the Canadian Bank of Commerce.

Mr. Cashin: I rise to a point of order. All interest of trust accounts should go to the credit of the Exchequer Account.

Hon. the Speaker: When the Speaker rises, the Hon. Member will take his seat. The Hon. Member will have an opportunity later to speak.

Mr. Cashin: I merely rose to say that the Prime Minister is giving incorrect information to the House, and if you don't believe me, bring the Auditor General to the Bar of the House and find out if your interest is still in the Bank of Commerce, or where did it go.

Rt. Hon. Prime Minister: My honourable friend forgot to tell that when his constituency got a grant for \$10,000 last year, my District did not get a dollar.

I was going on to say, Mr. Speaker, until interrupted, that my handling the money and the affairs of the Humber constituency in that way made for my constituency \$11,000. Instead of handing out the money, I held on to the entire grants for the purpose of carrying out a definite city programme of improvements. I secured the services of a gentleman who had been brought here by the Mayor of St. John's to lay out a town site at Corner Brook, and an engineer was secured through the Highroads Commission to lay out roads, and to see generally that the work was properly done. Where we had difficulty in getting through roads we had blasters engaged, and this work cost hundreds of dollars extra. Similar methods of improvement were made in connection with marine works. Cheques for such works were signed by Mr. Lake and Mr. Rogerson for marine works and by Mr. Hall and Mr. Mews in connection with roads, so that my honourable friend from Ferryland can see for himself if there was a single cheque cancelled or otherwise, or if ever there was a cheque identifying my name, or identifying any other man whose identity is not already known.

In answer to the question asked by the Hon. Member from Placentia East, I may say that when persons did not take their moneys immediately, which they could do, the moneys were held in reserve for certain specific work. We had to develop the idea of a public wharf at Corner Brook, as Mr. Cashin knows, as this was one of the things which had been discussed with Mr. Cashin, to obviate the necessity of landing coal at the Company's pier. That would cost thousands. There was another operation which I took up with Mr. Skanes, the building of a bridge across Deer Lake, so

that a way of access could be had from the Railway to Bonne Bay, that did not go through, and consequently the moneys accumulated in reserve for outstanding public works. This bridge did not go through because the expense of the iron and steel was greater than our funds, and I certainly would not undertake a project of this kind if I found that I was not in a position to pay for it. That is the only sane thing to do, and I am sure that the Hon. Leader of the Opposition, as a keen businessman, would agree with me. I am sure that if my honourable friend were going to install new and modern machinery in his plant, he would first make sure he had the funds to pay for it.

Hon. Leader of the Opposition: Might I ask if the Hon. Member has any right to deposit grants and get 3 per cent for them while the country is paying 6 per cent for them?

Rt. Hon. Prime Minister: I can take the money and spend it immediately, and with a new District like mine, I don't see why I can't take and hold it. The District is entitled to any interest it can get, and I think I would be derelict in my duty as the representative of a constituency if I did not endeavour to do the very best I could for the constituency I represent.

Mr. Puddester: May I ask the Hon. Member for the Humber constituency a question? I am looking at a certain Member who had \$4,000 to the credit of his District, he was holding it on, he did not want to spend it right away, he held it in [the] General Exchequer Account, is it there now?⁵

Rt. Hon. Prime Minister: No.

Mr. Puddester: It went to the same place yours should have gone. You took your money and placed it in the Canadian Bank of Commerce, and the other poor fellow left his in the General Exchequer Account and he got nothing. There is now \$17,000 in another account in [the] Savings Bank, I say that not because you are Prime Minister you can do that, when the other poor fellow, when the crash came, couldn't get his, you got yours because you put it in the Canadian Bank of Commerce. We'll see if we can't get it transferred to Exchequer Account. Your constituency won't thank you for having the money in the bank when they are bawling for funds.

Coming back to the falsification of accounts. You say that there was no falsification of accounts; can you explain how it got in the Minutes? Did it ever happen that Minutes which had never passed the Council were entered in the book before it was sent to Government House? Did that ever happen? Can you explain that?

Mr. Cashin: Mr. Speaker, I think that it is up to me after opening day to substantiate the statements I made, and I intend to substantiate them. I listened to the Prime Minister make reference to the oath of office and how people can't betray it. In this instance there is no necessity to keep it, because the Minutes were never passed by the Executive Council and consequently I can't break my oath. As regards the Humber constituency, I will start at the beginning and finish it right up and let the House

⁵ "Mr. Puddester pointed out that in the Fall of 1930 a member of the government party had \$4,500 left to the credit of his District but ... it had to be turned back into [the] Exchequer as a drop balance." *Daily News*, February 8, 1932, p. 5. *The Evening Telegram* also states that the amount was \$4,500.

decide. I think that the country should see the true conditions of affairs. I am going to be harsh and I have reason to be, but what I am going to say I am going to say to a man's face and not behind his back, and I am not playing to the gallery. With your permission, Sir, I will glance at this manuscript which deals more fully with the charges I made on opening day (*reads*).

Mr. Speaker, at the formal opening of the House of Assembly on February 4th, I gave my reasons for resigning my portfolio as Minister of Finance and for severing my connection with the present Administration. I charged that Minutes of Council had been falsified, bank accounts had been manipulated, and a member of the Executive Government had failed to pay his income tax. These charges were ignored by the men in question. But silence on the part of those who have already wandered within the shadows of the gaol does not convey an expression of innocence. Rather does it smack of guilt, and revive in this Assembly the odour of the police court from which the country thought that the Walker inquiry had purged it. But the incorrigibles are up again, brazen, persistent, wily, crooked and criminal.

The Hon. Member for St. John's West, Dr. Campbell, persistently failed to conform with the Income Tax law, which he had helped to legislate in 1929. Dr. Campbell did not make any returns for the years 1929 or 1930. So persistent was he in his failures to make returns that the Assessor assessed him under the Act. Even then he did not pay his assessments. So I was forced to stop Dr. Campbell's salary of \$45 per month as Port Doctor, and other moneys coming to him from the Customs Department in connection with quarantine work. The Hon. Doctor was receiving approximately \$2,200 per year from the Customs Department, and on investigation it was discovered that he had not visited a single ship. He was receiving a salary as Port Doctor; receiving such an emolument he forfeits his seat in the Assembly. Under the Act I demand that he be put out, and that he repay to the Exchequer his sessional pay. He visited no ships, yet he was Port Doctor. He has been using his position to obtain moneys, nor has he rendered any services for these moneys. This colossal bombast, this coiner of catch-words, more fitting in a gutter-boy than in a doctor of medicine; this foreign parasite, unscrupulous, uncouth, unclean, is sitting in a House from which his avarice has debarred him, [and] is again under the shadow of the law.

Hon. the Speaker: The Hon. Member is free to make statements of fact. He is not free to draw inferences from them: that is a matter for the House. I don't wish to restrict you, but I must enforce the rules of the House.

Mr. Cashin: I bow to your decision, Mr. Speaker. I am stating facts. Before proceeding to discussing false Minutes of Council, I would divert one moment to the Department of Justice. The Rt. Hon. the Prime Minister is, as you are aware, Minister of Justice. Some time ago the Minister of Marine and Fisheries, Mr. Lake, drew the attention of the Justice Department to the fact that the Hon. Member for St. Barbe had forged an individual's name on a cheque issued from his Department. What action was taken, Mr. Speaker? The Prime Minister, who is also Minister of Justice, endeavoured to have Mr. Lake withdraw his complaint, take back the money, and consider the incident closed. Mr. Lake, who is an honourable gentleman, naturally refused to do so. Was this the proper attitude for the Department of Justice to adopt? Is this a criterion of its integrity, or is it an indication that justice has become subservient, to be a dreadful weapon, forged by trickery, and wielded by insatiable greed? If not, let justice be done. Let Mr. Skanes be charged, tried, proved

guilty or acquitted. Until such time it would be more seeming were he to retire from the House and await his verdict.

I mention this unfortunate incident that you may better understand and grasp the full significance of the falsified Minutes of Council of which I will now speak.

These are the facts which cannot be contradicted. Therefore I am not out of order.

At first, I will confine my observations to what is known as the Humber Constituency Account in the Canadian Bank of Commerce. The Auditor General informed me that this account was opened at the request of the Prime Minister, and that a Minute of Council to that effect was given to the Minister of Marine and Fisheries. I state that this Minute was false; that the Council were unaware of it; that it was the beginning of a series of manipulations under guise of Orders of Council, for which there is no precedent in the history of the British Empire, and which can only be classified under the heading of roguery and deception. Subverting, as they do, the state to private and personal interest, they are clearly akin to treason and worthy of capital punishment.

Mr. Speaker, on August 14, 1929, a Minute of Council was passed allocating to various Districts and the Lighthouse Department \$250,000 for marine works. This was from the 1929 loan. The Humber Constituency received an allocation of \$20,000. Ordinarily this amount would be placed to the credit of this constituency in the Department of Marine and Fisheries' books, the actual money, as always, to the credit of the 1929 loan in the Bank of Montreal. But, what happened? That did not happen! A Minute of Council, of which the Executive was entirely ignorant – and I defy any one of them to contradict it – and which was included in the official Minutes, was drafted, evidently transferring this \$20,000 from the Bank of Montreal to the credit of a new account opened in the Canadian Bank of Commerce. Witness the inception of the Humber Constituency Account No. H233.

On November 18, 1929, a further sum of \$9,800 was transferred to the same account, from the Department of Marine and Fisheries, by another Minute of Council of which the Council was unaware. This latter amount was a balance to the credit of the Humber District, in the Lighthouse Department, for the purpose of a fog alarm. The Department of Finance was not officially notified that such transfers had been made.

Again, an amount of \$11,000 – this is a beaut – which had been specifically earmarked from the 1929 loan to construct a large bridge at Corner Brook. It was thus placed in the Highroads Commission Department. On May 15, 1930, this \$11,000 was transferred by another false Minute of Council from the Bank of Montreal and placed to the credit of the Humber Constituency Account in the Canadian Bank of Commerce. I might further add that during the year 1930, this large bridge was constructed at Corner Brook. Was that \$11,000 taken out of the bank to pay for it? No! The necessary money was not taken out of the Humber Constituency Account but was paid from the general grant for highroads and bridge construction at the disposal of the Highroads Commission. Then again, on May 15, 1930, the sum of \$5,100, which was to the credit of the 1926 loan in the Department of Public Works, earmarked for coal boring in St. George's, was transferred by faked Minute of Council to the Humber Constituency Account in the Canadian Bank of Commerce. Again on September, 8, 1930, a further Minute of Council transferred \$5,000, which was to the credit of the Humber District in the Department of Public Works, to the Humber Constituency Account in the Canadian Bank of Commerce. This concludes the deposits to the credit of the Humber Constituency Account. The total is \$50,900. Not one legitimate deposit was made. All deposits were manipulated

by false Minutes of Council, for which the Prime Minister and Secretary of State must answer.

No disbursements were made out of this account from its inception in May, 1929, until June 11, 1931. Last year in this House, we passed \$360,000 which we never got – \$10,000 a District – every district was put in funds to the tune of \$10,000. When we could not get the money later on by loan, those moneys were dropped. Here is what should have happened. The following day, every Member representing every constituency of this country should have gone down to the Department of Marine and Fisheries or the Department of Public Works, taken his or her \$10,000 and put it into another bank in a separate trust account and we would have had our \$10,000. We did not get the loan. It was all written off in the books, but the Humber Constituency Account goes on indefinitely. These amounts were cancelled when failure met the attempts to raise the loan in June last. However, the Humber Constituency Account operated during the past nine months, and on January 12, 1932, there remained to the credit of this account the sum of \$17,889.76. The position is this. If, as the Prime Minister states, interest should go into that account, why is it that a separate account for interest was opened in the Canadian Bank of Commerce? At the present time there is a balance of \$8,000 or \$9,000 to the credit of the Interest Account, which should go, along with the amount in the Bank, into the Exchequer Account.

Two of these disbursements are of particular interest in this narration. So I shall mention them. On November 29, 1931, a false Minute of Council withdrew from the Humber Constituency Account \$7,000 from the Humber District Trust Account, and deposited it to another account, called the Humber District Trust Account in the name of the Magistrate at Corner Brook. I fail to see what the Magistrate there has to do with [the] disbursing of public funds of this nature. Perhaps the Minister of Justice may enlighten us. It is greatly to be hoped that he dispenses such funds in a more fitting manner of justice, as reflected in the case of Mr. Skanes.

On December 10, 1931, another false document purporting to be a Minute of Council transferred \$5,000 from the Humber Constituency Account to the credit of a new account bearing the same name in the Government Savings Bank. The cunning of this transfer I shall allude to later.

Over a year ago, considerable comment was made in the local press in reference to an amount of \$100,000 which had been transferred from the Bank of Montreal to the Canadian Bank of Commerce. This is what occurred.

On July 28, 1930, \$850,000 from the loan was allocated as follows:

Marine and Fisheries	\$150,000
Chappel's Arm to Goobie's Highroad	\$300,000
Highroads General	\$300,000
Memorial College	\$100,000

Practically the full Council were present when this matter was discussed. Following or previous to the meeting, a new Minute was elaborated, the contents of which were unknown to the Executive Government, and this utterly false Minute, manipulated by the Prime Minister and his Secretary of State, transferred the \$100,000 which had been allocated for the Memorial College, and lay to the credit of the 1930 loan in the Bank of Montreal, to an account designated the "Savings Bank Trust Account," in the Canadian Bank of Commerce. Cheques drawn on this account were to be signed by the Colonial Secretary or his Deputy and countersigned by the Auditor General or his Deputy. Just imagine, Mr. Speaker, a man who is cash keeper and who closes his books in the night and his cash is square, and when he goes down in the morning and finds \$100,000 short. Would his

boss say to him I took \$100,000 out of that last night and deposited it in another bank?

This matter was first brought to my attention by Mr. Gardiner, the then Manager of the Bank of Montreal.

On October 4, 1930, I acquainted Council of the affair. I pointed out that I considered the matter a forgery and stated that if the money were not put back to the credit of the 1930 Loan in the Bank of Montreal I would report this matter to the Governor. The money was transferred back to the Bank of Montreal. Was not this a damning admission of guilt and irregularity? Most assuredly it was. Ulterior motives, which we can only surmise, must lie behind these transfers. The argument will be forwarded that the desirability of making interest on these amounts was the causative factor in their transference. I reply that the interest on trust accounts is always deposited to the credit of [the] Exchequer Account. In a communication, dated November 5, 1930, I instructed the Auditor General that interest accumulating on these trust accounts be credited to [the] Exchequer Account. On that date I also wrote a letter to the Secretary of State pointing out the irregularity of such [a] procedure.

Such was the condition of affairs until December, 1931.

On December 22, 1931, there was a meeting of the Executive Government, at which were present: the Prime Minister, the Secretary of State, the Hon. Minister of Posts and Telegraphs, the Hon. P. J. Lewis, the Hon. Sir Tasker Cook and myself. During this meeting, the Prime Minister told the Executive that the Reid case would cost the Government about \$15,000, and that Sir Percy Thompson had earmarked this amount. I asked the Prime Minister where he had earmarked it. His reply was that he did not know. I told him Sir Percy had not earmarked it, for if he had I would have known about it. The Secretary of State asked the Prime Minister to whom that amount would be paid. The Prime Minister replied, "Lawyers." That ended the discussion of this matter. No individual amounts were named; no individual bills were presented, and no amounts were voted by the Executive. Following the meeting a false Minute of Council was drafted:

"It is ordered that the amount to be paid from General Contingencies on account of professional services in connection with the ten million dollar Butler-Reid claim against the Newfoundland Government, for which judgement went in favour of the Government, be the sum of \$15,000 to be divided as follows:

\$5,000 to the Senior Counsel, Rt. Hon. Sir R. A. Squires, K.C., His Majesty's Attorney General.

\$5,000 to Brian E. S. Dunfield, K.C.

\$2,000 to Leslie R. Curtis, K.C.

\$3,000 to Hon. Albert Walsh."

These amounts, according to this falsified Minute of Council, were to be paid from the General Contingencies Account, which is kept in the Department of the Secretary of State. The false Minute was sent to Government House and signed by His Excellency the Governor on the following day, no doubt in ignorance of the facts. It was then returned to the Department of the Secretary of State. They did not pay the \$15,000, but each individual mentioned in the Minute was paid half the stipulated sum, or in other words, a total of \$7,500 was disbursed. This amount completely depleted the funds in General Contingencies Account. The Department of the Secretary of State then applied to the Finance Department for \$15,000 to put General Contingencies in funds. On investigating the reason for this requisition, I was told by Mr. Arthur Mews that the previous day we had voted

\$15,000 for lawyers. He sent me a copy of the Minute which I have read. Realising what had occurred, I instructed the Department not to transfer money from the Finance Department to the Department of the Secretary of State until the return of Sir Percy Thompson and Mr. Penson, who were at the time in Montreal on the country's business. I also had a short conversation with the Secretary of State, who told me that he knew nothing whatever about the Minute in question. When Mr. Penson returned, I drew his attention to the matter and acquainted him with the facts. He confirmed my action, and furthermore told me that Sir Percy denied having earmarked any amount for such a purpose.

Mr. Penson then drew my attention to another amount of \$5,000 paid the Prime Minister, by Minute of Council dated December 5th, which reads as follows:

"It is ordered that out of the German Reparations Fund there be paid to the German Reparations Commissioner, Sir Richard Squires, the sum of \$5,000 on account of his work as German Reparations Commissioner which position he holds under Commission dated August 22, 1929."

This Minute had been sent to the Department of Finance, was received by Mr. Alex Mews, who handed it over to Mr. Penson. Mr. Penson, thinking that the Minute was legitimately passed by Council, paid \$5,000 to the Prime Minister. Mr. Penson then advised the Prime Minister that the withdrawal of \$5,000 from the Reparations Account seriously depleted the funds in the Savings Bank. The Prime Minister replied that he would repay the amount. On December 10th, he framed and passed another false Minute of Council which reads as follows:

"It is ordered that out of the balance to the credit of the Humber District Trust Account in the Canadian Bank of Commerce, the sum of \$5,000 be transferred to the credit of the Humber District Account in the Government Saving Bank, said money to be paid out as and for the purposes of the Humber District and cheques signed by the Auditor General and Countersigned by the head or deputy head of the Departments authorizing and responsible for the expenditure."

It will be seen that this Minute of Council transferred \$5,000 from the Humber Constituency Account in the Canadian Bank of Commerce to a similar account in the Government Savings Bank. While it would appear that the moneys in the Savings Bank had not been touched and in reality was not depleted, it is at once apparent that by this manipulation of Minutes of Council the Prime Minister procured \$5,000 from the Reparations Fund.

I would like to further inform the House, and the country, that I attended the regular monthly meetings of the Executive Council held at Government House on the first Tuesday in January, presided over by his Excellency the Governor. At such meetings the Minutes of the previous month's work are read by the Secretary of State and confirmed by Council. On this particular date, namely, January 5, 1932, the Secretary of State did not attend the meeting. The Prime Minister read the Minutes, and I took particular notice that the Minutes, or rather the false Minutes of Council, which were manipulated on December 5th for \$5,000 from Reparations Account, and on December 22nd for \$15,000 in connection with the Reid case, were not read.

It is to be remembered that last year the Prime Minister and his worthy partner gained no inconsiderable emoluments from the same fund, upon the most trivial excuse. Those who fought for their country, and the relatives of those who died will, no doubt, feel aggrieved that no mean portion of their small material recompense falls into the hands of slackers, under the pitiful guise of payment for services rendered. In view of the statements which I have made, which are, so help me God, to

the best of my knowledge true, one is forced to the dreadful conclusion that what we won by honour and in death is falling to dishonour and decay. Fellow comrades of those glorious years, the swords we wielded in honour are rusting in their scabbards, while the cause must be won anew. May the memory of those who died, and the prayers of their bereaved mothers, widows and children, help us to preserve inviolate the heritage which is ours. No heritage was ever more glorious. Let us not sully it now by tolerating forger, tricksters and traitors. Our comrades died for Newfoundland. If we break faith, they may not sleep.

Mr. Speaker, you have heard the facts. We must bow to the judgement of the Honourable House of Assembly, and the will of the enlightened people.

Mr. Skanes: I have heard my name mentioned by Mr. Cashin, when he said I was a forger. I notice that we do not know who the Opposition is to-day. I see Mr. Cashin sitting alongside of the men he used to ridicule last year. I see Captain Winsor there, too. I don't know if he is a member or not; if he is not, I would ask him to move back his seat. I want to challenge the statement made by Mr. Cashin, and tell him he is a damn liar. I can prove I am no forger, and I want to make it clear that I am no forger. I am not going to sit down here and have Mr. Cashin call me a forger, and when he makes the statement he should prove it in 24 hours.

Mr. Cashin: There is no need to wait for the next 24 hours, let us finish the matter once and for all right here. I will ask the Hon. Minister of Marine and Fisheries to say what transpired. Did he make a complaint to the Justice Department last September or not, and if so what happened? Let the Minister tell the truth, the whole truth and nothing but the truth.

Mr. Skanes: There were some outstanding returns, returns which were due to come in. I challenge the Opposition to say the returns were not in yet. Ask Mr. Lake if all the returns have been made to the Marine and Fisheries Department.

Mr. Cashin: I will ask Mr. Lake whether the statement I made is correct or not. Whether or not he notified the Justice Department about any matter in which Mr. Skanes was concerned?

Mr. Lake: I don't think it quite fair for me to answer this question. The matter is in the hands of the Justice Department.⁶

Mr. Cashin: All I want to know is this: whether or not you wrote the Justice Department. Whether Mr. Skanes cashed a cheque or not, on which he had endorsed the name Kean?

Hon. the Speaker: I don't know if this is a question before the House at the present moment.

Mr. Emerson: Mr. Speaker, I wish to associate myself with the attitude taken by the Hon. Leader of the Opposition. I submit that before leave should be granted the Hon. Prime Minister to proceed with the regular business of the House, that the charges made by the Hon. Member for Ferryland should

⁶ "The Minister of Marine and Fisheries admitted the statements of Mr. Cashin were correct." *Evening Telegram*, February 18, 1932, p. 4. *The Daily News* agrees with the transcript in Mr. Lake's evasion of the question.

be dealt with. It is since February 4th, when these charges were first made, they have been in the hands of the Prime Minister and his colleagues. They were aware of every Minute of Council that was passed by the Executive Government during the past two months and to which the charges made by the Hon. Member for Ferryland related. They are equally and more particularly familiar with every Minute of the Executive Council whereby substantial sums of money were paid to individuals, so that the Prime Minister and his colleagues must have known and cannot deny that they knew what was contained in the Cashin charges.

What one would have expected under circumstances such as these from any decent member of an Executive in any decent country would be a refutation and an emphatic denial of the charges made; but the conduct of our governmental affairs the past few years makes it necessary to look elsewhere. And is it not quite obvious that from February 4th last we would have had a stern and complete denial from the Prime Minister of these charges, but not only was this not done, but the Leader of the Opposition on opening day requested that the charges be denied if they were incorrect, but they sat ignominiously silent. Then a fortnight after, we hear nothing about these charges from the Government until the Leader of the Opposition asks the Prime Minister this afternoon to discuss them, and we get the statement we have received.

If such grave charges were made in any other country by an ex-Minister of Finance, there would be [an] immediate and impartial enquiry held on them, and the matter cleared up. No reputable Prime Minister, no reputable Secretary of State would leave the matter stand as it is to-day. Only a day or two ago, the Prime Minister at Ottawa had a charge levelled against him to the effect that in regard to some matters to come before the Privy Council he had secured work for his brother-in-law. The Prime Minister immediately had appointed a parliamentary committee of enquiry into the matter. Last year the Beauharnois scandal was brought before the House in Ottawa. A special parliamentary committee of enquiry was appointed to deal with the matter and the Committee reported back in the House in three weeks the result of their findings. In spite of that, we have charges of a serious character made here against responsible Ministers of the Crown, and they are let go unchallenged and without enquiry.

The Leader of the Government gave us a kind of half-hearted explanation in his own familiar way, and mainly dealt with the breach of the oath of secrecy. He knows, and others know, that what he said is mere twaddle. In the first place, what secrecy could there be about Minutes of Council that have been passed and acted upon, and Minutes of Council which are subjects of discussion this afternoon, under which certain individuals have received payments of moneys? The charge is that these moneys have been paid, and there cannot be [any] secrecy to them. It is public property now. I go further, and I challenge the Prime Minister if it is not a breach of the oath of loyalty for him and every member of his Cabinet to remain as they are, without a single word or attempt of denial of the charges made, and it is further evidence of disloyalty to His Majesty the King, who has employed them, for other members of the government [to] sit silent in the light of these charges. The suggestion of the Prime Minister that this is a matter to be kept secret is utter nonsense.

Now, Sir, I submit that the first duty of the Government is to appoint a Parliamentary Committee of Enquiry, to examine into the facts, take evidence on oath and report back to this House, and until that is done we should not proceed with a single item of business in this House. This is a matter that goes to the very vitals and the very foundation of our system of government. It is the duty of members of the government to clear themselves from suspicion. So long as Ministers

of the Crown lie under such serious charges there can be no respect for law and order. Charges have been made that funds have been manipulated by forgery and other dishonest methods, and this House and this country is entitled to know what has happened. It has been suggested that His Excellency the Governor has been a victim unknowingly as to what has been done. At all events, I submit that the Prime Minister's motion do not pass until the motion of the Leader of the Opposition has been enquired into.

Mr. Puddester: Mr. Speaker, may I ask the Prime Minister what his position is with regard to the charges made, that Minutes of Council are in the Council book and Minutes that never passed the Executive; also that a member of the Executive Government failed to make any returns of income taxes for the years 1929 and 1930? These are definite and very serious charges, and should be enquired into immediately. The other charge is that moneys were manipulated from one bank to another so as to put funds at the disposal of a certain member. I think a Parliamentary Committee should be appointed, consisting of members from both sides of the House, to call for persons, records and things and take evidence upon oath. The honour and integrity of the House is at stake. Never before, perhaps, were such serious charges made, and I therefore think that the proper procedure to take would be to appoint a Parliamentary Committee of Enquiry without delay and have the charges dealt with.

[Omission in the transcript]

Mr. Puddester: He didn't file his income tax returns.

Rt. Hon. Prime Minister: He was assessed.

Mr. Puddester: If he were over on this side, he would be in jail.

Hon. Leader of the Opposition: Mr. Speaker, I think we are only wasting time, the honourable gentleman has admitted that Dr. Campbell was assessed.

Rt. Hon. Prime Minister: This is the regular practice.

Mr. Emerson: Were you assessed?

Rt. Hon. Prime Minister: I handed in my memorandum, and was assessed.

Mr. Emerson: Why did not Dr. Campbell do so?

Rt. Hon. Prime Minister: He did so.

Mr. Cashin: The Prime Minister said a Minister can be assessed under the Act and is subject to a fine of \$10 a day, on the other hand the Minister of Finance or the Assessor has the power to assess, but they won't do it unless they can't get the legitimate returns. Dr. Campbell never paid any returns, he was assessed by the Assessor and refused to recognize it, and as there were moneys paid him by

the Customs Department, I had to stop them and pay to the Assessor's Department Dr. Campbell's account. These are the facts and I am not going to stand for any more nonsense.

Hon. the Speaker: I don't know what this House has to do with the matter; it is a matter of an individual not paying his Income Tax. There is machinery provided to make a man pay his taxes, and I think that it is a matter for the Minister of Finance. That is my personal view and I wouldn't say that to guide the House, that is what occurs to me listening to the debate.

Mr. Puddester: That can be cleared up by a Committee of Enquiry.

Hon. the Speaker: Is it necessary to have a Committee of Enquiry for this matter?

Mr. Puddester: Mr. Speaker, that is not your province.

Hon. the Speaker: I may have to rule on this question when the House enquires into it, but I am not ruling on it at present.

Rt. Hon. Prime Minister: In this case of Dr. Campbell, he was assessed and has paid practically the whole amount, and there is very little outstanding.

Mr. Cashin: How was it paid?

Rt. Hon. Prime Minister: That is none of your business.

Mr. Cashin: I said it was not paid until it was forced out of him.

Rt. Hon. Prime Minister: Seeing the honourable gentleman is pigheaded and ignorant enough to be continually interrupting, I did not interrupt him ...

Mr. Cashin: I was not intended to be a gentleman like the Prime Minister.⁷

Rt. Hon. Prime Minister: You can't be.

Hon. the Speaker: You will please take your seats; the rules of the House must be observed.

Rt. Hon. Prime Minister: As to whether Dr. Campbell paid his income tax in any way, I am not concerned; I am only concerned with the fact that he was assessed, and paid five-sixths of the amount and the remainder is sure of collection. I wish some of the other accounts were as satisfactory. With respect to the Minutes of Council, I shall submit it to the Governor, to decide as to

⁷ "... like the Prime Minister. I did not rob \$5,000 out of soldiers' money." *Evening Telegram*, February 18, 1932, p. 4.

how the matter to be investigated will be proceeded with. It certainly shall be proceeded with, but I am not in a position to say how it will be proceeded with.

Mr. Skanes: Mr. Speaker ...

Hon. the Speaker: Debate has closed.

Hon. Leader of the Opposition: I beg to give notice that I will on to-morrow move that there be appointed a Select Committee of the House, consisting of five, to enquire into by giving evidence on oath and sending for persons, records and things, and report to the House with verbatim copies of the evidence upon certain charges made by the Hon. Member for Ferryland on the 16th day of February, 1932, and contained in the speech that he delivered and which is now the property of the House.

On motion of the Rt. Hon. the Prime Minister, that the Bill entitled "An Act to Make Provision for Controlling the Export of Gold and for Regulating the Currency in Periods of Emergency" be introduced and read a first time.

Rt. Hon. Prime Minister: I might say that some changes were suggested this morning in the wording of the Bill. It will not be ready for distribution this afternoon, and will stand over.

The House divided, and there appeared in favour of the motion: Hon. the Prime Minister, Hon. the Secretary of State, Hon. the Minister of Posts, Hon. Mr. Bradley, Hon. Dr. Mosdell, Hon. Mr. Lewis, Hon. Mr. Bindon, the Minister of Public Works, the Minister of Fisheries, Mr. Earle, Mr. Starkes, Mr. Fitzgibbon, Mr. Skanes, Lady Squires, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr. Fudge, Mr. Strong, Mr. Greene, Mr. Smith, Mr. Murphy, Mr. Downey, and against it: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Moore, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Abbott, Mr. Byrne, Mr. Cashin; so it passed in the affirmative and was ordered accordingly.

The Bill entitled "An Act to Make Provision for Controlling the Export of Gold and for Regulating the Currency in Periods of Emergency" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Pursuant to Notice, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Amend Chapter 23 of the Consolidated Statutes (Third Series) entitled 'Of the Auditing of Public Accounts'" was introduced and read a first time, and was ordered that the said Bill be read a second time on to-morrow.

Mr. Puddester: Mr. Speaker, on that motion I would suggest to you, and to the Leader of the House, that as we have so many documents tabled this afternoon, and so many documents also relating to this Bill which he is going to introduce now, the Bill remain over on the Order Paper until next day, when we can have an opportunity of studying the documents and more fully acquaint ourselves with the matter.

Rt. Hon. Prime Minister: This is the first occasion in which an objection has been taken to the asking of leave to introduce. It has never before occurred in my record of 25 years. The asking of leave to introduce is merely a formal matter. The reading of the Bill is then proceeded with, the Bill is then distributed for the second reading, and the question as to whether it should be proceeded with is under debate. There are a considerable number of Bills that might be moved forward to the stage where we can get the Bills distributed, and into the hands and minds of Honourable Members. I don't think that any friction with Mr. Cashin or any question of argument or debates, or any other consideration should interfere with the imperative necessity of our making progress in connection with the economic legislation, the financial legislation for which this House has been called at this early date. No question as to whether Minutes are twisted or not twisted; no question as to whether income tax is paid or not should take precedence to the reading of Bills relating to Currency, Public Accounts and to the various resolutions forming the basis of our financial structure. Any time that the Hon. Member wants for the consideration of the Bill will be given. In so far as the Bills and Resolutions which are now ready, I would like to have them formally moved, formally advanced to a stage on the Order Paper and distributed. I don't see how there could be any constitutional objection. I would like to make progress to the point of answering questions on the Order Paper before we rise. That will give members all the time possible.

A copy of the Marine and Fisheries Bill, and a copy of some of the others, were sent by me in advance to the Leader of the Opposition; a copy of the documents in connection with the loan of December last were forwarded by me; a copy of the interim report of Mr. Magor and others, which have been asked for, were forwarded a week ago. I stated on that occasion that I proposed to have ready a huge volume of stuff for this afternoon, which would answer questions that had been asked, and a thousand intended to be asked. I think this afternoon I laid on the table of the House a larger volume of information than has ever been tabled before, or ever been asked for. I think I got some of the Departments not only up to the 31st of December, but I got them up to the end of the month of January. Instead of being appreciated for having got through an outstanding volume of work, we are now delayed because of the volume that we have tabled. I do think that we ought to proceed with the Bill.

Mr. Puddester: I was asking that you delay this motion.

Rt. Hon. Prime Minister: Let us pass these motions.

Mr. Puddester: If you had agreed with our suggestion you would have no trouble whatever.

Rt. Hon. Prime Minister: We can't interfere with the general financial legislation.

Mr. Puddester: You had twelve days.

Rt. Hon. Prime Minister: If we had been going on with the Address in Reply during recent days, it would not be possible to have this material ready or the Bills ready.

Pursuant to Notice, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to

Amend the Law Relating to the Carriage of Goods by Sea” was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Pursuant to Notice and leave granted, and on motion of Rt. Hon. the Prime Minister, the Bill entitled “An Act to Amend Chapter 27 of the Consolidated Statutes (Third Series) entitled ‘Of Death Duties ’” was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Pursuant to Notice and leave granted, and on motion of Rt. Hon. the Prime Minister, the Bill entitled “An Act to Amend Chapter 10 of the Consolidated Statutes (Third Series) entitled ‘Of the Departments of Finance and Customs ’” was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Pursuant to Notice, and on motion of Rt. Hon. the Prime Minister, Supply was granted to His Majesty.

Pursuant to Notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider certain resolutions in relation to the amendment of the Loan Acts 1898, 1927, 1928, 1929.

Mr. Speaker left the Chair.

Mr. Smith 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 to-morrow.

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Pursuant to Notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider certain Resolutions for the amendment of Chapter 127 of the Consolidated Statutes (Third Series) entitled “Of Companies.”

Mr. Speaker left the Chair.

Mr. Smith 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 to-morrow.

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Pursuant to Notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the amendment of Chapter 111 of the Consolidated Statutes (Third Series) entitled "Of Registration of Deeds and other Documents."

Mr. Speaker left the Chair.

Mr. Smith 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 to-morrow.

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Pursuant to Notice, and on motion of Hon. the Minister of Posts, the House resolved itself into a Committee of the Whole to consider certain Resolutions for the amendment of Chapter 35 of the Consolidated Statutes (Third Series) entitled "Of the Postal and Telegraph Services."

Mr. Speaker left the Chair.

Mr. Smith 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 to-morrow.

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Pursuant to Notice and leave granted, and on motion of Hon. the Minister of Posts, the Bill entitled "An Act to Amend the Radio-Telegraph Act, 1930," was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Pursuant to Notice and leave granted, and on motion of the Minister of Marine and Fisheries, the Bill entitled "An Act to Reorganize and Combine the Departments of Marine and Fisheries and of Agriculture and Mines" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Pursuant to Notice and leave granted, and on motion of the Minister of Public Works, the Bill entitled "An Act to Reorganize the Department of Public Works" was introduced and read a first time and it was ordered that the said Bill be read a second time on to-morrow.

In reply to the question of Mr. Alderdice as to the terms of agreement under which Sir Percy Thompson and Mr. Penson are engaged, the Prime Minister stated that Sir Percy Thompson was

engaged at the rate of 3,750 pounds per year and Mr. Penson at the rate of 2,000 pounds per year. Half of this was to be paid in Canadian dollars and half in pounds sterling. There was no Minute of Council as to the terms of the agreement with Sir Percy Thompson. All there was was a personal letter and he did not intend to table this.

Mr. Emerson asked why?

The Prime Minister continuing said that the only Minutes of Council were in reference to the manner of payment to these gentlemen. He read the details of this and persisted in calling dollars when it should be in pounds sterling until reminded on every occasion by Mr. Puddester, who remarked that whilst Sir Percy was being paid at the rate of \$18,000 a year, the poor mortals of people in the outports were forced to live on six cents a day. The Prime Minister retorted that it was good they had somebody who could find six cents a day for them.

Continuing ... [*Daily News*, February 18, 1932]

Rt. Hon. Prime Minister: Mr. Magor is under no agreement. He will be paid for his services at the end of his term. He was not supposed to have anything to do with relief. He came here for the purpose of reorganizing the railway, but later it was felt it was necessary for him to visit Montreal with Sir Percy Thompson in connection with the loan matter. On his return, after Mr. Piercey and Mr. Miffen had been appointed in charge of relief matters and had refused to accept the responsibility, Sir Percy Thompson, Mr. Magor and Mr. Penson stated they would be glad to cooperate in a matter that concerned the whole country, and Mr. Magor was appointed in charge of relief with specific instructions to keep expenditure to the minimum, but to see that no person in the country suffered hunger. The question of payment to him was not discussed but he will be paid on results.

In reply to the question of Mr. Byrne as to the expense account of the Prime Minister and Minister of Finance on the visits to Montreal and New York in May and June 1931, he stated that he did not know what the expenses of the Finance Minister were. He was paid \$2,500 as a total. As to the question of Mr. Bennett relative to the expenses of his visit to London, Paris and Montreal in August, September and October, 1931, he stated he accepted \$2,500 on account for personal expenses though they were much larger than that.

In reply to Mr. Winter's question ... [*Daily News*, February 18, 1932]

Rt. Hon. Prime Minister: The interim reports of Mr. Magor and Mr. Penson have been tabled and distributed, there have been no reports since, other than recommendations of the Executive Council which have been dealt with by the Council, for instance the Dole Bill, etc.

Mr. Emerson: Are there any recommendations they made which have not been carried out?

Rt. Hon. Prime Minister: I know of none.

Mr. Winsor, on behalf of the Select Committee appointed to draft a Reply to His Excellency the Governor's Speech from the Throne, presented the Report of the Select Committee, which was, on motion, received and read as follows:

To His Excellency Sir John Middleton, Knight Commander of the Most Distinguished Order of Saint Michael and Saint George, Knight Commander of the Most Excellent Order of the British Empire, Governor and Commander-in-Chief in and over the Colony of Newfoundland.

We, the Commons of Newfoundland in Legislative Session assembled, beg to thank Your Excellency for the Gracious Speech which Your Excellency has addressed to both Branches of the Legislature.

On motion this Report was received and it was ordered that Debate on the Address in reply be deferred.

Hon. P. J. Lewis gave notice that on to-morrow he would move a vote of censure against the Compiler of Public Despatches relative to certain despatches dated the 12th and 13th of February, 1932.

It was moved and seconded that when the House rises it adjourn until Thursday afternoon 18th instant, at three of the clock.

The House then adjourned accordingly.

Thursday, February 18, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Puddester gave notice of question.

Mr. Alderdice gave notice of question.

Mr. Byrne gave notice of question.

Mr. Abbott gave notice of question.

Mr. Moore gave notice of question.

Mr. Quinton gave notice of question.

Mr. Winter gave notice of question.

Mr. Tobin gave notice of question.

Mr. Cashin gave notice of question.

Mr. Emerson gave notice of question.

Hon. Leader of the Opposition: Mr. Speaker, I desire to make the motion, which has just been read, that a Select Committee of the House be appointed to enquire into the charges made by the Hon. Member for Ferryland, and, in doing so I feel that there is not the slightest doubt that every member of the House will agree with it, because it will relieve the stigma cast upon the members concerned, as outlined in the speech of the Hon. Member for Ferryland a few days ago. With your permission, Sir, I will read the details of the charges and the terms of reference for the enquiry: (*reads*).

The Charges

1. That upon the following dates the Prime Minister (Sir Richard Squires) wrongfully procured to be transferred from the Department of Marine and Fisheries and/or the Department of Public Works, and/or the Highroads Commission, the following amounts, namely:

1929	August 16th	\$20,000
	November 14th	9,800
1930	May 10th	5,100
	May 15th	11,000
	September 25th	5,000

to be placed to the credit of an account known as Humber Constituency Trust Account, and in so far as the said transfer purports to have been made by virtue of an Order in Council, such Order or Orders and each of them were procured to be signed by His Excellency the Governor without having first been passed by the Committee of Council.

2. That on or about the 5th day of December, 1931, the Prime Minister (Sir Richard Squires) procured to be signed by His Excellency the Governor what purported to be a Minute of Council ordering to be paid to himself out of the Reparations Account, the sum of \$5,000, the said Order not having been passed by the Committee of Council and being obtained from His Excellency the Governor without the knowledge direct or indirect of the members of Council.

3. That the Prime Minister (Sir Richard Squires) wrongfully received the said sum of \$5,000 under and by virtue of the purported Minute of Council referred to in No. 2 above.

4. That the Secretary of State (Hon. A. Barnes) wrongfully caused to be entered in the Minute Book of the Executive Council the purported Minute referred to in No. 2 above, knowing that the same had not been passed by members of the Council.

5. That on or about the 22nd day of December, 1931, the Prime Minister (Sir Richard Squires) procured to be signed by His Excellency the Governor what purported to be a Minute of Council ordering to be paid to himself the sum of \$5,000, to Mr. B. E. S. Dunfield, K.C., the sum of \$2,000 and to Hon. A. J. Walsh the sum of \$3,000 out of the General Contingencies Fund, the said order not having been passed by the Committee of Council and being obtained from His Excellency the Governor without the knowledge direct or indirect of the members of the Council.

6. That the Prime Minister (Sir Richard Squires) wrongfully received the sum of \$2,500 under and by virtue of the purported Minute of Council referred to in No. 5 above.

7. That the Secretary of State (Hon. A. Barnes) wrongfully caused to be entered in the Minute Book of the Executive Council the purported Minute referred to in No. 5 above, knowing that the same had not been passed by members of the Council.

8. That Hon. Dr. Campbell, a member of the Executive Council, had not complied during the years 1929-30 with the provisions of the Income Tax Act, in regard to making returns of his income for the said years or in regard to the payment of the taxes payable by him thereon.

9. That the Minister of Justice (Sir Richard Squires) during the year 1931 received from the Department of Marine and Fisheries information that a cheque for \$500 had been issued, payable to one Sandy Payne, and that the endorsement of the name by the payee thereof had been forged by the Hon. Member for St. Barbe (Mr. Skanes) and that he had received the proceeds of the said cheque and that the Minister of Justice had failed to take the usual and necessary steps in connection with charges of this kind, and endeavoured to induce the Minister of Marine and Fisheries to withdraw the complaint, receive the money back, and consider the incident closed.

10. That the Hon. Member for St. Barbe (Mr. Skanes) had during the year 1930 forged the endorsement of a cheque issued by the Department of Marine and Fisheries in favour of one Sandy Payne for \$500 and had wrongfully obtained the proceeds thereof.

11. That Hon. Dr. Campbell, by receiving a salary of \$45 per month from the Customs Department, was guilty of a breach of Chapter 4 of the Consolidated Statutes (Third Series) Section 3 and thereby had vacated his seat in the House of Assembly and subjected himself otherwise to the penalties set forth in the said Chapter. [*Evening Telegram*, February 19, 1932, p. 6]

Hon. the Speaker: Would the Hon. Member consider that [as] there are charges against four separate Members of the House, would [it] be not more convenient to take these as distinct motions to be dealt with?

Hon. Leader of the Opposition: Well, cannot we do it this afternoon without any further waste of time, as I feel sure that the Hon. Members implicated in the charges would be only too glad to have an early opportunity to vindicate themselves.

Hon. the Speaker: With respect to each individual charge, the committee of enquiry may not be the same, and the matter is one that might be the subject matter of each motion.

Rt. Hon. Prime Minister: As we are all intensely desirous of having this matter cleared up, might I suggest that the Leader of the Opposition give the regular notices of motion dealing with each specific individual in the ordinary form of motion this afternoon, and then on to-morrow we could deal with each separate and individual item accordingly. With respect to charge (4) in which the name of the Secretary of State appears, that would mean an entirely separate Notice of Motion; with respect to (8) referring [to] Dr. Campbell, that would be an entirely different matter; and with respect to the Minister of Justice in which I happen to be identified, that would also be an entirely different matter, so that I would suggest that separate Notices of Motion with respect to each individual item be formally put on the Order Paper so that we could deal with them one by one on to-morrow.

Hon. the Speaker: That is why I suggested separate motions. If there are a number of charges dealing with different persons and covered by the same motion, I think it would be absolutely necessary to have separate motions, in view of the fact that the Chair might have to order individual members to withdraw while the charge is being considered.

Mr. Puddester: Do you think we would take advantage of having a snap motion with the four Members charged being absent?

Hon. the Speaker: I do not think it fair to impute any such motives. I think it would be unfair for any Member of the House to be denied the right to vote on a matter in which he was not charged.

Mr. Emerson: May I suggest, Mr. Speaker, that there is no need for further postponement, the matter has been fully dealt with, the charges have been divided and separate notice given, given in the regular way after the details have been mentioned to the House and debated. There is no object in the matter being postponed now the charges have been taken up and settled to-day. Why postpone it until to-morrow?

Hon. the Speaker: The motion is not the property of the House; it has not been entered in the records by Mr. Clerk and the Members under suspicion do not know the exact nature of the charges against them. I think that it is only the fair thing that they should know the specific charges to be laid against them.

Mr. Emerson: May I point out, Sir, that the parties in question are not making any demand for postponement, if the Prime Minister or Dr. Barnes or Dr. Campbell or Mr. Skanes feel that they have not had sufficient notice of the charges to be laid against them, they would lay claim to some further time being granted them to consider in detail the charges against them. I would point out, Sir, that the only mention of postponement has come from yourself.

Hon. the Speaker: The notices are supposed to be in proper form if the House is to deal with it, and it can't deal with it without sufficient notice.

Mr. Emerson: I would like to point out, Sir, that no one suggests that we have not had enough time, you pointed that out.

Hon. the Speaker: I think they are entitled to proper notice.

Mr. Emerson: Mr. Speaker, I would like to point to Rule 55 (*reads*).⁸ That is all that is necessary, if the Member charged feels that he needs further time, he moves adjournment of the debate.

Rt. Hon. Prime Minister: Let us start in. This charge against Dr. Campbell evidently refers to the fact that he received fees from the Customs Department, and consequently he is not entitled to a seat in this House. In my judgement the sensible procedure would be to put the charge on the Order Paper so that every Member has the charge against Dr. Campbell before him, so that it will be the same as the Magistrate's Court, the definite charge in writing is made and every Member is entitled to have it on the Order Paper. The next charge is one of forgery against Mr. Skanes; this is a very serious felony and we should be very careful in discussing it without knowing the exact words of the charge. We would be discussing a charge of forgery which if a prima facie case were shown would have to go to a jury, and it might be possible that they might be influenced by what has gone on here. A magisterial enquiry is private, there are no newspaper reporters admitted or any others of the general public admitted. Each individual charge should be made a notice of motion of itself, [and] there are charges which cannot be discussed in this House, certainly not forgery.

Mr. Emerson: We are only asking for an enquiry; it is not even suggested that they be discussed here.

Rt. Hon. Prime Minister: My suggestion is [that] the Leader of the Opposition draft a separate motion for each one and every Member will have before him the charge being discussed, I think that is a reasonable practice, if I make a charge against any Member I would put it on the Order Paper so that every Member can see what is going on.

Hon. Leader of the Opposition: You'd think that this was a bolt from the blue, that this was never mentioned before. We are not in the least vindictive about this matter but we have to see the whole matter ventilated.

Rt. Hon. Prime Minister: I am not suggesting that there is any vindictiveness about it.

Hon. Leader of the Opposition: As far as Mr. Skanes is concerned, I think that we discussed the matter and our decision was that you as Attorney General would take the same course as any gentleman under suspicion would take, and see that the matter is dealt with as promptly as possible.

Rt. Hon. Prime Minister: I quite agree with the Hon. Member, and I think that if he would make a motion for separate charges and they are put on the Order Paper it would be done.

⁸ "He pointed out that under Rule 55 of the House after a notice of motion is given the terms may be altered." *Daily News*, February 19, 1932.

Hon. Leader of the Opposition: I think that a committee of five would be enough to enquire into these charges.

Hon. the Speaker: You must remember that the one dealing with the Hon. Member for St. John's West and the one against the Prime Minister are very different.

Hon. Leader of the Opposition: I take it, however, that the principle of the thing has your approval and it is just a matter of getting down to details.

Hon. the Speaker: As regards some of these charges I doubt whether this House should constitutionally deal with these charges. These involve the conduct of His Excellency or the personal advisors of His Excellency, and this House can't enquire into the practices of the advisors of His Excellency. I think that the proper course would be to send an address to His Excellency asking for an enquiry into this matter. This is however only my opinion, this is probably the first time that anything like this has happened before and we have no precedents to guide us, that however is my opinion, that we should send an address to His Excellency asking for an enquiry into the whole matter. This is of course a matter for the House to decide.

Mr. Emerson: I listened, Sir, very carefully to your remarks and I hope that you are not ruling on the matter. May I point out, Sir, that while this House has the right to address His Excellency it also has the right to appoint a Select Committee, and it is a question for you to decide whether or not the Leader of the Opposition is in order, and that is the only question for you to decide. I have given this matter a lot of thought and Your Honour was good enough to talk the matter over with me, and I came to the conclusion that the matter was very important, and I sought assistance elsewhere and yesterday I sent a cable to Messrs. Parker and Hammond, Solicitors, London, in the following terms: (*reads*)

Minify, London.

Prime Minister accused in Commons of obtaining signature of Governor to Minute of Cabinet which never passed Cabinet whereby he obtained money. Notice motion given for select committee to enquire upon oath. Speaker may indicate motion out of order and should take form of address to Governor requesting enquiry. Please obtain immediately and cable outstanding opinion whether suggested motion in order. In your reply name adviser.

REYWAL

I am just in receipt of a reply which says:

Reywal, St. John's.

Sir Patrick Hastings, former Attorney General of England, advises, subject to anything in the contrary in your standing orders, and on the facts available, that motion for a select committee would be in order in our parliament and assume, therefore, it would be in yours.

MINIFY [*Daily News*, February 19, 1932, p. 6]

I submit, Sir, that in view of the fact that you say that it is only a matter of doubt in your mind, I take it, Sir, that you will rule on the matter when it comes before you to-morrow. When the matter comes before you, as it must come before you to-day or to-morrow, I trust that you will not hold that the motion is out of order.

Hon. the Speaker: I wish to thank the Hon. Member for Placentia East for giving this matter such care and attention. I gave no deliberate ruling on it. I only expressed a doubt with respect to it, a doubt from analogies to similar matters in the course of the books on parliamentary procedure. I would be glad if the Member for Placentia East would be good enough to let me have a copy. In the case of the Prime Minister there are two distinct motions, one in respect of Minutes and one in respect of [the] Attorney General.

Hon. Leader of the Opposition: Mr. Speaker, all things being equal, I think we should appoint a Select Committee, if this thing clears up the atmosphere, and gives them a chance to vindicate themselves, and present an Address to his Excellency the Governor. If a Commission is appointed it may take six weeks before they come to a decision. We can do it here inside a week.⁹

Mr. Lewis: On the motion to adjourn the session of Tuesday, I gave notice that I would on to-day move a vote of censure against the compiler of public dispatches, with particular reference to a dispatch which had been issued by him under date the 12th and 13th of February dealing with a matter which had arisen here in St. John's recently, which involved a so-called riot between certain members of the unemployed and the Prime Minister, and my reason for moving this vote of censure in this House to-day is because of the position which I hold first, as a Member of this House, and second as a Member of the Government. I am here in a purely representative capacity. I represent first a Catholic district. I represent secondly, partly at any rate, the whole Catholic section of this community in the Government, and I consider that if I were to accept this dispatch, condone the idea which is behind this dispatch, without bringing it before the attention of this House and giving this Assembly an opportunity to censure such conduct, and secondly, giving the Government with which I am associated an opportunity to disassociate itself from that dispatch and to reprimand the individual who is responsible for having disseminated this propaganda throughout the country. I say if I still remained in this House and a Member of this Government without having given them an opportunity to censure this, and if they fail to adopt my motion there would be only one thing left for me to do, and that would be first to resign my seat as a Member of the Executive Government, and secondly to resign my seat as a Member of this House of Assembly, and I wish to say at the outset, Mr. Speaker, that if this resolution of censure is not carried, that is my intention.

You may ask why I do that; why I have made up my mind to take that step, and my reason is this; that it is apparent to each and every individual who had the opportunity of reading the dispatch to which I refer, the motive which underlay it; the facts and the motive behind it; the idea and the principle which underlay it were purposely distorted, purposely and deliberately distorted in order

⁹ "He would, however, make the motions separately as suggested by the Speaker and so the matter stands for Tuesday." *Daily News*, February 19, 1932.

that a sectarian complexion may be given to the unfortunate incident which happened in this city a few days ago. I am not here this afternoon to plead the defence of any particular individual who took part in that affair, Mr. Speaker. It is no concern whatever of mine. Neither am I on my feet for the purpose of endorsing the spirit which was behind that movement. I absolutely disassociate myself from it. I absolutely decry the motive which was behind it. I think it was disreputable; I think it was a disgrace; I think it was a blot upon our civilization as Newfoundlanders, but for a party or an individual who presumably speaks for a government, who undoubtedly is paid by the government to take the facts and to paint that picture in the way in which the whole affair was set up in that public dispatch is nothing short of criminal. It is a diabolical insult at the section of our people of whom I am one of the representatives, and I cannot sit here silently and accept that insult. I think, Mr. Speaker, that the day has gone when sectarianism in all its shapes and forms should be decried by each and every Member of this honourable House, and by each and every individual constituting the nation of the Newfoundlander. We are as a country in the depths of despondency; we are up against a problem which is going to require the united efforts of every man who takes a pride in calling himself a Newfoundlander. We have to present a united front politically, socially, religiously and every other way, if we are going to bring this country on her feet again; if we allow such stuff as this, such poisonous propaganda as has emanated from the pen of the public dispatch compiler within the last few days to be disseminated throughout the country, we are going to have sectionalism rampant; we are going to have one denomination at another denomination's throat.

Therefore, Mr. Speaker, I have much pleasure in moving the following Resolution in the hope that this House, in its wisdom, may make an example of the perpetrator of this crime, and that what has taken place within the last week and has gone forth through this country in black print, will not be repeated in the history of Newfoundland; that the individual in question who is responsible for this may be taught a lesson; that we shall have heard the last and seen the last of sectional and sectarian propaganda throughout the Island of Newfoundland. I am going to ask in that resolution that the Minister of Posts and Telegraphs be instructed by you, Sir, to advise all his officers, if it please this House to endorse my motion, to advise all his officers throughout Newfoundland as to the stand which this House shall take upon the motion which is now before the Chair, and to give it the same publicity as the nefarious document which emanated from here the other day. I therefore have much pleasure, Mr. Speaker, in moving the following resolution:

WHEREAS on the eleventh and twelfth instants¹⁰ Public Messages were sent out by the Compiler of Public Dispatches concerning certain incidents that were alleged to have occurred between the Prime Minister and a Committee representing the unemployed at St. John's;

AND WHEREAS the facts stated in such Messages were deliberately and insidiously distorted so as to give a Sectarian tinge to such incidents;

AND WHEREAS this House considers that the various religious convictions of the People of this Country should be held sacred and not subverted to unworthy ends;

BE IT THEREFORE RESOLVED by this House in Legislative Session convened as follows:

1. The House strongly condemns the action of the Compiler of Public Dispatches in sending the Messages in question.

¹⁰ *The Daily News*, February 19, 1932, says "twelfth and thirteenth."

*2. The Minister of Posts and Telegraphs is hereby instructed to immediately send by telegraph to all Telegraph Stations to which the Messages in question have already been sent, a resume of the proceedings of this House, and of this Resolution, and to direct that such resume be given the fullest possible publicity.*¹¹

Hon. the Speaker: In connection with this motion, the second paragraph; I doubt if it can be left in that motion; that is, that the Speaker be ordered to summon the Compiler of Dispatches before this House. I doubt very much whether this House has any authority to summon before the Bar the Compiler of Dispatches.

Mr. Puddester: I beg to second the resolution although it is ...

Hon. the Speaker: There are two Members on their feet.

Hon. Leader of the Opposition: Mr. Puddester was first.

Rt. Hon. Prime Minister: If the Hon. Member will permit me, I arranged with Mr. Lewis for the seconding of that motion on the day on which he gave it.

Mr. Puddester: He asked nobody to second it.

Rt. Hon. Prime Minister: I did not say that Mr. Lewis asked me to second it.

Mr. Lewis: I want to state that in making the motion I did, I did so in a spirit entirely free from party politics. The Prime Minister did mention to me that he would second the motion, and I said I would be glad to have him do so. My attitude throughout was entirely non-partisan.

Mr. Puddester: Mr. Speaker, I find it most distasteful to stand in this House and second a resolution dealing with such a vile matter. I do so because I consider it my duty. I consider that public dispatch a blot on the fair name of Newfoundland. I think it disgusting that a message of this nature should go over the wires and be posted in all the Post Offices throughout the country. We have heard a lot about the public dispatches which were sent abroad during the past few months. Apparently there is one law by the Government for messages sent abroad, and another for messages compiled for the local dispatch. Now, if one is unjust and unfair, so is the other. I hold no brief, Sir, for those who send dispatches abroad which defame our fair name. I happen to be a correspondent myself for one of the largest news agencies in the British Empire, and for months past I have had to take several raps on the knuckles for not sending abroad messages about our local conditions. I think, Sir, that if I had been the compiler or inspirer of that public dispatch of last week, I wouldn't be able to walk across Bannerman Park with my head erect, and I say now, Sir, that the compiler of

¹¹ 2. *His Honour, the Speaker, is hereby instructed to summon the said compiler of dispatches to the Bar of this House and there publicly censure him for his disgraceful conduct.* This clause appears in *The Daily News* (February 19, 1932), but not in the *Journal*.

that dispatch was not half as bad as the inspirer. It is up to the Government now to repudiate this message, and the man who inspired it. I would like to ask the Secretary of State, who is the Compiler of Public Dispatches?

Hon. Secretary of State: Mr. J. J. St. John.

Mr. Puddester: Do you think, Sir, that Mr. J. J. St. John compiled this message? No, Sir, he did not. I am now going to read the dispatch in question. I want it to go in the records of the House, so that future generations may see to what an ebb politics had sunk in the year of grace, 1932 (*reads*).

The following public dispatches were sent to Postal Telegraph Offices in the Outports on Friday and Saturday:

February 12: Yesterday afternoon at St. John's, a mob led by men named McGrath, Furlong, Dicks, and some others and followed by about five hundred of the unemployed raided the Executive Government chambers where the Government party were calling a meeting dealing with public finance relating to roads, bridges, ferries, etc. The leader of the mob smashed several bannisters from the main stairway. With these they smashed in the plate glass of the Council Chamber doors, damaging the doors, and doing destruction to other property nearby. The mob rushed into the Council Chamber and began to act disorderly. Several of them jumped upon the Council table and kicked to the floor official documents which were lying on the table and destroyed others. One of the mob struck the Prime Minister a severe blow on the left jaw, another tried to throw him down so that he would fall under the feet of the mob. One assailant struck, cut and grabbed Sir Richard by the hand badly tearing the flesh as he dug his fingernails into the flesh just by the side of the main artery. The wound bled considerably, two large patches of blood were on Sir Richard's coat. Another of the mob seized a piece of the plate glass which came from the smashed door and hurled it straight at the Prime Minister's head who fortunately ducked quick enough to avoid the blow. The glass hit the wall of the Chamber and was broken into four bits. The Prime Minister was struck by different members of the mob at least twelve times. One of the mob tore the telephone from the desk and threatened to kill Mr. Joe Fitzgibbon, representative for St. John's West, who is one of the Prime Minister's most loyal supporters.

The mob demanded dole of \$3 to \$5 per week and made a threat to tear the Prime Minister to pieces if he did not issue orders to that effect. Sir Richard Squires refused to change any decision he had made and told the mob that they could tear him up if they wanted, but he would under no circumstances consider any changes under threat of violence. The Prime Minister told the mob again that he would not consider any changes under threats of violence and he told the mob also that the policy of the Government was that no person should starve in Newfoundland this Winter. He told the mob they could get orders for food at the Charity Bureau office in the ordinary course. He told them that if any of them were starving it was their own fault, as for some time they had refused to accept food supplies which were available for them. During the evening 670 of the mob went down to the Charity Bureau and did some damage there but no violence was in evidence. The mob finally received orders for food. The cost per person per dole order ...

In the dispatch sent out Saturday to the outports, further reference was made to Thursday's incident as follows:

While carpenters were there busy repairing the damage done by McGrath, Furlong, Kelly, gangsters of yesterday, this morning, Prime Minister Squires reiterated his intention to face any mob and to take his chances being torn to bits, using the gangsters' own words of threat, before he would swerve from his determination to carry out arrangements with the Banks to curtail expenditure and balance the budget. No further attempts were made on the Prime Minister's life between Thursday afternoon and noon to-day.

If the regular Compiler of Public Dispatches was responsible for this, how did he know in detail what had happened? Was he there himself? Was Mr. St. John there; if not, how did he know what had happened? Why did he put the most offensive construction on what had happened? I take the same stand as Mr. Lewis did in his address as to what happened at the Prime Minister's Office; I deplore it and condemn it absolutely. Every fair-minded man must condemn mob law. But the man who inspired the message was responsible for it; he invited the whole proceedings by his refusal to meet the men. Nemesis is on your tracks, Sir. Those who sow the wind must reap the whirlwind. I wish now to call the attention of the House to a letter that appeared in the morning paper, signed by the chairman and secretary of the unemployed committee, which showed absolutely that the men were exasperated and did not receive fair treatment.

February 18, 1932

Editor *Daily News*,

Dear Sir – As chairman of the committee who represented the families in this city in their recent efforts to secure the placing of the "Dole" on its former basis, I feel compelled to deal publicly with the vicious and slanderous attack directed at me and my committee in the Government news dispatch. The dispatch amongst other blood curdling things states that "I led a raid on the Government chambers, that I smashed several bannisters from the stairway, smashed windows, etc." Later it refers to me as a "gangster."

Now whilst I am aware that any of the general public who have followed up matters know full well of the falsity of the above, yet, so that no misconstruction may be placed on my silence, I will briefly outline the situation. It had its beginning in the Government's cutting of the dole allowance to the outrageous limit of 5 cents per day per adult. People realised they would soon starve on this and asked us to form a committee to help them. We did so. To make sure of our position we first sought the advice and opinions of the heads of several churches. As one they agreed that the ration of 5 cents per day was impossible. To further fortify ourselves we interviewed four doctors and the consensus of their opinions was that the "ration" was simply starvation. As a final precaution we consulted our solicitor, Mr. J. H. Devine, and were advised as to the carrying out of our movement in a peaceful and law abiding manner. Then followed a meeting with the Premier, Mr. Magor, the Inspector General, and upon our submitting our aims we were informed that we would have to make the best of things as they were. Our next step was to hold a public meeting wherein resolutions endorsing our position were passed with enthusiasm. The following day we sought the assistance of His Excellency the Governor, but the interview was fruitless. On the

morning of February 11th, the men assembled and sought an interview with the Premier, but were refused. Knowing that the men were now getting restless we wrote an urgent letter to the Premier advising him as to the situation and begging him to prevent anything of an unlawful nature by giving his immediate attention to the matter. We also told him that we, the committee, could not be responsible for the actions of the men if he persisted in his present attitude. Again we were ignored. That afternoon we met the men and women and told them that we would again try to interview the Premier; at the same time advising them strongly against anything in the nature of law breaking. We marched in order to the Premier's office, and whilst the women and men waited in the street the committee entered, but again they were refused an interview. For nearly an hour we waited in the hallway. Outside the crowd were getting restless, and, remember they were cold and hungry. Fearing they would get out of hand we made effort after effort to get a few minutes of the Premier's time, but to no avail. And right here I would like to say that the only explanation I can see to the Premier's ignoring hundreds of cold and hungry men and women as he did that day is either profound stupidity, ignorance of human nature, or a deliberate plan to goad the people to some desperate act (in the latter he succeeded).

When the crowd rushed in we, the committee, tried with every ounce of our strength to hold them back at the risk of personal injury to ourselves. They swept us aside and then everything was uproar. For myself I spent the whole time trying by hand and voice to quiet the men. And that the men were finally quieted, that no more damage or no more injury was done to anyone, is due solely to the efforts of the so-called "gangsters and mob leaders." In making this statement I feel I can safely rely on the endorsement of the members of the police who were present. I place the entire responsibility for the outbreak on the shoulders of the Prime Minister. He could have prevented it, instead he invited it – he drove the desperate hungry to a point where they had no other course open; but only, mind you, after they had gone to the very limit as peaceable and law-abiding citizens.

Now whilst I have experience enough in Squires Government propaganda methods to understand the low attempts to inject the filth of sectarianism and political lies into the public message, yet it hardly consoles me to the extent of permitting him to blackguard me or my committee as gangsters, etc., and I hereby serve him notice that unless he or his press agent retracts the false and slanderous assertions referred to they can prepare to face the necessary libel action.

Yours truly,

Jas. McGrath, Chairman.

Weston Dicks, Secretary.

These two things I now hand to the Clerk to be incorporated into the records of the House. That letter from Mr. McGrath and Mr. Dicks, the Chairman and Secretary of that Committee, needs no further explanation. The men and the women who were in that parade were goaded to desperation. I left my office on that Thursday afternoon to go down town and I met the parade coming up Duckworth Street, and it was an orderly parade. I knew a number of the men and I saluted and spoke to them. Their names were not McGrath or Furlong either. The Bishops, the Marches, the Mercers, and others with whom I have been associated all my life were there hoping to

see that justice would be done to them. One woman stopped me and said that her children were hungry, that she had no breakfast that morning and that she was down to see if she could get a little more than what Mr. Magor promised to give. These people asked the Prime Minister for a hearing, but did not get any. They were standing in the frost and cold from ten o'clock in the morning until five o'clock in the evening. That should never have happened. Now what happened afterwards in the nature of disorder I condemn, but I condemn also the cause that made the men act as they did.

As I said before, I knew a number of those men and women and they were not McGraths and Furlongs and not of Irish descent either. They were Newfoundlanders of English descent, and if the compiler of that dispatch wanted to stir up trouble and strife, let me tell him that he shot his bow but the bullet did not hit the mark. I have news from all over this country, and the result of that dispatch has the very opposite to what you thought it was going to have. There is a reaction over it in Spaniard's Bay, Bay Roberts and other parts of Conception Bay and the people there are wondering why the men of St. John's stood it so long, as if they were over here they would have helped to get their rights. Now as a responsible Member of this House, and everybody knows what I stand for and what I have stood for since I was born, I am going to raise my voice against that sort of thing. We have troubles enough at present time in this country without trying to stir up sectarian bitterness. You may think this is good hat stuff for political propaganda, but let me tell you that you are playing with fire, and such tactics will prove the biggest boomerang that was ever seen in this country, and let me tell you further that the man who thinks that kind of stuff is good political propaganda is not fit to be a candidate for any political party. I notice also, Mr. Speaker, that the *Humber Herald* has something to say about this notorious dispatch. It is short but it's to the point and it is not the work of a McGrath or a Furlong, but it is written by Mr. J. M. Noel, a one time resident of Bay de Verde District.

TO-DAY'S PUBLIC MESSAGE

"For the information of our readers, and very reluctantly, we publish on page one, a section of to-day's public message. Apart from what may have happened in St. John's, whoever inspired or was responsible for the composition of that message has, in our opinion, very little to feel proud of."

I am sorry the mover of this vote of censure incorporated a few words about bringing the compiler of this dispatch before the Bar of the House. I think that would be blaming an innocent person, although I do not condone his act because he should have resigned his office before accepting a document like that and sending it broadcast to the country. I certainly sympathize tonight with these men who had their names sent over the wires, and I also sympathize with the Minister of Posts and Telegraphs for having the message sent through his Department, although I exonerate him completely as he is too honourable a man to stand for anything of that kind. Mr. Speaker, the man who inspired or compiled that message has a diseased mind and from my place in this House I condemn it, as well as from my place in this country I will take steps to condemn it. Again I say I denounce this happening and I will go before any tribunal and denounce it. I, therefore, second the Resolution moved by the Member for Harbour Main.

Mr. Quinton: Mr. Speaker, it is with a great deal of regret that I rise this afternoon to support the

Resolution now before the Chair. I regret it, Sir, because I consider that it should not have been necessary to support such a motion. It has been inferred that the compiler of this document, which has been read to the House, is not altogether to blame and that the inspiration came from another man, but whilst that is a matter that is difficult to prove, nevertheless it is not difficult to analyze public feeling, and it is not difficult to judge what effect such a contemptible piece of composition has created amongst people who want to live in harmony and good will with each other. The message stated that the Government were considering ferries, roads, and bridges, etc., when this unfortunate disturbance happened. I am glad to know that because it will give me an opportunity later when we are discussing public works, particularly so far as my own constituency is concerned, so I hope that the deliberations of the Government in that connection were not unduly abrupt. Now, Sir, in my opinion the person who would inspire or compile such a message as that is only akin to a man who would inject poison into the veins of innocent victims. That message was dictated and deliberately dictated for political purposes and to take advantage of people who were not conversant with what actually happened. Time and time again reference has been made to the actions of press agents for broadcasting our unfortunate position to the world, but the man who is responsible for disseminating such lying propaganda amongst our own people has no right to discuss the action of people who wire public facts to foreign publications. It seems that the minds of some people are so warped by trained hatreds and prejudices that it is impossible for them to go forth and breathe in finer air. While on this subject I may say that I have a group of telegrams I received from various places in my District, and from people who feel more intensely disgusted, perhaps, than myself over this matter, and, with your permission, Sir, I will read one of them (*reads telegram*).

That I throw out as a challenge to this House and this country. There is one more point I would like to make before I sit down, and that is that some years ago when we were in a foreign land fighting for our country side by side with men of all nations, men of all classes, men with different traits of mind and men of different denominations, that never once in the three and a half years that I was overseas fighting for my country, never once was anything like this mentioned. It was when we returned that we found men thinking in these terms, thinking in these terms to further their own selfish political ends. Our position as regards the outside world is bad enough with economic conditions as they are to-day without trying to further embarrass it by rank political propaganda of this nature. Mr. Speaker, I have much pleasure in supporting the motion.

Mr. Cashin: Mr. Speaker, I think that if I did not rise to support this Resolution I would be derelict in my duty to my constituency, my country and my denomination. It amused me to find the Prime Minister rising to second the motion made by Mr. Lewis. I defy the Prime Minister, or any member of the Government right now to lay the blame for this dispatch on Mr. St. John and I intend to go further than Mr. Lewis' motion and I give notice of motion of enquiry into this dispatch and let the House find out who wrote it, and if the Prime Minister did not write it he inspired it, and if this House decides in favour of the motion for a vote of censure against the Compiler of Public Dispatches, there is no doubt in my mind that the Prime Minister is responsible for this, he is getting down to his old tricks again, that is his old trade, his old stock in trade, that is his breakfast, dinner and supper – sectarianism. I can see him chuckling as he wrote that, and I tell him now that the chief gangster should be Squires. One of these men, Furlong I think is his name, carries a decoration, a decoration he can be proud of, better than a K.C.M.G., he carries I think the D.C.M., a

decoration that the Prime Minister was too cowardly to attempt to win.

The financial condition of the country at the present time is deplorable, what is going to happen when stuff like that goes out of the country? Every denomination should pull together and the position now is that the present administration has not sufficient funds to pay its bills and the country is in a sense bankrupt, and the Government is afraid to tackle it. That is the position and I defy contradiction. At the present time there is \$300,000 in the Exchequer Account, we owe \$250,000 for Relief, Railway Account at the present time is in debt, it owes between \$200,000 and \$300,000, and the various departments of the Government owe another \$200,000 and \$300,000, consequently we are in debt now to the sum of \$600,000 and we have \$200,000 to pay it with, and this is the stuff that is handed out by the Leader of the Government, unadulterated sectarianism. It originated with the Prime Minister. I make that statement and I take it St. John will be brought to the Bar of the House, and I make a motion now that Members be allowed to cross-examine St. John as to whether he accepts the responsibility for this document. I say now here that the Prime Minister wrote, or inspired it, the only thing was that he omitted to put his signature to it. It has been insinuated here that the Prime Minister wrote it, I tell him here now he wrote it. I have great pleasure in seconding the motion, and when St. John comes to the Bar we can find out if St. John is responsible, and if the privilege is not given to us to cross-examine St. John, I say that all this talk and vote of censure is piffle. We have got to find out the hypocritical traitor who wrote it, and I mentioned him, there is only one punishment good enough for him, and that is that he be publicly horsewhipped through the streets, and that I believe is what the people would give him.

Hon. the Speaker: In connection with the second paragraph, the Speaker issues his warrant to bring a person before the Bar of the House, but I don't think that this House has the power to bring a person before the Bar of the House except in connection with a libel on this House itself, it has not the same authority in this connection as the English House, this matter doesn't directly affect Parliament, and this House has no authority to call before the Bar an individual for sending out dispatches.

Mr. Emerson: Mr. Speaker, may I point out that Section 10, sub-section (g) of the Representation Act reads as follows: (*reads*).

Hon. the Speaker: If the House were considering a Parliamentary matter the parties could be summoned before the Bar, but I don't think that here the House has the power to call an individual before the Bar. The vote of censure can be passed and it can be communicated to him.

Rt. Hon. Prime Minister: When the mover of this motion told me of this I congratulated him on this motion, and I asked him if he had made any arrangements for seconding of same. More than that, I thought the motion itself ought to be enlarged very considerably for the purpose of dealing with the general question of censorship of dispatches within Newfoundland or outside Newfoundland.

Mr. Lewis: I think I have already said that I did not mention the matter to any person; did not discuss it; I treated it purely as a non-party matter, non-political matter. I did not know whether it

would be seconded at all.

Rt. Hon. Prime Minister: I heard the resolution for the first time when it was read. The idea in connection with this motion is that this House should express its opinion on this matter, and upon the procedure which has gone on during the past year in connection with local dispatches and in connection with foreign dispatches and establish, I should hope, a censorship in connection with local and foreign news. I think that there should be a recommendation to the law clerks of the House for the preparation of the legislation which will give the necessary power for censorship of those who send messages abroad as correspondents for foreign papers, which would be of a character damaging to the financial or the social structure of our country, [and] that the Department of Justice or the Department of State or any other properly constituted body should have the right to have the messages produced from the telegraph office through which they were sent with an identification of the sender. I think, consequently, that this particular motion before the House should be substantially enlarged, and that it should include [the] general scope of telegraph messages abroad, and that it should include a recommendation from the House to the Law Officers of the Crown for the drafting of such legislation as may be necessary for the purpose of making that thing straight in connection with local and public dispatches. I consequently suggest that the debate on this matter be adjourned, and that we go ahead with the debate again to-morrow, debating this same thing, and have the resolution put into that additional form whereby it would cover not only Newfoundland dispatches [but] provide machinery whereby the defamation of Newfoundland abroad be put into proper shape.

I think Mr. Lewis has done a service to this country in bringing this matter into a form into which we can see daylight. I would move an adjournment of the debate on this resolution so that we may get it into larger form and foreshadow possible legislation in that connection.

Hon. Leader of the Opposition: Mr. Speaker, I don't agree with the honourable gentleman. I think this resolution – those telegrams that had for their object the stirring up of sectarianism – enlarging the scope of this discussion so that a red herring may be drawn across the trail. We are not going to have that. We are going to vote on that and try and kill sectarianism for all time. We know the man who compiled this message; you know him; every Member of the House knows him. We are going to kill this now and for all.

Hon. the Speaker: Does any Member second this motion?

Hon. Leader of the Opposition: I have suffered from this sectarianism. I have been called everything from a heathen Chinese to I don't know what. One gentleman ...

Rt. Hon. Prime Minister: So have I.

Hon. Leader of the Opposition: Perhaps you deserve it. I don't go around with a solemn face in church thinking out malicious sectarian telegrams. I am absolutely against everything that will cloak this resolution. We are going to vote on it this evening and let the whole country see that the majority of the Members of this House are absolutely against sectarian tactics. The true idea of that

telegram was for the glorification of a certain gentleman and to put one sect against the other. Sectarianism is the worst possible thing that can enter into any country. I am very much against this being postponed.

Rt. Hon. Prime Minister: I agree with the Hon. Member on that. Instead of continuing the debate let us vote upon it, and I will give notice of motion.¹²

Hon. Leader of the Opposition: Introduce a Bill covering censorship of messages of all kinds.

Mr. Emerson: I am very glad that the Prime Minister has seen the wisdom of withdrawing the motion. Had he not, he would probably have not found anybody in the House to second. It was an obvious effort to shelve a matter which is doing political [damage] to himself, trying to draw a red herring across the trail by introducing [*omission*].

The debate did not intend to involve the question of setting forth all the public messages from Newfoundland. It was not Mr. Lewis's intention when he introduced it to consider that matter at all. He never had it in mind; he never wanted it introduced; neither did anyone else. It was only when this motion was suggested by Mr. Lewis that the Prime Minister had a brilliant idea as to drawing a red herring across the trail in the hope of avoiding the issue involved. What is the issue involved? It is an issue which the Prime Minister has absolutely failed to touch; he has not dealt with the motion before the House in any word at all; he has not condemned what was done; he has not denied the charge that was made against him, that he was the instigator of it. He approves of what was done, he approves of it to-day and is hoping to get another opportunity to do the same thing before it is condemned unanimously by this House, and the unanimous condemnation is sent forth by the Minister of Posts upon the instruction of the House condemning the Prime Minister's action and that of his employee.

I do not know, in the history of this country, a more disgraceful episode than the one we are discussing to-day. For months now people of St. John's and the outports have been suffering the greatest pinch of poverty that has ever struck this country; hardship of all kinds surrounds us, and during it all the most remarkable feature of it has been the orderliness of those who are suffering most. Up to within ten days ago or less there had not been an incident in this Island where the peace had been disturbed, although people are living on a starvation diet. Fifty thousand a month are being given out in relief; 50,000 people are living on a ration consisting of less than \$2 per month, and in spite of that not a single incident has occurred to disturb the peace and good order of the community until a few days ago when the unemployed of St. John's wished to appeal to the Prime Minister to lay their case before him. He refused to hear them. At the present time in every country of the world the question of unemployment and poor relief is the most serious one to face, and it is one to be faced and is being faced by the Leader of the Government in every other country. It is a prime duty of the Prime Minister to deal with this question apart from every other. It is immediate and must be relieved immediately. Since this question arose he has not done one single thing. He has passed the buck; he has passed it over to Mr. Magor. He first of all tried to pass it to Mr. Piercey,

¹² "I am willing to allow the motion to be put, and will withdraw my motion for postponement." *Daily News*, February 19, 1932.

then to Mr. Miffen, and when he found that a Newfoundlander was not so green as to be burned with a job like that, he got a foreigner to do it and from the very start he has not dealt with it in one single manner, and in spite of that and in spite of the knowledge that every unemployed person had that he was burking the question himself, they remained quiescent and did not disturb the peace.

What happened on this day? These men went down there in an orderly manner to lay before him their case. He was the proper one to see. He said he was at a party meeting discussing roads and bridges with starving people fainting on his doorstep. He practically compelled them, and whilst we regret it we can do nothing less than sympathize with them, and then that thing having occurred he chose the opportunity to start this sectarian cry throughout the country upon the hunger of the poor. That is what he did, and I say that is the most disgraceful episode in his disgraceful life, and I am very pleased, Sir, to find that there is such unanimity in this House to-day in condemning the conduct of the Prime Minister upon that occasion.

Mr. Bindon: I would like to say a few words in support of the motion now before the Chair. I think, like the rest of the speakers, that this sectarianism now should be stopped. It is an opportunity perhaps that is rarely given us on the floors of this Assembly to express our views on this matter. Now, Sir, whether that comes from one side of the House or the other is immaterial. Personally, I have never associated myself in any way with sectarianism, and if this resolution were brought in here to-day condemning the perpetrator of the act, whoever it may be, in connection with any other denomination than the one to which I have the privilege to belong, I would condemn it just the same. Now, usually coming up for an election sectarianism is rampant throughout this country supported by politicians of all sorts and in all parts. You could hear it. I have heard it in the last election going through the District that I have the honour to represent, absolutely ridiculous stuff sent out by politicians in order to try and kill [omission].

People in this day and age are more enlightened and not so easily deluded. I sincerely trust that this discussion will have the effect of quashing the spectre of sectarianism once and for all. I must say that I was really surprised the other day when I read the report of the public dispatch in the newspaper, and I was very pleased indeed when Mr. Lewis gave his notice of motion. Mr. Speaker, I take great pleasure in supporting the motion.

*The motion was then put and passed unanimously.*¹³

Mr. Cashin gave notice of motion that he would move for a commission of enquiry to take evidence on oath and deal with all the facts in connection with the dispatch.

Hon. the Prime Minister gave notice of a Bill to deal with public dispatches at Home and Abroad.

On motion for a committee of the whole on resolutions in relation to the amendment of the Loan Acts of 1898, 1927, 1928 and 1929. [*Daily News*, February 19, 1932]

Mr. Winter: Mr. Speaker, I should like to say a word or two before the motion is put. Personally, I

¹³ Clause 2 was omitted in the motion as passed.

think that no further business should be proceeded with in view of what has transpired until the whole matter has been cleared up. On opening day certain statements were made by the Hon. Member for Ferryland against certain members of the Government. Not a word in answer was said by any of these members. They sat in silence, and their silence practically leads one to believe in the correctness of these charges. On the second day these statements were amplified, and the members still sat in their seats, nothing was said in palliation, no excuse was made. A motion was made that a committee be appointed to enquire in the truth of these charges. Mr. Speaker, I say in all seriousness that we ought not to proceed with the business until the whole matter has been sifted out. These statements have placed the Prime Minister under a cloud of suspicion and he has made no attempt to reply. We can only assume that these charges are correct.

Rt. Hon. Prime Minister: I should like to point out that as a lawyer Mr. Winter should know that a man is to be presumed innocent until he is proven guilty.

Mr. Winter: Yes, and as a lawyer I am also aware that any allegation which is not denied is taken to be admitted. I think the whole matter should be cleared up before any business is done. Here we have the Prime Minister acting as Minister of Finance and Customs with those charges still hanging over him. The whole thing is absolutely without parallel in the history of the British Empire. Mr. Speaker, I move that this House do now adjourn.

Mr. Puddester: Mr. Speaker, I wish to second the motion, and in doing so I do not intend to make any lengthy speech. I think we will have other opportunities to go into the matter at greater length. But, Sir, I want to say that I think it unseemly to proceed with the business of the House until this matter is cleared up. Everybody is now acquainted with the nature of these charges, and they should be either refuted or proved before we proceed with one item of business. The Prime Minister just made a statement that if he were to answer all the charges made against him he would have time to do nothing else. I recall the Prime Minister making exactly the same statement twenty years ago. You will recall, Sir, that in 1917, when you were on this side of the House, a gentleman made certain charges against you, and I went down to your office to see you and to ask you to deny them. You then made the very same statement that you made here tonight, that if you denied all the things that were said about you that you would have nothing else to do. I found out afterwards that these charges were true. Shortly after that we parted company and from that time forward you have continually been in hot water. Since then you have continually played into the hands of the Philistines. There are some times when I almost pity you. From that time forward you have always chosen bad company. I think, Sir, you will find that before we adjourn to-morrow you will find that we have given you every fair play. I think I can say that not one thing will be said against [you] but what is just and fair.

Whereupon the House divided and there appeared in favour of the motion [to adjourn]: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Moore, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Abbott, Mr. Byrne, Mr. Cashin, and against it: Hons. Prime Minister, Secretary of State, Minister of Posts, Dr. Campbell, Dr. Mosdell, Mr. Lewis, Mr. Bindon, Minister of Fisheries, Mr. Earle, Mr. Starkes, Mr. Fitzgibbon, Mr. Skanes, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr.

Fudge, Mr. Strong, Mr. Smith, Mr. Murphy.

So it passed in the negative and was ordered accordingly.

Pursuant to Notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider certain Resolutions in relation to the Amendment of the Loan Acts 1898, 1927, 1928, and 1929.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: Mr. Chairman, the Resolutions before the House constitute one of the items of the programme in connection with the new organization in which Sir Percy Thompson and Mr. Penson are engaged. I regret very much that I cannot speak with clarity this afternoon, owing to the condition of my voice. The Resolutions are formal only. They affect not a dollar either in debit or credit. As the Hon. Leader of the Opposition, who happened to be Prime Minister for a while, knows, the various Loan Acts specify the purpose for which certain moneys are to be expended. When the amount of the expenditure is over the amount named in the Loan Act it is borne out of [the] Exchequer Account. When the amount of expenditure is under the amount specified in the Loan Act it is to the credit of [the] Exchequer Account in fact, but in actual accounting it is to the credit of the Loan in the Auditor General's office. The object of these Resolutions is simply to place to the credit of [the] Exchequer Account in the Bank of Montreal the unexpended balances of loans and have them there regularly in accordance with the books of the Auditor General. These amounts vary and are as follows: (*reads*).¹⁴

Mr. Cashin: Mr. Chairman, I desire to support the Resolutions because I think I know more about them than the Prime Minister does. If balances of loans are left lying around, the Prime Minister might transfer them to the Canadian Bank of Commerce like he did with other moneys. Out of a loan passed in 1898 the sum of \$10,000 was appropriated for a new Market House in St. John's. That amount was lying in credit at the Bank of Montreal, and the wonder is that it escaped the Canadian Bank of Commerce by another false Minute of Council of the Prime Minister. Now this amount has already been transferred and gone into [the] Exchequer Account and what I want to know is – and this is the reason I rose to speak – if the moneys to the credit of Humber Constituency Account are going to be put into [the] Exchequer Account also?

Rt. Hon. Prime Minister: That matter has neither been discussed nor considered.

Mr. Cashin: It has been discussed. I discussed it with Mr. Penson, and you are aware that all such moneys should be in [the] Exchequer Account. The position is this: that every Member in this House is as much entitled to do that sort of thing as the Prime Minister. For instance, if an allocation

¹⁴ "... resolutions were explained by the Prime Minister. They simply meant that the amounts remaining at the Banks from the loans of recent years and also that for a market house \$11,000 since 1893 were now to be all put late into the Exchequer Account." *Daily News*, February 19, 1932, p. 6.

is made here for \$250,000 for public works and Harbour Grace District, say, gets \$5,000 out of it. According to the Prime Minister's system, Mr. Archibald, who represents Harbour Grace, can put it up to Council to entitle him to take that \$5,000 and put it in a Trust Account in any bank; but in the case of the Prime Minister his did not pass the Council because he forged the Minute of Council, and the Secretary of State was an accessory of the fact just as he was in connection with the \$100,000 for Memorial School until I made him take it back again. To that I defy contradiction.

Hon. Secretary of State: I will defy you or any other man to charge me with being a liar.

Mr. Cashin: Will you upon oath do it? No, you have not stomach enough for that. The other day the Prime Minister and his Solicitor General attempted to devise ways and means to have me arrested for telling the country the truth; but other people before them came at me like that and they failed. Now I doubt whether any Member of this House, outside of the Prime Minister, realizes that all those amounts which should go into [the] Exchequer Account are not there to-day. Therefore, I do not consider it proper to continue the business of the House further until this matter is cleared up. My reply to the Secretary of State is, why does he not deal now with the charges I made, if he is so cocksure of himself and that there is nothing wrong? Every statement I made I can swear to and you are simply playing for time. The suggestion of Dr. Barnes that after he is finished digging up records I will not be able to hold up my head, so to speak, does not exonerate or excuse him from the charges over his head now. I am no saint remember, but I have yet to forge a Minute of Council. Why did the honourable doctor tell me he knew nothing about that Minute of Council for \$15,000?

Hon. Secretary of State: I did not tell you.

Mr. Cashin: Whether you think I am a liar or whether I am not, all I can say is that you did tell me that, and that is not all you told me. However, these amounts in the Loan Resolutions we are now discussing prompts me to ask the Minister of Marine and Fisheries, how are you paying at the present time for keeping the Bay Bulls station in operation? I know that a Committee of the British Government is paying half, but where is the other half coming from? The Treasury is not finding it whilst the amount of \$83,643.88 mentioned in the Resolutions are merely on paper in your books. In connection with this \$100,000 voted for the Memorial College the job was to cost \$180,000, as per contract entered into with the Horwood Lumber Company. There is only \$100,000 available. Where is the other \$80,000 coming from? And is it true that negotiations are going on with a Trust Company to try and get more money to finish that structure?

At the present time we owe \$75,000 or \$80,000 for the Memorial College, the Marine and Fisheries Department owes \$60,000 or \$70,000 for new lights, that is \$140,000 we owe. The Treasury owes \$300,000 for relief, that brings it to \$450,000, the Railway owes \$250,000, that makes it \$750,000 and there is \$300,000 at the most in the bank, exclusive of the Humber Constituency Account. Where are we? Members can come in here and say you were Minister of Finance and Customs, where are we? That is the logical question. That is the position. In a week or two the budget will be coming in here calling for a \$9,000,000 revenue. A \$9,000,000 expenditure with \$4,500,000 of that for interest; I say that it is a physical impossibility and I tell Sir Percy Thompson and Mr. Penson through this House that "it can't be did." Four million and five hundred

thousand for interest and \$4,500,000 for running the country and further make provision for the repayment of \$5,600,000 owing to the banks. I propose to put a question on the Order Paper to find out what the interest is costing the country. I say that it is costing \$2,300,000. We were told that we only needed \$1,300,000 to pay our interest; I say that we need \$2,000,000. Our interest is costing the country approximately \$2,300,000 with exchange, etc. What is going to happen? I say that after I left the Department of Finance there was no Minister appointed. Mr. Bindon took my seat in the Executive, and I say that he should have insisted that he be appointed head of the Department, and he should have said he wanted the Department and he would have got it, and he condones the message sent out by the Prime Minister of a sectarian character ...

Mr. Bindon: Who me?

Mr. Cashin: Practically.

Mr. Bindon: I condemned whoever sent it.

Mr. Cashin: I am telling you he sent it and you can bet on it. These are the facts. Quibbling on sectarianism and falsification of Minutes of Council will not take us out of it. Many governments have brought this mess about and this Government finally brought it about. I take my share of the responsibility. This Government did nothing. If they had tackled the situation in 1929 as I advised by cutting expenditures and by further taxation, we would not be in this position to-day and the Government would have had an extra \$1,500,000 to-day to help us out. The Executive is mainly responsible because they wanted to play politics; they were afraid to tackle the free list. We had a record revenue for any year in the history of the country when we took in \$11,500,000, but we also had another record in that we spent more in one year than any other government ever did. Look at the road money that was wasted, look at the money that was wasted by the Highroad Commission, even now they are in debt. There were bills there without the knowledge of the Commission to the extent of \$30,000, \$40,000, \$50,000 without the knowledge of the Commission and I challenge anyone to deny it. They started to build a road to Fortune Bay, which will never be completed. What is happening to the roads and bridges which you were discussing when these gangsters broke in? I'll bet dollars to doughnuts that there were no government meetings since I left. I defy any member of the Government to say that they were discussing estimates of expenditure and then we see this stuff concocted, we have to come in here and see this stuff. I say that under the present system of government we will never get out of this mess. Is there any motion for a Redistribution Bill? Not one. We have 40 members where we should have 24. I wrote the Prime Minister two years ago suggesting that this should be done but this was too economical, it was side-tracked. Forty members for 250,000 people, why in England there are 75,000 to a representative, Mr. Penson and Sir Percy Thompson are in favour of it but they will never hear of it again.

There is another thing; I see here a notice of a Bill putting the Deputy Minister of Finance somewhat in the position of the Auditor General. This Bill will give the Deputy Minister certain powers but I say here that it would be just as well that it never came in. We passed a Minute of Council that Mr. Penson was to see all Bills that were passed, but it was all forgotten about when these lawyers were paid \$5,000 apiece. Why bring in legislation at all? I rose to my feet to move

that the amount in the Canadian Bank of Commerce to the credit of the Humber Constituency Account be transferred to [the] Exchequer Account. It is only fair to every Member of this House. The Secretary of State had considerable moneys to the credit of his District when the crash came and he lost the whole works. Why should the Prime Minister retain his? I don't see any reason why it shouldn't be transferred back to [the] Exchequer Account. There is no reason why this \$17,000 should be kept in a separate account with another account for interest. I wanted that money for [the] Exchequer Account because out of that interest account an individual in charge of roads or something was paid \$800 out of that interest account.

Mr. Speaker, I am going to make a motion now that in addition to these amounts included in this schedule here, there be added the sum of \$17,000 – I forget how many hundred – to the credit of the Humber Constituency Account in the Bank of Commerce. In connection with the \$5,000 in the Savings Bank, that is gone, because they have not got enough money to pay it back. I make that motion in addition to these that these moneys be put there also.

Hon. Minister of Marine and Fisheries: Mr. Speaker, in reply I beg to say that provision has been made by the Executive Government to finance for the time being the Fishery Research of Bay Bulls, but before I take my seat it seems to me that it is about time that we, as representatives of a respectable class of people, get down to business. It seems to me that Newfoundland is on the altar of sacrifice, and if we as true Newfoundlanders have to waste our time as we have this afternoon, it is about time that we all got down to business. I have never in all my experience as a Member of this House, and previous to that when I was here watching proceedings, heard such vile stuff as I have heard this afternoon come from my honourable friend Mr. Puddester on the other side of the House. I say that in all sincerity. While I approve of the motion put forward by Mr. Lewis, I still must state that of all I ever listened to in this House, the worst went forth this afternoon from the lips of Mr. Puddester. I am surprised. I think I was always considered as being fair. I have tried to do the job set to me to the best of my ability. If any questions have been addressed to me, I have tried to answer them to the best of my ability; I have tried to run the Department of which I am the Head to the best of my ability. Everybody will admit that. I say now that it is about time that we tried to do something for Newfoundland; in the name of God do something for the country. I am not interested in whether Clyde Lake ever gets elected again or not. I am only interested in the question as to whether we can weather this financial storm, this financial blizzard. It seems to me that we are now playing party politics. As to whether Minutes of Council have been cooked, or bank accounts have been manipulated, for the time being I am not interested. I would like to see this matter cleared up as well as any citizen of Newfoundland. We have before us a large financial programme which is, I think, to try and get Newfoundland out of its present mess. We have had enough news going out in the outports, enough news going in the foreign press to defame the character of Newfoundland. As far as I am concerned the Members on the other side of the House are not bad friends of mine; I have never quarrelled with any of them, and I don't want to. In the name of Newfoundland let us try and get down to Newfoundland business and forget party politics; forget whether Mr. Cashin or Mr. Puddester or anyone else is a crook. I say Newfoundland is on the altar of sacrifice. We must try and get around this corner, and unless we do that we are not fit representatives of an intelligent class of people in this country. I am sincere in those remarks. I have been disgusted this afternoon. I would that, if I did not owe it to the District that elected me, I

would feel like walking out of this House and never coming back again. I want to try and play the game as well as I know how for the sake of the people who sent me here.

Mr. Puddester: Mr. Chairman, I stood on that side of the House. I sat in your seat in 1926, 1927, and 1928. I need not tell you what happened. You have [had] a change of heart since you got on the other side.

Hon. Minister of Marine and Fisheries: I was always fair.

Mr. Puddester: You hung up the House four and five hours. You said what you thought was right and I gave you credit for it.

Hon. Minister of Marine and Fisheries: We were never in a financial crisis.

Mr. Puddester: We were in a financial crisis the time you were in the House. If we had taken time by the forelock then and come down from our perch of spending money for everything that was asked for, we would not be in the pickle we are in to-day. What I said this afternoon I am not ashamed of. I said it from my heart and it is absolutely sincere. Remember to take care when you get out that you don't say anything that you think will bring you votes in your District. It was a Member from your own side of the House who made the motion and it was supported by the Prime Minister himself, and I gave vent to the feelings that I should give vent to. Don't you agree that it is about time that we stopped that thing?

Hon. Minister of Marine and Fisheries: I do agree, but not with the remarks you made.

Mr. Puddester: What remark did I make that you need to take umbrage at? I had a right to make that speech to try and stop it. Mr. Chairman, I was going to ask a question. It is just as well for me to ask it now, in connection with this Bill. Out of the Loan Account there was \$25,000 voted for the Fresh Fish Commission. Was all that \$25,000 spent?

Hon. Minister of Marine and Fisheries: The amount that was spent is only the amount that was tabled.

Mr. Puddester: Is the rest to your credit?

Hon. Minister of Marine and Fisheries: It is all gone to [the] Exchequer.

Mr. Puddester: The amount of the balance is gone to [the] Exchequer. How much did you vote of the \$25,000?

Hon. Minister of Marine and Fisheries: You got the answer for it.

Mr. Puddester: We have a duty to perform and we are going to perform that duty no matter what you say. Think about yourself on this side of the House in 1926 and 1927. What did you consider

your duty? Do you think we are going to let the House of Assembly and everything else be taken and carried out through the Narrows without making a protest? We are going to make a protest. This is the 18th day of February. We have a long time to keep the House open to get things right. There is a lot of unemployment in St. John's; some of us are unemployed ourselves and not doing much business. We can do a fine piece of work every afternoon by trying to do something for the country. Are we wasting time to get this information? Before the session is over, perhaps you will be applauding this side of the House because we did our duty; applauding so that you won't sit there with them ...

Hon. Minister of Marine and Fisheries: I hope you are sincere.

Mr. Puddester: Did you ever see me any other way?

Hon. Minister of Marine and Fisheries: This very afternoon.

Mr. Puddester: Not on your tin type. I noticed, Mr. Chairman, in another answer to a question that some time during October or November there was a loan of \$600,000 to put the Railway in finance. Could I get a little explanation on that? Is this amount of \$305,000 approximately the vote for the loan that was incurred for the Railway?

Rt. Hon. Prime Minister: All this amount has gone to the credit of [the] Exchequer Account. Any loan would be a Temporary Debenture Loan which would be outstanding at interest. I think papers in connection with that were tabled yesterday. The Railway is in addition to the regular.

Mr. Cashin: Mr. Chairman, in connection with the loans that are outstanding we got \$2,000,000 on the 30th of June; we had already had \$500,000; that was \$2,500,000; the Railway deficit was around \$600,000; Temporary Debenture was given for that recently through the Exchequer, that is \$2,100,000 and \$2,200,000; on December 31st it was \$5,300,000 and \$300,000 from the Royal Bank of Canada in connection with the Hotel. Therefore at the present the loans outstanding, exclusive of those which are on bond, are \$5,600,000. The interest rate on these loans, with the exception of the one at the Royal Bank is 5½ per cent; the one at the Royal Bank is 6 per cent. Here is what happened last year; the Government approached the Bank of Montreal in connection with getting a temporary loan in October 1930. The Bank agreed at that time to give \$1,000,000. I was in the Government at that time; we did not need \$1,000,000 at that time; we got half; we figured we did not need the whole million loan because the Exchequer was in credit. When the Government had failed in their negotiations to raise a loan, the Bank of Montreal refused to give us the money. I make a motion that these amounts that are here and the amount standing to the credit of the Humber Constituency Account in the Bank of Commerce be also included there.

The House adjourned [at 6:30 p.m.] until 8 p.m.

The Chairman of Committee left the Chair until 8 o'clock.

The Chairman of Committee resumed the Chair.

Hon. Leader of the Opposition: Mr. Chairman, I was wondering if the Government had asked the permission of the Municipal Council before they transferred that \$10,000 reserved for so many years to help in the erection of a market house.¹⁵

Rt. Hon. Prime Minister: I am not aware of any such request having been made by the Council.

Hon. Leader of the Opposition: It was not necessary for the Council to ask the Government for permission, but it was necessary for the Government to ask the Council's permission. I think that out of common courtesy it was the duty of the Government to ask the Municipal Council for their sanction and willingness to forego that \$10,000 which was appropriated for the building of a market house at St. John's and which has been held in [the] Exchequer Account since 1898. You know we must have a market house here, if we are ever going to develop an agricultural policy. Of course there is not much chance of getting such a necessary utility now, but when the new government assumes office – and that won't be long off – we will inaugurate that agricultural policy that is going to build up Conception Bay and St. John's. You are now taking that \$10,000 which the Municipal Council have been jealously watching for so many years, and, as a representative of the District of St. John's East, I protest against such action.

I am surprised at some of the remarks made by the Member for Burin West this afternoon. He said we had been wasting our time. I think we spent a most profitable three hours. We got that firebrand of sectarianism put away and I think that of itself is a particularly good afternoon's work.

Hon. Minister of Marine and Fisheries: You have kindled a nice fire.

Hon. Leader of the Opposition: I think we put it out and we even had the honourable gentleman who inspired the message with us in doing it, so that I think that was quite an accomplishment. The Minister of Marine and Fisheries also intimated that we had been wasting time in the earlier part of the session by inducing at least three Hon. Members to defend their honour. The inference is that in trying to defend their honour we were wasting too much time. Apparently they did not have much honour to defend, so that I differ with Mr. Lake. Getting back to the \$10,000 episode, I think a lot has been done without the knowledge of the Municipal Council. However, I do not suppose it is any use crying over spilt milk, in view of the hotheadedness of the Government.

Mr. Byrne: Mr. Chairman, I would like to associate myself with what has been said by my honourable and revered colleague. As a representative for St. John's East, I could do nothing else but rise in my place and protest against the taking of this \$10,000, which was earmarked for the building of the market house in St. John's, and putting it with balances of other loans into [the] Exchequer Account. I do not think there is a citizen in St. John's who does not realize that the time is long past due for a proper market house in St. John's, the capital of this Island. Now whether or

¹⁵ The 1898 loan of \$11,000 was for a market house in St. John's.

not the time was inappropriate for the Municipal Council to erect this market is immaterial; but this \$10,000, appropriated for a specific purpose, should have remained in reserve where it was and not [been] transferred at the sweet will of the Government. In so far as this goes I certainly protest against this \$10,000 allocation being put back.

We listened this afternoon to many remarks in this House, and the first thing I can [say] as a Member who sat here and listened to it, is that it is astounding that in a British House of Parliament that such charges can be made and treated with such contempt – treated as would be an accusation hurled across the House in the heat of a debate – treated in such a manner as to lead one to think that there is no such thing as British justice, but I am convinced there is such a thing as British justice, and as one of the 12,000 that fought under the Union Jack to see that British justice was upheld I protest against having such flagrant breaches of justice being thrown across at us, and as long as I am here I am going to see that right prevails. I am looking now, Sir, at the Minister of Marine and Fisheries, who from his seat here told us of his sincerity, and who also told us that these charges were not of much importance but that we were finally up against it and that we had to get down to business. I ask him how are we to get down to business when we have these charges against the very men who have such responsibilities as regards the business of this House, the Prime Minister and the Secretary of State are the chief advisors of His Excellency the Governor, and these charges were made by the ex-Minister of Finance and Customs, they were made calmly, not in the heat of debate, he studied what he said, he gave facts in detail and surely, if the Prime Minister and Minister of Justice want to overlook it, it is up to every member of the Cabinet to justify himself, surely nowhere else under the Union Jack would such a condition of affairs exist. Surely there would have been one man on his feet on the first day the House opened and say “this is a lie,” but up to 8 o’clock no man rose to his feet and attempted to say that this was a lie and now because the rules of Parliamentary procedure – because the Speaker wants to quote rules at us, we are to be jockeyed into the position where we have to bow down. Is that the position? I am sure that if we have to appeal to King George and bring the affairs of this poor little Island to his attention, I am sure that he would not permit it. His Excellency has been brought into this and [the] Prime Minister said that he would ask the advice of His Excellency ...

Rt. Hon. Prime Minister: Pardon me.

Mr. Byrne: He said he would consult with His Excellency as to how he would proceed, why he is the principal one charged, he with the Secretary of State and Dr. Campbell, they say they will advise His Excellency what they are going to do when everyone who knows that the procedure should be the other way about, that is everyone who knows a little about Parliamentary procedure. Now as to the 40 members here, this is not a political matter; these charges did not originate from the Opposition benches, they originated from the former Minister of Finance and Customs. He came here and not only did he lay down these charges in detail, but he called God to witness that what he said was true. That is very serious. Everyone would say that these charges are well-founded except the Prime Minister, and he is not a man. Shame, shame, I say to the Cabinet. I stood here in this House and I heard the Secretary of State in answer to some questions, four times I heard him say it, he said my word is sufficient; my reputation will stand my word when I give it. In case it is doubt, I refer to the sale of the S.S. *Susu*, when we charged that the *Susu* was sold for \$25,000, his word was

not good enough, we let the matter go until near the closing of the House and we asked if the matter had been put through and he said "No" and a few days after the House had closed, we found that the sale had been put through. What I am getting at is that the Secretary of State, this man without blame when asked a question, said, "My word should be sufficient," now this man is linked up with these charges and he does not stand up and say "I demand an enquiry"...

Hon. Secretary of State: That has already been stated.

Mr. Emerson: What?

Hon. Secretary of State: That it is being investigated.

Mr. Emerson: No one said that. Who said that? Even the Prime Minister wouldn't say that.

Mr. Byrne: We have an assurance that there is going to be an investigation. The Member for Burin West is evidently talking to waste time. I say it is an outrage. The Government benches are packed with men who are only wooden dummies. When Mr. Cashin first made his charges, he mentioned no names, and did we hear a word of denial from any member of the Government? Are you going to go back to your constituencies and say, this is just another plot against the Government? You were sent here by people who put their trust in you, and many of you have never said a word from the time you came here. In my opinion, Sir, this is the gravest thing that has ever been brought up before this House of Assembly. Every thinking man heard these charges, how are you going to go back to your constituencies and face your electors? Don't you believe that every man, woman, and child, children who have come to the use of reason, knows that responsible officers of the Crown have been charged with flagrant offences, moneys manipulated to suit private individuals, Minutes of Council falsified. These Cabinet Ministers won't get up. What is the answer? Are we going to submit to the position that we are not going to have an enquiry? I submit, Sir, that such a course would be an impossibility. If these charges were made in the heat of debate I could overlook it, but when it is done calmly and without heat I think it is a different matter. I say to every Member of the Cabinet that I wouldn't be in your position for anything.

When Cashin made his charges I would be on my feet as I expected every Member opposite would be. As I expected Dr. Mosdell to be, as I expected Dr. Campbell to be – Mr. Bindon was not in it, we could not expect him, but the Hon. Mr. Bradley, but not one, and on their silence I am afraid, as far as I am concerned, Mr. Chairman, they must be condemned, because I am quite sure that in contrast with what is happening in Canada, there must be a reason for this silence. Take the position in Ottawa: very recently a member for Lower Canada made a charge against the Prime Minister of Canada, and he accused him of arranging affairs so that his brother-in-law could, by getting three or four positions of great emolument, take a honeymoon trip to Europe. This Member stood up in his seat and made the charge that the Prime Minister of Canada had paid for the honeymoon trip of his brother-in-law to the other side; he later qualified it. What did the Prime Minister of Canada do? He immediately demanded that a Committee of seven of the House take these charges into consideration and go into them. Take the Prime Minister of Newfoundland: he is charged with an offence one hundred times as great. What does he do? He sits there and

persistently attempts to carry out the business of the day on the Order Paper although these charges are hurled at him across the House in no unmistakable manner. He persistently attempts to carry on the business of the House, and, Mr. Chairman, while we all want to observe the law and order and decorum of this House – you must bear with me when I say that one begins to consider just what one has to do to get recognition in this House.

I will say, Sir, that when I rose to my feet I did not intend to speak at any length; I rose to speak of the \$10,000 allocation for St. John's, and as the Hon. Leader of the Opposition has well said, the least that could be done was that the Mayor and Municipal Council might have been interviewed before it was done. That is what I stood up to speak about, and I feel that if I have gone on at length seeing eye to eye with the Hon. Member for Burin West. When he stood here this afternoon he challenged the sincerity of all members on this side of the House. I am very much afraid that I doubted his sincerity, and I am very much afraid that I still doubt it. Having made those remarks, I suppose now I should apologize for prolonging the debate, but still I do feel this, that as 40 representatives of the Island of Newfoundland whatever side of the House we are on, each individual must carry his responsibility; each individually is representing thousands of people in this House who cannot speak for themselves, and each individually must take the responsibility of blocking or letting open to the daylight of review and research and the calling of evidence on these charges. Why not court open publicity; as has been pointed out, this Select Committee can clean up the charges, can put the report on this table within a week. As a man votes and sits in this House let that be his responsibility, but surely we as 40 responsible men are going to see that justice is done, first to His Majesty, next to this House and then to the people of Newfoundland.

Mr. Emerson: There are one or two questions arising in connection with this that I would like to ask the Prime Minister. Under the Loan Act of 1930 there was some \$500,000 indicated for the Hotel¹⁶ to pay off the indebtedness of the Hotel. I would like to know what happened to that \$500,000.

Rt. Hon. Prime Minister: I will be able to get that information to-morrow; I know that there [is] \$200,000 or \$300,000 that had been paid. Mr. Cashin, who has retired from the office and brings to the Opposition all the information that he had during his four years, will be able to give full information, perhaps.

Mr. Cashin: I will answer that question. In reply to the Prime Minister, I am not a Member of the Opposition. I am an Independent Member of this House, but I am prepared to tell him what happened to the \$500,000. There is not \$500,000 there. In 1930 when the Loan Act was passed, \$500,000 was earmarked for the purpose of paying off the bond issue of the Hotel. A lot of legal technicalities were run up against. I remember distinctly trying to get the thing put through. The Department of Justice and lawyers in connection with the Trust Company were negotiating on the thing for some time. Interest on the Hotel came due in May, and in October or the first part of November; consequently the interest, which amounted to about \$25,000 a year, was paid out of that

¹⁶ The Newfoundland Hotel.

\$500,000, and when we paid the last lot of interest in November last there remained to the credit of that loan \$447,000 earmarked on the books of the Government for that purpose of paying off the indebtedness on the Hotel. When the financial crash came that amount lay to the credit of the loan in the Bank of Montreal, and was shown in the general bank statement as being to the credit of [the] Exchequer Account. When Sir Percy Thompson and Mr. Penson came to Newfoundland, rumours were afloat that they had discovered \$900,000 that no one knew anything about. I think we all heard about it. Included in this money that no one knew anything about was this \$450,000 for the purpose of paying the bond issue of the Hotel.

Here is what happened. If we deducted that money out of that account and paid off the bond issue, the whole of the bond issue, [the] Exchequer Account would be in debt to-day to the tune of about \$300,000, so negotiations had to take place with the Montreal Trust Company and the Royal Bank of Canada to try and pay it off in installments, after lawyers' fees, etc., had been paid, which amounted, together with an installment on the note – we might call it a note – we paid \$175,000 out of that amount and borrowed on a temporary loan \$300,000 from the Royal Bank of Canada for the purpose of wiping out the bill. Consequently, to-day on the books of the Government there should be to the credit of the 1930 loan on paper an amount of approximately \$300,000, while the actual cash would not be in the Bank but the \$300,000 was raised by temporary loan for six months under the Audit Act, and when that note becomes due – I forget when it will be – this money was raised in October, but the note will come due in May. We will either have to pick it up and pay, which the Government can't do, or we will have to renew the loan, paying interest on it and possibly some on account. There is no money there in reality, but on the books of the Government there is approximately \$300,000 to the credit of the loan. If I have not made it quite clear, cross-examine me on it. I will be only too delighted.

Rt. Hon. Prime Minister: I want to thank the late Minister of Finance. The Hon. Member can realize the amazing difficulty which I realized in starting in and trying to make myself familiar with the matter, and in handling these resolutions. I might say that this is a specific document by Sir Percy Thompson with respect to certain loans. There will be similar resolutions in connection with loan matters, and similar in connection with financial matters, but these resolutions relate to four loans and four loans only, nothing else outside the Loan Acts of 1898, 1927, 1928, and 1929. These resolutions relate to, and have been drawn up expressly to relate to, these particular loans. Tomorrow or the next day I shall be submitting to the House matters dealing with this Hotel matter. That is why it is impossible for me to accept any amendment to these resolutions because they relate exclusively to these four particular things, and will be governed and controlled by the three whereas relating to the various Acts of Parliament to which they refer.

Mr. Byrne: Then it is not too late now.

Rt. Hon. Prime Minister: It is too late because it has gone to [the] Exchequer.

Mr. Byrne: It has not been spent.

Mr. Emerson: Mr. Chairman, the reason I asked that question, for the answer to which I am very

grateful to the Hon. Member for Ferryland, about the Hotel, is to deal generally with the provisions of this Bill. We are, as pointed out by the Hon. Member for Burin West, the Minister of Marine and Fisheries, in a particularly difficult financial position to-day, and when one comes to see Bills of this kind being brought in and dealt with, and then have the finances of the Newfoundland Hotel Loan Act before us, it is not surprising that we are in the position in which we are. It has to be borne in mind that these loans which we are disposing of this evening, amounting to \$300,000, are the balances of money which we have borrowed from people abroad and upon which we are paying 5 per cent, most of it at any rate. For years some of this money has been lying in the bank earning 3 per cent, and at the same time we are making temporary loans from the banks paying 5 and 5½ per cent. I made this remark to the then Minister of Finance a couple of years ago when he spoke about the loan that he was going to raise, and I told him to take off a million dollars, to take these balances lying in the bank earning 3 per cent, save 2 per cent on them and not increase public debt. Now we have had some of these moneys, for two or more years, borrowed by him lying in the bank, in some cases getting interest and in other cases not. We are paying 5 per cent on loans and the purposes for which these moneys were voted have already been dealt with – an instance of this is the matter of financing in relation to the Hotel. We go into the market, borrow \$500,000 to pay off the debt due to the Royal Bank of Canada on the Hotel, and pay an interest of 5 per cent to the man who lent us the money.

We were paying 11 per cent on our money because those responsible, and I blame principally the Law Officers of the Crown, were too indifferent to see to it. I call it, Sir, unqualified waste. Unqualified, absolute laziness. A few years ago the Minister of Finance brought in a bill dealing with a new loan, though at that time we had two separate and considerable sums of money lying to our credit in the banks. It seems that all our governments can only think in millions.

Now with regard to the Humber Constituency Account. First of all, I think it is perfectly clear that no Member of the House is supposed to carry any responsibility as to the expenditure of public moneys. It is true that his wishes as to its expenditure are almost invariably respected by the Minister. Supposing for instance that a sum of money had been voted for my constituency of Placentia East, I would expect the Minister of Marine and Fisheries or the Minister concerned to treat my recommendations with courtesy and to carry out my wishes, and that has been my experience so far. But the Minister is not bound to carry out my wishes, and that is as it should be. The responsibility is the Minister's and not the Member's. But this is not what happened with the Humber Constituency Account. All district moneys are supposed to stay in the Exchequer Account. They are supposed to be under the control of the ministers and no others. They are not supposed to be taken and put in trust accounts away from ministerial control. These amounts are voted annually, and if not expended they are supposed to go into the Exchequer Account. Provision is supposed to be made for the year only, and there is no power of transfer conferred on the member. Moreover all interest is supposed to go into the Exchequer Account.

Pursuant to Notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider certain Resolutions for the amendment of Chapter 127 of the Consolidated Statutes (Third Series) entitled "Of Companies."

Pursuant to Notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself

*into a Committee of the Whole to consider certain Resolutions for the amendment of Chapter 111 of the Consolidated Statutes (Third Series) entitled "Of the Registration of Deeds and Other Documents."*¹⁷

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: Mr. Chairman, I would prefer to read the Bill by way of explanation. In the case of companies there is an increase of from \$3 to \$5 for certain charges. In the matter of mortgages, when the value of property does not exceed \$250, the charge for registration is \$2.50. But when the value of the property exceeds \$250, but does not exceed \$500, the charge is to be \$5.00. For the transfer or release of a mortgage the charge is to be increased from \$1.50 to \$2.50. I would like to express my appreciation for the efficient and eminently satisfactory work performed by the staff in connection with the Office of Companies and Deeds. Within recent years the Supreme Court has had very efficient officials in that office, and I would ask that their salaries and expenses be taken into consideration when the occasion presents itself.

Mr. Emerson: Mr. Chairman, may I say in connection with both these Bills that the Minister of Justice take the proper steps in introducing both of them. Originally the Registrar of Deeds and Companies charged fees more to carry out the expenses of the office, as it was then specifically for the benefit of those who took advantage of that particular office. Now it has become, as in any other country, a revenue-producing office, as the stamps produce substantial amounts to the Government each year. The increase in the Companies Act is quite clear to me, but I have to frankly admit I cannot follow the Resolution dealing with the Registration of Deeds and other Documents, though I feel they are entitled to consideration. However, the matter will come before us again in the form of a Bill, and I think if there is any suggestion to be made then it can be dealt with [then], and so I would suggest that the Committee accept the Resolutions in their present form.

In passing, I may remark to the Minister of Justice that I am not quite clear in one particular matter. Take the case of a man who is indebted to the extent of \$5,000. He has property valued at only \$2,000 and he proposes to give his creditor a mortgage on that property. Now the creditor must recite on the \$5,000 debt although he is getting only \$2,000 security, because you cannot separate the one debt and take security in part, and he has to pay a registration fee on the amount of conveyance for \$5,000. I suggest that for the consideration of the Minister of Justice. I entirely agree with what the Minister has said in connection with the efficiency of the Department of the Registrar. It is well run, and a more hard-working and better-qualified man than the present official in charge would be difficult to find. The members of the legal profession always speak in the highest of terms of the staff in that office, and I am sure that the members of the House and the outside public are fully satisfied that the Department has done well.

¹⁷ In the *Journal* (28-29) and *The Evening Telegram* (February 19, 1932) these two matters are listed as being dealt with in two separate committees of the whole. It is clear from the transcript, however, that they were dealt with together.

Mr. Winter: Mr. Chairman, I would like to associate myself with what has been said by my colleague and the Prime Minister. I think I referred to this same matter during previous sessions of the House when dealing with the rates of salaries paid to various officials in that Department. In my opinion, the officials in that office have given the utmost satisfaction during the past few years, as the revenue produced will verify, and the credit for that is entirely due to the very competent, capable, and efficient Registrar – Mr. Maddick. I hope some day, when finances warrant it, that due recognition will be given to that gentleman for his excellent service. I think Mr. Maddick is entitled to as much monetary consideration as a Deputy Minister is.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed the said Resolutions without amendment, and recommended that a Bill be introduced to give effect to the same.

On motion this report was received and adopted, and it was ordered that the Bill entitled “An Act for the Amendment of Chapter 127 of the Consolidated Statutes (Third Series) entitled ‘Of Companies’” be introduced and read a first time, and that it be read a second time on to-morrow.

On motion this report was received and adopted, and it was ordered that the Bill entitled “An Act for the Amendment of Chapter 111 of the Consolidated Statutes (Third Series) entitled ‘Of the Registration of Deeds and Other Documents’” be introduced and read a first time, and that it be read a second time on to-morrow.¹⁸

Pursuant to Order, and on motion of Rt. Hon the Prime Minister, the Bill entitled “An Act to Amend the Law Relating to the Carriage of Goods by Sea” was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Rt. Hon. Prime Minister: I move that this Bill be read a second time. I do not think that it is necessary to make any remarks now as we will go into Committee stage to-morrow. Two months ago I forwarded copies of the Bill to shipping interests here and abroad, and there is one amendment, a \$500 rate being reduced to the original \$100, members felt that it should go back to the \$500. I consequently move the second reading.

Mr. Emerson: About a month ago the Prime Minister sent me a copy of the Bill and I gave the matter a little thought. In the past, bills of lading gave considerable trouble because of their variety, and also because of the unlimited power it gave the companies to contract without liability. Where losses and breakages occurred, it was practically impossible to catch the companies liable, they had contracted themselves out of everything, and Furness Withy provided that any disputes should be settled in the courts in England. This would entail considerable expense to people looking for

¹⁸ These Bills (“Of Companies” and “Of the Registration of Deeds ...”) are not introduced together in the *Journal*, but the official transcript deals with them in this way.

damages for small packages, and consequently the company became careless. This Bill provides for a uniform bill of lading and gives reasonable rules for what they shall contain. The only thing I am sorry about is that this Bill did not originate in the Upper House. The Prime Minister has sent copies to the various shipping companies, I take it has been considered by the shippers, and the Upper House may send back some modifications if they think they are needed. I think that this Bill is a very good one, and there are two suggestions I would like to make for the approval or otherwise of the Prime Minister. The first is to make paragraph 7 a new paragraph (*reads*). The object is that in many cases small shipments are lost and it would not pay the consignees to take action in England. That in my opinion is unfair, the shipping company has its office here and is doing business here, and there is no reason why the Newfoundland courts cannot deal with these matters. The shipping companies have nothing to fear from our courts. Our courts seem to go on the principle that it must be made clear to these people that they are getting justice. It is no hardship on them, and I suggest to the Prime Minister that he accept this amendment. The second is caused by an oversight in drafting, sub-section (3) of Section 3 says: (*reads*). Now that means that this Bill will come in force July 1 1932, and there will be no code of law to guide us until July 1932. I would suggest as an amendment, (*reads*). I would be very glad if the Hon. the Prime Minister would consider these amendments and, if he sees fit to, accept them.

Rt. Hon. Prime Minister: I would like to thank the Hon. Member for examining the Bill and giving us the benefit of his expert knowledge and advice. It would be a great help to legislation in this country if every Bill had the advantage of receiving such expert scrutiny and advice. I thank him very much and assure him that his suggested amendments will have my fullest consideration.

Notices of Motion were given by Mr. Alderdice as follows:

To move that there be appointed a Select Committee of the House consisting of five to enquire into by taking evidence upon oath and sending for persons, records and things, and to report to the House (with a verbatim copy of the evidence taken and documents adduced) upon a certain charge made by the Honourable Member for Ferryland, on the 16th day of February, 1932, past, as contained in a Speech that he delivered, namely:

That upon the following dates the Prime Minister (Sir Richard Squires) wrongfully procured to be transferred from the Department of Marine and Fisheries and/or the Department of Public Works, and/or the Highroads Commission, the following amounts, namely:

1929	August 16th	\$20,000
	November 14th	9,000
1930	May 10th	5,100
	May 15th	11,000
	September 25th	5,000

to be placed to the credit of an account known as Humber Constituency Trust Account, and in so far as the said transfers purport to have been made by virtue of an Order in Council, such order or orders and each of them were procured to be signed by His Excellency the Governor without having

first been passed by the Committee of Council and without the knowledge direct or indirect of the members of Council.

To move that there be appointed a Select Committee of the House consisting of five to enquire into by taking evidence upon oath and sending for persons, records and things, and to report to the House (with a verbatim copy of the evidence taken and documents adduced) upon a certain charge made by the Honourable Member for Ferryland, on the 16th day of February, 1932, past, as contained in a Speech that he delivered, namely:

That the Secretary of State (Hon. A. Barnes) wrongfully caused to be entered in the Minute Book of the Executive Council the purported Minute referred to in No. 5 above knowing that the same had not been passed by members of the Council.

To move that there be appointed a Select Committee of the House consisting of five to enquire into by taking evidence upon oath and sending for persons, records and things, and to report to the House (with a verbatim copy of the evidence taken and documents adduced) upon a certain charge made by the Honourable Member for Ferryland, on the 16th day of February, 1932, past, as contained in a Speech that he delivered, namely:

That the Secretary of State (Hon. A. Barnes) wrongfully caused to be entered in the Minute Book of the Executive Council the purported Minute of December 5, 1932, knowing that the same had not been passed by members of the Council.

To move that there be appointed a Select Committee of the House consisting of five to enquire into by taking evidence upon oath and sending for persons, records and things, and to report to the House (with a verbatim copy of the evidence taken and documents adduced) upon a certain charge made by the Honourable Member for Ferryland, on the 16th day of February, 1932, past, as contained in a Speech that he delivered, namely:

That the Prime Minister (Sir Richard Squires) wrongfully received the sum of \$2,500 under and by virtue of the purported Minute of December 22, 1931.

To move that there be appointed a Select Committee of the House consisting of five to enquire into by taking evidence upon oath and sending for persons, records and things, and to report to the House (with a verbatim copy of the evidence taken and documents adduced) upon a certain charge made by the Honourable Member for Ferryland, on the 16th day of February, 1932, past, as contained in a Speech that he delivered, namely:

That the Prime Minister (Sir Richard Squires) wrongfully received the sum of \$5,000 under and by virtue of the purported Minute of Council of the 5th day of December, 1931.

To move that there be appointed a Select Committee of the House consisting of five to enquire into by taking evidence upon oath and sending for persons, records and things, and to report to the House (with a verbatim copy of the evidence taken and documents adduced) upon a certain charge made by the Honourable Member for Ferryland, on the 16th day of February, 1932, past, as contained in a Speech that he delivered, namely:

That on or about the 22nd day of December, 1931, the Prime Minister (Sir Richard Squires) procured to be signed by His Excellency the Governor what purported to be a Minute of Council

ordering to be paid to himself the sum of \$5,000, to Mr. B. E. S. Dunfield, K.C., the sum of \$5,000, to Mr. Curtis, K.C., the sum of \$2,000 and to Hon. A. J. Walsh the sum of \$3,000 out of the General Contingencies Fund, the said Order not having been passed by the Committee of Council and being obtained from His Excellency the Governor without the knowledge, direct or indirect, of the members of Council.

To move that there be appointed a Select Committee of the House consisting of five to enquire into by taking evidence upon oath and sending for persons, records and things, and to report to the House (with a verbatim copy of the evidence taken and documents adduced) upon a certain charge made by the Honourable Member for Ferryland, on the 16th day of February, 1932, past, as contained in a Speech that he delivered, namely:

That on or about the 5th day of December, 1931, the Prime Minister (Sir Richard Squires) procured to be signed by His Excellency the Governor what purported to be a Minute of Council ordering to be paid to himself out of the Reparations Account, the sum of \$5,000, the said Order not having been passed by the Committee of Council and being obtained from His Excellency the Governor without the knowledge, direct or indirect, of the members of Council.

To move that there be appointed a Select Committee of the House consisting of five to enquire into by taking evidence upon oath and sending for persons, records and things, and to report to the House (with a verbatim copy of the evidence taken and documents adduced) upon a certain charge made by the Honourable Member for Ferryland, on the 16th day of February, 1932, past, as contained in a Speech that he delivered, namely:

That Honourable Dr. Campbell, by receiving a salary of \$45 per month from the Customs Department was guilty of a breach of Chapter 4 of the Consolidated Statutes (Third Series) Section 3, and thereby had vacated his seat in the House of Assembly and subjected himself otherwise to the penalties set forth [in] the said Chapter.

To move that there be appointed a Select Committee of the House consisting of five to enquire into by taking evidence upon oath and sending for persons, records and things, and to report to the House (with a verbatim copy of the evidence taken and documents adduced) upon a certain charge made by the Honourable Member for Ferryland, on the 16th day of February, 1932, past, as contained in a Speech that he delivered, namely:

That the Honourable Member for St. Barbe (Mr. Skanes) had during the year 1931 forged the endorsement of a cheque issued by the Department of Marine and Fisheries in favour of one Sandy Payne for \$500 and had wrongfully obtained the proceeds thereof.

To move that there be appointed a Select Committee of the House consisting of five to enquire into by taking evidence upon oath and sending for persons, records and things, and to report to the House (with a verbatim copy of the evidence taken and documents adduced) upon a certain charge made by the Honourable Member for Ferryland, on the 16th day of February, 1932, past, as contained in a Speech that he delivered, namely:

That the Minister of Justice (Sir Richard Squires) during the year 1931 received from the Department of Marine and Fisheries information that a cheque for \$500 had been issued, payable to one Sandy Payne, and that the endorsement of the name of the payee thereof had been forged by the

Honourable Member for St. Barbe (Mr. Skanes) and that he had received the proceeds of the said cheque and that the Minister of Justice had failed to take the usual and necessary steps in connection with charges of this kind, and had endeavoured to induce the Minister of Marine and Fisheries to withdraw the complaint, receive back the money, and consider the incident closed.

To move that there be appointed a Select Committee of the House consisting of five to enquire into by taking evidence upon oath and sending for persons, records and things, and to report to the House (with a verbatim copy of the evidence taken and documents adduced) upon a certain charge made by the Honourable Member for Ferryland, on the 16th day of February, 1932, past, as contained in a Speech that he delivered, namely:

That Hon. Dr. Campbell, a Member of the Executive Council, had not complied during the years 1929-30-31 with the provisions of the Income Tax Act in regard to making returns of his income for the said years or in regard to payment of the taxes payable by him thereon.

Rt. Hon. Prime Minister: In adjourning until [Tuesday] afternoon, I would like to say that this year the estimates will be a matter of outstanding difficulty. It means the entire reorganization of the whole thing. Mr. Penson is working on them, and they are not prepared in the same way as formerly. There are many changes in the Departments and a more scientific effort is being made to establish a scale of salaries on a scientific basis. This matter necessitates party meetings day and night, and we feel that the Budget should be placed before the House at the earliest possible date, and I would ask the courtesy of the House so that we can introduce the Budget before we go on with the Address in Reply. The usual practice is not to discuss financial matters before the Address in Reply is disposed of. It is advisable, however, to have the Budget ready as soon as possible, and if it is possible to get sufficient pressure on all concerned we will have it Tuesday. I would like to ask the courtesy of the House in this connection, and to realize the enormous volume of work this entails.

Mr. Puddester: I would like to refer to the Report of Foreign Affairs on page 651, (*reads*).

Rt. Hon. Prime Minister: That has not come before the Committee of Council up to this date, to say nothing of compulsory labour coming before us, would you mind re-reading that paragraph again?

Oh yes, that relates to certain slave labour in Russia and China and places such as these. If the Hon. Member would like to have full information on the subject I would be very glad to give it to him.

Hon. Leader of the Opposition: Do you penalize goods produced by forced labour?

Rt. Hon. Prime Minister: It does not encourage prison labour and such like. I would be glad to have the dispatches forwarded to the Leader of the Opposition. It doesn't affect our exports or imports, Great Britain accepted on behalf of the others and we just fall in line.

On the motion to adjourn Mr. Puddester asked the Prime Minister if it was true according to rumour that Mr. Magor had resigned his position of Relief Controller, and if so, who was now in

charge of that department?

In reply the Prime Minister stated that as Mr. Magor was principally brought to Newfoundland for commercial enquiries and activities, he was now leaving the position of Relief Controller to take up his former work. In place of Mr. Magor, the Inspector General and Mr. Penson were looking after the work assisted by the same committee as advised Mr. Magor. [*Daily News*, February 19, 1932]

The Prime Minister tabled the Auditor General's Report.

The House adjourned at 9:50 p.m.

The remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises it adjourn until Tuesday afternoon next, the 23rd instant, at three of the clock.

The House then adjourned accordingly.

Tuesday, February 23, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Speaker read the following correspondence from His Excellency the Governor:

The Governor has the honour to communicate to the Honourable House of Assembly the appointment of the Commissioners of Internal Economy of the Legislature in accordance with the provisions of Section 4, Cap. 7 Consolidated Statutes (Third Series) as set forth in the accompanying certified copy of a Minute of the Honourable Executive Council approved on the 8th of February 1932.

*Government House,
St. John's, Newfoundland,
11 February, 1932.*

Certified Copy of Minutes of the Honourable Executive Council approved by His Excellency the Governor on the 8th February, 1932.

February 5, 1932.

Under the provisions of Section 4 of Cap. 7, Consolidated Statutes, "Of the Internal Economy of the Legislature," it was ordered that the following persons be the Commission of Internal Economy of the Legislature, namely:

*Honourable President Legislative Council
Honourable Sir Tasker Cook, Kt.
Honourable J. V. O'Dea
Honourable The Speaker, House of Assembly
Honourable H. M. Mosdell, M.D.
Honourable F. G. Bradley, K.C., and
Honourable P. J. Lewis*

*Certified true copy,
(Sgd.) Arthur Mews,
Deputy Secretary of State.*

Mr. Emerson: Mr. Speaker, before proceeding with the regular business of the House, I beg to rise on a question of privilege. It will be remembered that on Tuesday last, in answer to question (3) on the Order Paper, namely, "To ask Rt. Hon. the Prime Minister to lay upon the table of the House all Minutes of Council, letters of authority, telegrams, cables, letters and other documents relative to the engagement of Sir Percy Thompson and Mr. J. H. Penson and the terms of their engagement and the duties which they were engaged to perform, and to state if any change has been made in the terms of the said agreements since their arrival in Newfoundland, and if so, what?" the Prime Minister intimated to this House that apart from a Minute of Council he read, there was only one other document dealing with this matter, and that was a personal letter written to him by Sir Percy

Thompson when he was in London. It was then pointed out to the Prime Minister that a letter to him in his capacity as Prime Minister of Newfoundland could not be considered a private and personal letter and should be tabled in the House. But the Prime Minister still refused to table it, claiming it was a personal letter. Now, Sir, I hold in my hand copies of two letters taken from *The Evening Telegram* newspaper. The first one is dated February 19th and is from Sir Percy Thompson to the Prime Minister.

Rt. Hon. Prime Minister: The letter to which the honourable gentleman refers was sent by me to the *Evening Telegram* for publication.

Mr. Emerson: That is no reply at all. It is a question of the privileges of this House. The House asked for an answer to that question, and the reply given to it by the Prime Minister was that a private and personal letter was received from Sir Percy Thompson dealing with the whole situation and it was not for tabling. That is the point I am making, and I say that the Prime Minister's answer was untrue, and being untrue it is a gross breach of the privileges of this House. Now the letter is not a private letter, but a public one, and it is a document which fixed the agreement as between the Prime Minister, on behalf of the Newfoundland Government, and Sir Percy Thompson.

Hon. the Speaker: May I ask the Hon. Member what grounds of privilege he hopes to make?

Mr. Emerson: That this House is entitled to question Ministers as to matters of public importance, and it is the privilege of this House to receive answers that are truthfully and fully [answered], and that there has been a breach of these privileges on the part of the Prime Minister whose answer has not been truthful and full.

Hon. the Speaker: If it has not been answered fully I think the proper procedure is to order the answer.

Mr. Emerson: I am not asking to have it ordered. I am rising on a question of privilege because the answer given by the Prime Minister is untrue. The document in question is the only document upon which the terms of the agreement are set forth, and that is the point my question aimed at. The letter was written by Sir Percy Thompson in London and reads as follows: (*reads letter*).

This is a proposal in definite terms from Sir Percy Thompson to the Prime Minister as to his engagement in Newfoundland, and a week or so later Sir Percy asks him if the terms were acceptable to him. In the light of that the Prime Minister tells the House, when asked for correspondence relative to the matter, that there was only one letter and that was a private and personal one. His reply to-day that he sent this correspondence to the *Evening Telegram* for publication only adds to the insult. In other words, he sends to the *Evening Telegram* when he refused to give us and I submit, Sir, such conduct is a gross breach of his privileges of this House.

Rt. Hon. Prime Minister: As soon as I had an opportunity of getting in communication with Sir Percy Thompson and had his permission to make the correspondence public, I handed it to my Secretary to have it published immediately, so that it would not be necessary for any member to wait

24 hours longer to have it tabled.

Mr. Emerson: May I point out that it was not a question of waiting until he got the letter in the form he desired. He sent it to the press when he was directed to do so by Sir Percy Thompson, because Sir Percy says in the first part of his letter, "If you are correctly reported in the press." [*Daily News*, February 24, 1932]

Mr. Puddester: Mr. Speaker, I beg leave to present a petition from the District of Bay de Verde. This petition is signed by nearly every one of the electors of Ochre Pit Cove near Bay de Verde, and asks the Minister of Marine and Fisheries for a set of regulations governing trawl berths. This would greatly facilitate the catching of fish, as now at the present time the people have to go out in the month of January to place landmarks for their trawl berths, and they feel that if these regulations were made by the Minister of Marine and Fisheries, so that they could go out in the months of May and June and place their landmarks, it would be a great deal more convenient. In some places in Newfoundland there are regulations for trap berths, this however is slightly different, this is trawl berths, but these people feel that a set of regulations can be drawn up to cover this as well. There is another section of the people who have their trawl berths out who are against this petition, and they also have drawn up a counter-petition. I have much pleasure in handing the petition and the counter-petition to the Minister of Marine and Fisheries for him to decide which would better serve the interests of the people of this section.

I have another petition from the electors of the North side of Western Bay asking that a very much needed public facility be restored. Last year a Post Office, which was there for a number of years, was removed. This Post Office cost about \$30 a year, and last year it turned over a revenue of about \$130. The people of this section claim that the discontinuance of this Post Office will not benefit the revenue of the country. This Post Office is some two miles away from the next office and they think that this is only false economy. I have much pleasure in supporting this petition and ask that it be referred to the Department of Posts and Telegraphs.

Rt. Hon. the Prime Minister gave notice that he would on to-morrow ask leave to introduce a Bill entitled "An Act to Amend the Act 20 George V., Chapter 3, entitled 'An Act Authorizing the Governor-in-Council to Enter into a Contract with the American Telephone and Telegraph Company.'"

Mr. Byrne gave notice of question.

Mr. Tobin gave notice of question.

Mr. Moore gave notice of question.

Mr. Alderdice gave notice of question.

Mr. Quinton gave notice of question.

Mr. Puddester gave notice of question.

Mr. Emerson gave notice of question.

Mr. Winter gave notice of question.

Mr. Cashin gave notice of question.

*Mr. Lewis gave notice of question.*¹⁹

Pursuant to notice, and on motion of Rt. Hon. The Prime Minister, the Bill entitled "An Act Respecting Press Dispatches" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Hon. the Prime Minister ... explained it was not a bill of censure but simply to deal with persons who sent dispatches, after they have been sent.

Mr. Alderdice: After the harm is done you will penalize. [*Daily News*, February 24, 1932]

Mr. Cashin: to move that a Select Committee of the House be appointed to enquire and take evidence upon oath and report to this House all the facts relative to the inspiring and sending out the public messages dated February 12th and 15th.

Mr. Speaker, I move that that motion of mine be wiped off the Order Paper until we see what kind of messages went out Friday, Saturday and Monday.

Pursuant to notice, Mr. Alderdice moved and Mr. Emerson seconded the following motion:

That there be appointed a Select Committee of the House consisting of five to enquire into by taking evidence upon oath and sending for persons, records and things, and to report to the House (with a verbatim copy of the evidence taken and documents adduced) upon a certain charge made by the Honourable Member for Ferryland, on the 16th day of February, 1932, past, as contained in a Speech that he delivered, namely:

That upon the following dates the Prime Minister (Sir Richard Squires) wrongfully procured to be transferred from the Department of Marine and Fisheries and/or the Department of Public Works and/or the Highroads Commission, the following amounts, namely:

<i>August 16, 1929</i>	<i>\$20,000</i>
<i>November 14, 1929</i>	<i>9,800</i>
<i>May 10, 1930</i>	<i>5,000²⁰</i>
<i>May 15, 1930</i>	<i>11,000</i>
<i>September 25, 1930</i>	<i>5,000</i>

to be placed to the credit of an account known as the Humber Constituency Trust Account, and in so far as the said transfers purport to have been made by virtue of an Order in Council, such Order or Orders and each of them were procured to be signed by His Excellency the Governor

¹⁹ "Hon. Mr. Lewis asked that copies of Public Dispatches sent out to the outports last Friday, Saturday and Monday be tabled." *Evening Telegram*, February 24, 1932, p. 5.

²⁰ Other documents (February 18, 1932) state the May 10th amount was \$5,100.

without having first been passed by the Committee of Council and without the knowledge, direct or indirect, of the members of Council.

Hon. Leader of the Opposition: Mr. Speaker, I beg to make the motion just read. A few days ago, Mr. Speaker, to be more exact at the last sitting of this House, I stated that in the making of these motions I was not actuated by any spirit of contempt or desire to bring the Members accused into disrepute, or to gain political capital. It is a very serious matter; these charges are very serious; we should consider them in a very serious light; we should try to dissipate all party or political feeling in the consideration of these charges. It is in that spirit I would ask Honourable Members as well as Members of this side of the House to discuss and consider these charges. These charges are extremely serious, they have been made by an Honourable Member for this House and an Honourable member who has for some three and a half years been the colleague of the Honourable Members accused of these very serious charges. In addition, up to within a very few weeks that Honourable Member has occupied one of the most responsible positions in the gift of the present Government. The Honourable Member, or to name him more specifically, the Hon. Member for Ferryland, has occupied a seat in this House for a good number of years. For that reason he must, by his experience, have indicated to him the serious position he remains in if he is unable to sustain his charges. Still greater responsibility rests upon the Honourable Members who are lying under these charges. It is not only their duty for their own sakes, but their duty for the sake of the Honourable Members of this House, the House of Parliament generally, to do all that lies in their power to avail of every possible opportunity to vindicate themselves of these charges. They must do so because evasion, Mr. Speaker, is an admission of guilt. And upon you too, Mr. Speaker, rests a responsibility. Your ruling on these motions will be broadcast all over the British Empire, and comment made in every parliament of our Empire, and I am very sure that before you arrive at the ruling you are going to give us this afternoon, you consulted other eminent legal authorities so that you might be fortified in your opinion, and I should not be surprised if you have communicated with your colleague as it were, the Hon. Speaker of the British House of Commons, to assist you in arriving at a fair and equitable rule.

Responsibility rests on every Member of this House to give an impartial opinion expressed by vote as to his acceptance or non-acceptance of these motions. It would be unthinkable, Mr. Speaker, if we were to balk justice by refusing to consider to give fair consideration, and if we felt they were right and proper, I say unthinkable if we refused to vote for them, and it would be still more unthinkable if we failed to give the Members lying under these charges, if we failed to give them the opportunity of vindicating themselves that these Select Committees will give them. I consider it would be nothing more than a gross miscarriage of justice if we don't give the Honourable Members lying under those charges the opportunity to come before their peers of this House, give evidence and vindicate their good names. So briefly, Mr. Speaker, you are anxious to give a fair ruling. Those who are accused of these very grave charges are looking to us Members of the House to see that they get fair British play in the matter of these charges; that they get a chance to prove their innocence, and that if there should be any shadow of doubt in any of these accusations that these Honourable Members who are charged with these grave, I would call them crimes, that they should have the benefit of the doubt. Mr. Speaker, I would suggest, according to the rule of parliamentary practice, that the Rt. Hon. Prime Minister withdraw from the House during the

discussion of this motion.

Hon. the Speaker: The motion is not before the House until it is seconded.

Mr. Emerson: I second the motion.

Hon. the Speaker: It is moved by the Hon. Leader of the Opposition and seconded by Mr. Emerson.

Rt. Hon. Prime Minister: I beg to move an amendment as follows, this amendment to be seconded by the Hon. Secretary of State.

Mr. Emerson: I rise to a Point of Order. I respectfully submit that the motion is for the appointment of a Select Committee to consider charges laid against the Prime Minister, and that it is entirely out of order for the Prime Minister to make such a motion.

Rt. Hon. Prime Minister: My honourable friend may listen to the motion and see that it is a much more comprehensive motion.

Mr. Emerson: I think it is highly improper that the amendment should not be dealt with by some other Member.

Hon. Leader of the Opposition: I think it is quite out ...

Rt. Hon. Prime Minister: I think I should have the privilege ...

Hon. Leader of the Opposition: You are the criminal in this case, you are being tried.

Rt. Hon. Prime Minister: I thought just now, Sir, that the Hon. Leader of the Opposition said that he was handling this matter without any party feeling. I am now convinced from his observations that that word should not have been used with that anger and spontaneous passion, if his statement had coincided with his mind.

Mr. Emerson: It is a question of order.

Hon. the Speaker: I call upon the Leader of the Opposition to retract the statement, "You are the criminal."

Hon. Leader of the Opposition: What would you like me to say? "The accused"?

Hon. the Speaker: There is a charge made against him.

Hon. Leader of the Opposition: He is the accused.

Hon. the Speaker: He is the Member against whom this charge is made.

Hon. Leader of the Opposition: I will make it any way you like. I think it is most improper for the accused, let me say it this time, for the accused to attempt to conduct proceedings against him. If he had any sense of decency he would not have handled it, he would have handed it to the Member for Trinity East and would have gone right out of this House and let us have unrestricted discussion.

Hon. the Speaker: When a charge is made, we are bound by the Rules of the House.

Hon. Leader of the Opposition: Most of us are bound by common decency.

Mr. Emerson: I think my question of order is as to whether the person charged in this matter is the proper person to move an amendment to the motion.

Hon. the Speaker: It is a question whether the person charged can or cannot move an amendment.

Mr. Emerson: You may put it any way you wish. We are not only bound by written rules; there are other rules or privileges of Parliament which are reserved. We are also bound by that little book of rules; it does not contain the only orders that bind the House, and you have to rule upon those.

Hon. the Speaker: I can only rule by analogy. Where a person is not entitled to vote because of interest in the matter before the House, that does not debar him from putting a motion before the House or making an amendment. Even that does not entitle him to vote.

Mr. Emerson: There is no analogy whatever.

Hon. the Speaker: I think the Prime Minister is entitled unless the Hon. Member can show me a rule.

Mr. Emerson: It does not need a rule, it is so obvious.

Rt. Hon. Prime Minister: May I proceed, Mr. Speaker?

Rt. Hon. the Prime Minister moved and Hon. the Secretary of State seconded the following amendment:

That all the words after the word "that" on the first line be stricken out and the following substituted therefor:

The following address be presented to His Excellency, Sir John Middleton, K.B.E., C.M.G., Governor of Newfoundland:

To His Excellency Sir John Middleton, K.B.E., C.M.G., Governor.

May it please Your Excellency:

(1) *On the 16th day of February, 1932, in the House of Assembly the Hon. Member for Ferryland, Mr. Peter J. Cashin, lately Minister of the Governor-in-Council, and lately Minister of Finance and Customs, made certain charges against the Prime Minister, Rt. Hon. Sir Richard A. Squires, P.C., K.C.M.G., K.C., and the Secretary of State, the Hon. Arthur Barnes, Ph.D., which he declared were falsification of Minutes of Council.*

(2) *These charges have been formulated by the Hon. Member for St. John's City, East, Mr. F. C. Alderdice, Leader of the Opposition, as follows:*

(a) *That upon the following dates the Prime Minister wrongfully procured to be transferred from the Department of Marine and Fisheries and/or the Department of Public Works and/or the Highroads Commission the following amounts, namely:*

<i>August 16, 1929</i>	<i>\$20,000</i>
<i>November 14, 1929</i>	<i>9,800</i>
<i>May 10, 1930</i>	<i>5,100</i>
<i>May 15, 1930</i>	<i>11,000</i>
<i>September 25, 1930</i>	<i>5,000</i>

to be placed to the credit of an account known as Humber Constituency Trust Account, and in so far as the said transfers purport to have been made by virtue of an Order in Council, such Order or Orders and each of them were procured to be signed by His Excellency the Governor without having first been passed by the Committee of Council and without the knowledge direct or indirect of the members of Council.

(b) *That on or about the 22nd day of December, 1931, the Prime Minister (Sir Richard Squires) procured to be signed by His Excellency the Governor what purported to be a Minute of Council ordering to be paid to himself the sum of \$5,000, to Mr. B. E. S. Dunfield, K.C., the sum of \$5,000, to Mr. Curtis, K.C. the sum of \$2,000 and to Hon. A. J. Walsh the sum of \$3,000 out of the General Contingencies Fund, the said Order not having been passed by the Committee of Council and being obtained from his Excellency the Governor without the knowledge direct or indirect of the members of Council.*

(c) *That the Secretary of State (Hon. A. Barnes) wrongfully caused to be entered in the Minute Book of the Executive Council the purported Minute referred to above knowing that the same had not been passed by members of the Council.*

(d) *That the Prime Minister (Sir Richard Squires) wrongfully received the sum of \$2,500 under and by virtue of the purported Minute of December 22, 1931.*

(e) *That on or about the 5th day of December, 1931, the Prime Minister (Sir Richard Squires) procured to be signed by His Excellency the Governor what purported to be a Minute of Council ordering to be paid to himself out of the Reparations Account the sum of \$5,000, the said*

Order not having been passed by the Committee of Council and being obtained from His Excellency the Governor without the knowledge direct or indirect of the members of Council.

(f) That the Secretary of State (Hon. A. Barnes) wrongfully caused to be entered in the Minute Book of the Executive Council the purported Minute referred to above knowing that the same had not been passed by members of the Council.

(g) That the Prime Minister (Sir Richard Squires) wrongfully received the sum of \$5,000 under and by virtue of the purported Minute of Council of the 5th day of December, 1931.

In addition to the charges formulated by the said Hon. Member for St John's City East, Mr. F. C. Alderdice, Leader of the Opposition, the said Hon. Member for Ferryland, Mr. Peter J. Cashin, made the following charges also relating to Minutes of Council:

(h) That on or about the 28th day of July, 1930, a false Minute, manipulated by the Prime Minister and His Secretary of State, transferred \$100,000 which had been allocated for the Memorial College and lay to the credit of the 1930 loan in the Bank of Montreal, to an Account in the Canadian Bank of Commerce.

(i) That the Prime Minister (Sir Richard Squires) at a meeting of Your Excellency the Governor-in-Council held at Government House on the 5th day of January, 1932, omitted to read a certain Minute and/or Minutes of Council which were duly entered in the Minute Book.

(3) In substance the charges are that the said Ministers willfully and fraudulently deceived Your Excellency and wrongfully induced Your Excellency to sign Minutes of Council, which Your Excellency would not have signed but for false representation.

(4) These charges gravely affect the honour of the said Ministers and impair the confidence on which Your Excellency must rely in the administration of the affairs of the Dominion of Newfoundland.

(5) The House of Assembly is of the opinion that these charges should be fully investigated.

(6) Such an enquiry involves an investigation into the practice, procedure, discussions and decisions of the Committee of Council.

(7) Such of Your Ministers as are members of Your Excellency the Governor-in-Council are bound by oath not to disclose what takes place at the meetings of the Executive. This oath of secrecy has no binding force as between Your Excellency and Your Ministers.

(8) The Ministers whose conduct is directly impugned, together with the Ministers who fail to call Your Excellency's attention to any irregularities in connection with any Minute of Council should have proper opportunity of defending themselves without breaking the obligations of their oath as members of the Governor-in-Council.

(9) The House of Assembly humbly prays that Your Excellency will be pleased to enquire fully into [these] charges and any matter or matters connected therewith and to take such action as may be meet in the premises, and to inform the House as to whether or not there has been any falsification of the said Minutes, and whether or not Your Excellency was deceived or induced by such deception to sign the Minute in question.

*Respectfully submitted for Your Excellency's consideration.
Speaker.*

Rt. Hon. Prime Minister: I may say that this petition to His Excellency includes not only the first charge, but also the two additional ones made by the Member from Ferryland. I ask permission to retire at this stage.

Hon. Dr. Barnes: I wish to second the motion and to ask permission to retire.

Hon. the Speaker: You have heard the amendment. What is the pleasure of the House?

Mr. Puddester: Mr. Speaker, I would like to enquire what is the real meaning of the amendment. Does not His Excellency have to accept the advice of his Ministers? The Governor has to enquire into the matter and devise ways and means and then be advised by his Ministers, therefore I say that in my opinion this amendment is nothing more except a very nice way of whitewashing the accused. This House has a number of records of Royal Commissions appointed during the past couple of years. I have one in my mind's eye which was conducted in the Tower Room of the Court House,²¹ and it was nothing more than a farce. The whole thing was hedged around, and nothing was produced except what was in favour of the accused, and that's what's going to happen in this case. I must say that I never heard of anything to equal this. For two accused to move and second an amendment directing the procedure by which they are to be tried, when they should have no part whatever in the proceedings. I say it is entirely improper for anyone to stand up in court and to move an amendment to the regular procedure, except if it is done by his counsel. For men in their position to move and second an amendment of that character is something absolutely unheard of. I have been in this House when in 1917 a certain Member was accused. He didn't speak and rightly so, for an accused should take no part in the proceedings. This amendment is simply a proposal to take [the] matter out of the proper channels and give [it] to a commission named by His Excellency's advisors, an opportunity for letting them down easy. The whole thing is a smokescreen. Mr. Speaker, why should we go outside the House? There are Hon. Members on both sides of this House well qualified to deal with the matter. This House is the highest court in Newfoundland. Why should we go outside it? If the Members accused have nothing to fear, why are they doing this? If they have no fear of the truth seeing the light of day, why should they go outside the House? There are Members in this House well capable of enquiring into the matter. An innocent man should only be too glad to put his

²¹ The report in *The Daily News*, February 24, 1932, says this occurred in 1920.

case into the hands of five members of this House. Mr. Speaker, I wish to oppose the amendment for the reasons stated.

Hon. Leader of the Opposition: That amendment is a confession of guilt.

Mr. Winter: Mr. Speaker, are you satisfied that this amendment is in order? Its object must be patent and obvious to everyone. The House is now three weeks in session. Three weeks ago these charges were made and to my amazement, and I am sure to the great majority of those present, the Prime Minister sat in his seat and said nothing. On the next day the charges were dealt with more fully, and again nothing was said in reply. On the last day a motion was made for a committee of enquiry, and the charges separated according to [the] wish of the Speaker, and still no reply to the charges was made. It is almost unbelievable that the Prime Minister, the person accused, should have the temerity to stand up in this House and presume to say how the charges should be dealt with.

I say, Sir, that what is taking place here to-day is indecent. What happened in Canada, as already referred to by my honourable friend from Placentia East, when a grave charge of a grave nature – though not as grave as was made here – was made on the Prime Minister of Canada. He immediately jumped to his feet and moved that a Committee of Enquiry be appointed so that members of the Canadian House of Commons, which is the highest court in the land and one whose duty it is to enquire into all details, reported on it. That was the only decent and obvious thing to do, and that was the only decent and obvious thing for the Prime Minister of Newfoundland to do when charges were made in this House. The Prime Minister of Newfoundland rose in his seat and started to draw red herrings across the trail by referring to breach of secrecy, and quoted an extract from an English paper containing an attack on Mr. Snowden by Mr. Smith. That had nothing to do whatever with the serious charges that were laid before this House to be dealt with. He did not say whether he was or was not guilty, but at the last sitting he informed the House that anybody charged with a crime is presumed to be not guilty until proved guilty. But, Sir, he has not even pleaded not guilty to these charges. In fact, he has not said a word to contradict them, but, as I anticipated, he asked for a recess of four days to consider this matter, and now he comes down with this amendment asking that this be taken out of the sphere of enquiry by this House and that it be passed over to His Excellency the Governor, who is to be advised by his Minister what to do. It is simply passing the buck and it is irregular and indecent to say the least of it. Mr. Emerson quoted his authority last session, pointing that this matter should be dealt with by a Committee of Enquiry from this House, and anybody who has any idea of parliamentary procedure and practice knows that this House is the proper tribunal for this matter to be dealt with. Why send it outside to a Commission which will probably report on it six months hence, if it ever reports at all? Members of this House should be jealous of its privilege. Surely the Members on the other side want to know the details of this serious affair, and surely the Members of the Executive Council must know something about it, although not one of them have got up and said anything. The Minister of Marine and Fisheries stated a few days ago that we were delaying important business being done by discussing these grave charges. Well I submit that no more important business will occupy this House than an investigation of these grave charges, and had that enquiry been instituted when the charges were made, as it should have been done in all decency, it would have been probed ere this. Now we are no further ahead and we are told that there is other business to come up. But the honour and the integrity of this House and its Members is at

stake, and I do not think that members of the Government realize the gravity and the seriousness of these charges, and I again submit that the proper authority to deal with these is this House of Parliament. I would here like to quote from F. G. Todd, an eminent authority on parliamentary procedure on such matters (*quotes authorities*).²²

Now, Sir, I do not want to weary the House by quoting other instances and there are a number of others, as you know, but to have the Prime Minister here this afternoon move an amendment that this enquiry should be burked – because that is all it means – is only an attempt to put it off and in all probability there will be no report made. If this goes to His Excellency the Governor I venture to say there will be no report, and, as I previously remarked, this House before proceeding further should be satisfied. I do not want to delay the business of the House, and if there has been delay the Government is to blame, as the Members accused should have demanded an immediate enquiry. This Court of Enquiry could have been sitting for the past three weeks, and the whole thing would have been cleared up by now; but to take it out of the province of this House and to make an Address to the Governor is nothing short of an attempt to burke the issue so that no report will be forthcoming during the present session of the House. Surely the members of the Government are not going to let go unchallenged the grave charges made against their Leader and Secretary of State? I cannot believe that these men are guilty of the crimes they have been charged with, and I say that a Select Committee of this House should conduct the enquiry into the charges made.

Mr. Emerson: Mr. Speaker, I take it that this is the final effort of the Prime Minister to ring down the curtain upon these charges; but before the House is tested as to whether Hon. Members will support that effort, or whether they will vote according to their consciences and according to the oath which they took when they became Members, I would like to say a few words. I would particularly direct their attention to the fact that they are performing their duties in this House under oath, an oath of loyalty to the King, because an appeal has been made to that oath by the Prime Minister in an address which he had proposed should be sent to His Excellency the Governor, and I do beg of Honourable Members to bear that in mind when they are considering the vote they are going to cast upon this proposed amendment.

Now, in the first place, I would point out that there has not been suggested to any Member of this House one single reason why a Committee of Enquiry should not be appointed, leaving aside for a moment all question of the charges themselves. In the second place, there certainly has been no argument put forward to show why an address to the Governor, which has been proposed this afternoon, should take the place of that Committee of Enquiry. There is no doubt – and His Honour the Speaker has already held so – but that it is within the province of this House to appoint a Committee of Enquiry. The Speaker in so far as he could require any support, has been supported in these passages from the eminent authorities quoted by my honourable friend from Burin East, and these authorities go further than the mere formal ruling of the Speaker, because they point out that not only is it the right of Parliament, not only is it within its power, but that it is its duty to enquire into matters of this kind. That is what is meant by saying that Ministers of the Crown are responsible

²² “He quoted from Pitt and Fox, great British statesmen, showing the Commons was supreme. The House should be jealous of its privileges ...” *Daily News*, February 24, 1932.

to Parliament and every Executive act can be made the subject of the most searching enquiry, either by the House as a Whole or by a Committee of the House.

Now there are obvious advantages to be gained by such an enquiry, while referring it to the Governor-in-Council has several distinct disadvantages. In the first place we all know the constitutional position of His Excellency and his Ministry. It is the constitutional practice that His Excellency takes the advice of his Ministry. This is the very foundation of our constitutional Government, and this House is now asked to sanction a proposition that this matter be referred to His Excellency, who is bound to accept the advice of his Ministers, and the most important amongst those who advise him are the very ones against whom these charges are levelled. We are asked to sanction a request that we ask the Governor to enquire from his Prime Minister what steps he should take as regards these charges which have been made against the Prime Minister. This suggestion that the Prime Minister is asking us to vote for this afternoon does not provide for any form of enquiry, and the Governor may make the simplest form of enquiry by merely asking Sir Richard if this is true or not.

Now, Sir, I think that the manifest disadvantages of this form of enquiry are obvious and that this is clearly an attempt to evade the proper methods, and these are the ones suggested by the Hon. Leader of the Opposition (*reads from the amendment*). That is simply carrying out what was foreshadowed the other day when the Prime Minister dealt with the matter now before the House and I pointed out that no oath of office could be binding when a serious charge of fraud is made, in fact it is quite the contrary, it is the duty of every Member to disclose at the first moment all he knows in relation to the matter. That is the oath they took to the King, to serve him loyally, and no Member is serving the King loyally when he remains silent in regard to a matter of this kind. Whether or not there has been a fraud has to be decided, and the whole idea behind the oath of office is quite clear. When questions of high policy, particularly in England, from where we draw all our rules and precedents, are daily confronting the King's Cabinet, it is essential that until the Cabinet's decision is arrived at, until their decision is fixed, it is absolutely essential that the utmost secrecy be maintained as to what is taking place in the Cabinet. That is quite obviously necessary for carrying on the Government's business, but it is clear that when an announcement has been made as to what the Government is going to do, it is no longer necessary to remain silent on that question. Can it be said that when the Prime Minister of England announces that the Cabinet has decided on a certain line of action at a certain time he is breaking his oath of office? Can it be said that the Secretary of State by denying the charges against him on opening day would be breaking his oath of secrecy? That would be placing a construction on the oath of office that would be ridiculous. Members could make the wildest charges against Ministers and they would be bound to remain silent. As a matter of fact the opposite is the case. A House of Parliament should publish the fact that such foul charges are not true, and if these charges are not true they are foul charges and should be immediately denied, and there would be no breaking of the oath of secrecy. I would ask the question that as these charges were made on the 4th of February, and it is only after fighting every session that we now have a suggestion of an address to the Governor, why was this not suggested at once? The answer is quite obvious, it was never intended, until some members of the Prime Minister's party objected, it was never intended that an enquiry be held at all. When they insisted on it he put forward this as a last gesture to quieten them. That is the only reason for the Address.

I will conclude, Sir, by reminding all Members of the responsibilities of their office and that

a vote in favour of this amendment is a vote admitting that these offences have been committed.

Mr. Lewis: Mr. Speaker, the matter before the Chair is not a matter that any Member of this House should allow to be passed without, I submit, expressing one's views as to whether or not he thinks that the proper procedure has been adopted in order to clean up this apparent mess. I am not in a position here to state at the present time whether there is anything in these charges, but as a Member of this Assembly I do say that never in the history of Parliament, certainly never in this one, have charges of such grave nature been thrown across this House.

Possibly never before in the history of Parliament have charges of such grave nature been thrown across the floors of the House. The one thing that is necessary and essential is that the best possible machinery to put in motion for the purpose of giving an impartial finding on the whole question. Now, as far as I am concerned personally, I want to see this matter ventilated, and I want to see a finding made that will be above suspicion, both from the point of political bias, personal animosity, [and] any other motive whatsoever. I agree with many of the things that have been said by the Hon. Member for Placentia East. I know he is sincere in his desire to have an impartial enquiry into this whole matter. I have listened very attentively to him throughout his remarks to hear a convincing argument against the procedure which is suggested in the amendment. He has advanced several arguments, it is true, but I suggest, Mr. Speaker, that a parliamentary committee is open to one grave objection, very serious objection in this matter, and that is its findings, at any rate, are likely to be coloured politically. Now, I have not yet heard from any of the speakers that that would not be so, and certain suggestions have been made in objecting to the other alternative procedure that a commission that may be appointed as a result of this address to His Excellency the Governor may be coloured also, in so far as he would take the advice of his Ministers, who are the people labouring under these charges. I say to that, that these charges are so serious; they have been disseminated throughout Newfoundland to-day; I believe every thinking man in this country has his eye on this Assembly to-day to know what we are going to do about these charges, and therefore it is a question of the greatest national importance that we should appeal to the highest authority and that we should put in motion machinery that is above reproach. I therefore think that His Excellency the Governor would not – I hesitate to imagine that he would – ignore the wishes of this Assembly in taking the most expeditious route in bringing this matter to a head by appointing a commission, the personnel of which would have as far as possible the confidence of all fair-minded and fair-thinking Newfoundlanders. I think that that is the best safeguard we have that an impartial enquiry will be held into this whole matter, that by bringing it, as this House intends to do, formally before his notice by intimating to him that it is the urgent desire of this Parliament he investigate immediately those very grave charges that have been made. I feel, and I think each and every member of this Assembly feels as well, that he will take the best possible steps to clean up this sad situation and resolve it one way or the other within the shortest space of time. Therefore, Mr. Speaker, I feel that the amendment is the better method of getting at the bottom of this whole matter. You foreshadowed it some days ago when this matter was up for vote for to-day, and if you had decided to-day that the proper and only method of dealing with this whole question was by means of parliamentary commission, I certainly would support the appointment of that commission. I do think that the procedure outlined in this amendment is the better method, and I therefore will support it.

Mr. Cashin: Mr. Speaker, I did not intend to make any remarks in connection with this matter at all, but since I listened to the debate of the Prime Minister who moved this motion, the Member for Placentia East, and my friend Mr. Lewis, I have come to the conclusion after reading this document that it is a further document worse even possibly than the Minutes of Council, and I will tell you what this document, this last paragraph says: [*Reads: "The House of Assembly humbly prays ..."*].

It has been pointed out by a legal gentleman that His Excellency takes the advice of his Ministers, Executive Ministers, and I say that this document, which is an amendment to the motion by the Hon. Leader of the Opposition, is a document to frame my statements and to try and say they are false, and it is framed for that particular purpose, and no other. I don't purport to say whether or whether not it was done on purpose, but I do say this, that as a Member of this House I have a right to go further and state that this document is not going to get away, and I sit down and allow this to be passed by the Members of this House for the purpose of framing me a liar, and that is what it is done for. We have had a lot of trash talk in this House during the past two weeks in connection with these statements that I have made. Why all this talk? Was it not a case of giving people ten and twelve days bail, nothing more or less, and this afternoon when the Hon. Leader of the Opposition, and I want to state here and now that I have no connection with the Opposition, that when that motion was moved, the Prime Minister gets up and puts this amendment. I say now he did it, and it was framed by him and his Secretary of State to try to make a liar out of me, and I claim it is indecent. Arguments have taken place in this House in connection with whether matters have been in order or not. I am not an authority on the Rules of the House but I do say that in my opinion, that people who are involved in this statement should have the common decency not to express any opinion whatsoever; not one person from yourself, Sir, down. There is the sum of \$1,500 paid you, Mr. Speaker, which I claim was paid by a false Minute of Council, and you, Sir, and I am doing this in all respect was ...

Hon. the Speaker: If the Hon. Member wishes to make any charges, I will ask the House to move that that matter ...

Mr. Cashin: You received that money. I am not making charges against you, and I say that money was voted through a false Minute of Council. You therefore, as Speaker of the House, have got to give a decision one way or the other on this matter. With all due respect to your ruling, Mr. Speaker, you are bound to be prejudiced, and I do not purport to allow my integrity, if I have any, to be framed by the Prime Minister or the Secretary of State, and I am just an ordinary common man on the street; that is my position, that is what it was done for. The Prime Minister, who is involved, arrived at the most ridiculous position that he could not get a member of his party to move this amendment. He had to come in and move it himself. With the number of gentlemen on the other side, the Prime Minister had to come in and move this amendment himself. There is nothing in the history of the Government of Newfoundland to compare with this procedure. I am disgusted. I feel like an individual who never wants to come here again, because I am in this position and I have made a statement to which I am prepared to take oath. Then I come in and find that in a gangster manner I am attempted to be framed, and as an ordinary man I am going to look out for my own interests in this community. That is my job. With reference to this amendment, I could not vote for that; it is like voting myself into oblivion. Therefore I say now, and I don't care what Members of

this House do, but I make this statement that Members of the House of Assembly who vote for that document as it is to-day are condoners of acts which I state were perpetrated by the Government of this country.

Hon. the Speaker: Is the House ready for the question? You have heard the amendment; it is scarcely necessary to read it over.

Mr. Cashin: In connection with this amendment, with your permission, Mr. Speaker, I want to make another remark or two. This amendment is a serious amendment as far as I am concerned. I suggest that this matter be deferred until to-morrow. I am not going to come down here and have individuals or gangsters frame ...

Hon. the Speaker: The honourable gentleman can't use such language. You will have to take it back.

Mr. Cashin: I did not say the Chair is a gangster. With regard to Hon. Members sitting in the House, yes, I will take it back. There are some Members not sitting in the House.

I would suggest that this be deferred until to-morrow. I am not going to allow myself to be framed. Therefore I want to seek legal advice in connection with this document. I think it is only proper that if the Government have finally decided that they are going to railroad this thing over, they should be as fair to one as the other. I know as far as I am concerned I don't care what way they vote, but on the other hand when I make statements here I am prepared to back them up and not run away from them. I leave it to the House whether or not they think this matter should not be deferred for further consideration. There are a number of Members on this side of the House who did not see that document. I did not see this document until it was read this afternoon. Members of the Government had sixteen days to consider the motion that was put by the Leader of the Opposition. They took twelve days to think it over; they might as well take another twelve on this one and not come in here with that pretext for holding up business.

Hon. the Speaker: What is the pleasure of the House in this matter? You have heard the amendment. The main question is, is the House ready for the amendment?

Whereupon the House divided and there appeared in favour of the amendment: Hon. the Minister of Posts, Hon. Mr. Bradley, Hon. Dr. Campbell, Hon. Dr. Mosdell, Hon. Mr. Lewis, Hon. Mr. Bindon, Mr. Downey, the Minister of Public Works, the Minister of Fisheries, Mr. Brown, Mr. Fitzgibbon, Mr. Skanes, Lady Squires, Mr. Scammell, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr. Parsons, Mr. Fudge, Mr. Strong, Mr. Greene, Mr. Smith, Mr. Murphy, and against it: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Abbott, Mr. Byrne, Mr. Cashin, so it passed in the affirmative.

The original motion was then put when the House divided and there appeared in favour of the Amendment: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Abbott, Mr. Byrne, Mr. Cashin, and against it: Hon. the Minister of Posts, Hon.

Mr. Bradley, Hon. Dr. Campbell, Hon. Dr. Mosdell, Hon. Mr. Lewis, Hon. Mr. Bindon, Mr. Downey, the Minister of Public Works, the Minister of Fisheries, Mr. Brown, Mr. Fitzgibbon, Mr. Skanes, Lady Squires, Mr. Scammell, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr. Parsons, Mr. Fudge, Mr. Strong, Mr. Greene, Mr. Smith, Mr. Murphy, so it passed in the negative and was ordered accordingly.

Pursuant to notice, Mr. Alderdice moved and Mr. Emerson seconded:

"That there be appointed a Select Committee of the House consisting of five to enquire into by taking evidence upon oath and sending for persons, records and things, and to report to the House (with a verbatim copy of the evidence taken and documents adduced) upon a certain charge made by the Honourable Member for Ferryland on the 16th day of February, 1932, past, as contained in a Speech that he delivered, namely:

That on or about the 5th day of December, 1931, the Prime Minister (Sir Richard Squires) procured to be signed by His Excellency the Governor what purported to be a Minute of Council ordering to be paid to himself out of the Reparations Account the sum of \$5,000, the said Order not having been passed by the Committee of Council and being obtained from his Excellency the Governor without the knowledge direct or indirect of the members of Council."

Whereupon the House divided and there appeared in favour of the motion: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Abbott, Mr. Byrne, Mr. Cashin, and against it: Hon. the Minister of Posts, Hon. Mr. Bradley, Hon. Dr. Campbell, Hon. Dr. Mosdell, Hon. Mr. Lewis, Hon. Mr. Bindon, Mr. Downey, the Minister of Public Works, the Minister of Fisheries, Mr. Brown, Mr. Fitzgibbon, Mr. Skanes, Lady Squires, Mr. Scammell, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr. Parsons, Mr. Fudge, Mr. Strong, Mr. Greene, Mr. Smith, Mr. Murphy, so it passed in the negative and was ordered accordingly.

Mr. Alderdice moved and Mr. Emerson seconded:

"That there be appointed a Select Committee of the House consisting of five to enquire into by taking evidence upon oath and sending for persons, records and things, and to report to the House (with a verbatim copy of the evidence taken and documents adduced) upon a certain charge made by the Honourable Member for Ferryland on the 16th day of February, 1932, past, as contained in a Speech that he delivered, namely:

That the Prime Minister (Sir Richard Squires) wrongfully received the sum of \$5,000 under and by virtue of the purported Minute of Council of the 5th day of December, 1931."

Whereupon the House divided and there appeared in favour of the motion: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Abbott, Mr. Byrne, Mr. Cashin, and against it: Hon. the Minister of Posts, Hon. Mr. Bradley, Hon. Dr. Campbell, Hon. Dr. Mosdell, Hon. Mr. Lewis, Hon. Mr. Bindon, Mr. Downey, the Minister of Public Works, the Minister of Fisheries, Mr. Brown, Mr. Fitzgibbon, Mr. Skanes, Lady Squires, Mr. Scammell, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr. Parsons, Mr. Fudge, Mr. Strong, Mr. Greene, Mr. Smith, Mr. Murphy, so it passed in the negative and was ordered accordingly.

Mr. Alderdice moved and Mr. Emerson seconded:

"That there be appointed a Select Committee of the House consisting of five to enquire into by taking evidence upon oath and sending for persons, records and things, and to report to the House (with a verbatim copy of the evidence taken and documents adduced) upon a certain charge made by the Honourable Member for Ferryland on the 16th day of February, 1932, past, as contained in a Speech that he delivered, namely:

That on or about the 22nd day of December, 1931, the Prime Minister (Sir Richard Squires) procured to be signed by His Excellency the Governor what purported to be a Minute of Council ordering to be paid to himself the sum of \$5,000, to B. E. S. Dunfield, K.C., the sum of \$5,000, to Mr. Curtis, K.C., the sum of \$2,000, and to Hon. A. J. Walsh the sum of \$3,000 out of the General Contingencies Fund, the said Order not having been passed by the Committee of Council and being obtained from His Excellency the Governor without the knowledge, direct or indirect, of the members of the Council."

Whereupon the House divided and there appeared in favour of the motion: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Abbott, Mr. Byrne, Mr. Cashin, and against it: Hon. the Minister of Posts, Hon. Mr. Bradley, Hon. Dr. Campbell, Hon. Dr. Mosdell, Hon. Mr. Lewis, Hon. Mr. Bindon, Mr. Downey, the Minister of Public Works, the Minister of Fisheries, Mr. Brown, Mr. Fitzgibbon, Mr. Skanes, Lady Squires, Mr. Scammell, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr. Parsons, Mr. Fudge, Mr. Strong, Mr. Greene, Mr. Smith, Mr. Murphy, so it passed in the negative and was ordered accordingly.

Mr. Alderdice moved and Mr. Emerson seconded:

"That there be appointed a Select Committee of the House consisting of five to enquire into by taking evidence upon oath and sending for persons, records and things, and to report to the House (with a verbatim copy of the evidence taken and documents adduced) upon a certain charge made by the Honourable Member for Ferryland on the 16th day of February, 1932, past, as contained in a Speech that he delivered, namely:

That the Prime Minister wrongfully received the sum of \$5,000 under and by virtue of the purported Minute of Council of the 5th day of December, 1931."

Whereupon the House divided and there appeared in favour of the motion: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Abbott, Mr. Byrne, Mr. Cashin, and against it: Hon. the Minister of Posts, Hon. Mr. Bradley, Hon. Dr. Campbell, Hon. Dr. Mosdell, Hon. Mr. Lewis, Hon. Mr. Bindon, Mr. Downey, the Minister of Public Works, the Minister of Fisheries, Mr. Brown, Mr. Fitzgibbon, Mr. Skanes, Lady Squires, Mr. Scammell, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr. Parsons, Mr. Fudge, Mr. Strong, Mr. Greene, Mr. Smith, Mr. Murphy, so it passed in the negative and was ordered accordingly.

Mr. Alderdice moved and Mr. Emerson seconded:

"That there be appointed a Select Committee of the House consisting of five to enquire into by taking evidence upon oath and sending for persons, records and things, and to report to the House (with a verbatim copy of the evidence taken and documents adduced) upon a certain charge made by the Honourable Member for Ferryland on the 16th day of February, 1932, past, as

contained in a Speech that he delivered, namely:

That the Secretary of State (Hon. A. Barnes) wrongfully caused to be entered in the Minute Book of the Executive Council the purported Minute referred to in No. 5 above knowing that the same had not been passed by members of the Council."

Whereupon the House divided and there appeared in favour of the motion: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Abbott, Mr. Byrne, Mr. Cashin, and against it: Hon. the Minister of Posts, Hon. Mr. Bradley, Hon. Dr. Campbell, Hon. Dr. Mosdell, Hon. Mr. Lewis, Hon. Mr. Bindon, Mr. Downey, the Minister of Public Works, the Minister of Fisheries, Mr. Brown, Mr. Fitzgibbon, Mr. Skanes, Lady Squires, Mr. Scammell, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr. Parsons, Mr. Fudge, Mr. Strong, Mr. Greene, Mr. Smith, Mr. Murphy, so it passed in the negative and was ordered accordingly.

Mr. Alderdice moved and Mr. Emerson seconded:

"That there be appointed a Select Committee of the House consisting of five to enquire into by taking evidence upon oath and sending for persons, records and things, and to report to the House (with a verbatim copy of the evidence taken and documents adduced) upon a certain charge made by the Honourable Member for Ferryland on the 16th day of February, 1932, past, as contained in a Speech that he delivered, namely:

That the Secretary of State (Hon. A. Barnes) wrongfully caused to be entered in the Minute Book of the Executive Council the purported Minute of December 5, 1932, knowing that the same had not been passed by members of the Council."

Whereupon the House divided and there appeared in favour of the motion: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Abbott, Mr. Byrne, Mr. Cashin, and against it: Hon. the Minister of Posts, Hon. Mr. Bradley, Hon. Dr. Campbell, Hon. Dr. Mosdell, Hon. Mr. Lewis, Hon. Mr. Bindon, Mr. Downey, the Minister of Public Works, the Minister of Fisheries, Mr. Brown, Mr. Fitzgibbon, Mr. Skanes, Lady Squires, Mr. Scammell, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr. Parsons, Mr. Fudge, Mr. Strong, Mr. Greene, Mr. Smith, Mr. Murphy, so it passed in the negative and was ordered accordingly.

Mr. Alderdice moved and Mr. Emerson, seconded:

"That there be appointed a Select Committee of the House consisting of five to enquire into by taking evidence upon oath and sending for persons, records and things, and to report to the House (with a verbatim copy of the evidence taken and documents adduced) upon a certain charge made by the Honourable Member for Ferryland on the 16th day of February, 1932, past, as contained in a Speech that he delivered, namely:

That the Prime Minister wrongfully received the sum of \$2,500 under and by virtue of the purported Minute of December 22, 1931."

Whereupon the House divided and there appeared in favour of the motion: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Abbott, Mr. Byrne, Mr. Cashin, and against it: Hon. the Minister of Posts, Hon. Mr. Bradley, Hon. Dr.

Campbell, Hon. Dr. Mosdell, Hon. Mr. Lewis, Hon. Mr. Bindon, Mr. Downey, the Minister of Public Works, the Minister of Fisheries, Mr. Brown, Mr. Fitzgibbon, Mr. Skanes, Lady Squires, Mr. Scammell, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr. Parsons, Mr. Fudge, Mr. Strong, Mr. Greene, Mr. Smith, Mr. Murphy, so it passed in the negative and was ordered accordingly.

The motion re the commission to enquire into the charge against Dr. Campbell for not filing his income tax returns was deferred until next sitting.

The motion re the enquiry into the charge against Mr. Skanes for forging the endorsement of a cheque issued by the Marine and Fisheries Department, was deferred by request of the Minister of Marine and Fisheries.

In connection with the charge that the Minister of Justice had received information in this matter and had refused to act, the Prime Minister denied having received any information that called for taking action.

Answers to various questions were tabled. [*Daily News*, February 24, 1932]

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole, to consider the Bill entitled "An Act to Amend the Law Relating to the Carriage of Goods by Sea."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: I understand that the Hon. Member for Placentia East has some amendments to this Bill?

Mr. Emerson: I move that the following section be added: (*reads*). I think I explained this before; the object is to do away with that provision in the bills of lading which stipulates that any disputes which may arise must be tried in the Court in England. I understand, however, how the shipping companies have not the same faith in the courts of some foreign jurisdictions, and they do not want to be held up in every country they do business in, but I do not think that this should apply to Newfoundland. It is quite [*omission*] that when a man here has goods to the value of \$50 or \$60 damaged that he should have to take the case to the courts in England, he should not have to go to the courts in England to enforce his rights. I submit that our courts should have full jurisdiction to try matters of this kind.

Rt. Hon. Prime Minister: The amendment proposed by my learned friend the Member from Placentia East has been carefully considered, and is undoubtedly an improvement on the original Bill, for which we thank Mr. Emerson.

Mr. Emerson: In place of Section 8, I would suggest the following to cover the hiatus from now to July 1, 1932.

Rt. Hon. Prime Minister: That amendment is also very desirable.

The Chairman from the Committee reported that they had considered the matter to them referred, and had passed the said Bill without amendment.

This report was received and adopted, and it was ordered that the said Bill be read a third time on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act in Relation to the Amendment of the Loan Acts 1898, 1927, 1928, and 1929," was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act for the Amendment of Chapter 127 of the Consolidated Statutes (Third Series) entitled 'Of Companies,'" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act for the Amendment of Chapter 111 of the Consolidated Statutes (Third Series) entitled 'Of the Registration of Deeds and Other Documents,'" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Pursuant to Order, and on motion of Hon. the Minister of Posts, the Bill entitled, "An Act to Amend the Radio-Telegraph Act 1930," was read a second time and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Hon. Minister of Posts and Telegraphs: I might say for the information of the House that 2,225 persons paid their licences last year. There was a total of \$2,780 collected; that included ship stations, commercial stations; private stations; amateur experimental stations (*reads*).

There are some outstanding; what this radio branch can do depends really upon the revenue received. It is no cost to the Government; the Government does not spend a cent on it. It depends upon the revenue received from licence fees. If we continue another year we will enforce this Act as far as possible. There are some delinquents who have not paid. Collectors went around to give everybody due notice; they had to check up on them so that those getting clear of taxes would be brought to book, because it seems unfair for a majority to be paying and a certain portion not to be paying. I hope that before the session closes that we will have a report of the Postal Telegraphs tabled, and I intend embodying in that a report from the Radio Branch. It is very interesting but would take up too much of the time of the House to read it at the present time. I hope to table it.²³

Hon. Leader of the Opposition: I should like to ask the Minister of Posts and Telegraphs what radio users get in return for that \$2 tax. So far the only return I have received is a receipt, a written

²³ The Minister "stated that the purpose was to compel all radio dealers to furnish lists of people to whom radios had been sold." *Daily News*, February 24, 1932.

receipt, saying that I paid \$2. I don't suppose any other users have received much other benefit. I think he talks about collecting \$2 or \$3, but surely there is an intention to make some return.

Hon. Minister of Posts and Telegraphs: I crave the indulgence of the House to reply to the question of the Leader of the Opposition. The fees collected are devoted to the elimination of interference (*reads*).

Mr. Puddester asked for consideration in the taxing of Wesley Station [VOWR], and this was promised by the Prime Minister who emphasized the valuable work done by this station in connection with the Viking disaster. [*Daily News*, February 24, 1932]

Pursuant to Order, and on motion of the Minister of Public Works, the Bill entitled "An Act to Reorganize the Department of Public Works," was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Hon. Leader of the Opposition: Mr. Speaker, on the motion to adjourn I would like to know if the Bureau of Education, when framing their Estimates, are going to give compassionate thought to the salaries of teachers throughout the Island? With a reduction of 28 per cent in their salaries, I cannot understand how some of them are living at all, as they were getting not more than a living wage before the cut. The last item of retrenchment should be the salaries of the teachers, yet it was first. If they are to be subject to a further cut, life will not be worth living for them.

Rt. Hon. Prime Minister: Mr. Speaker, the point is well taken, but I might explain. In every department of the civil service there have been substantial cuts and curtailments both in the staffs and in the services. But in the case of the Department of Education there will be no curtailment of service. The result will be that there will be no schools that will not be carried, but there necessarily had to be a reduction on the salaries. This year we are voting 15.3 per cent of the total money we have to spend on the total service of the Island. That 15.3 per cent of the total expenditure is a higher actual percentage basis than ever taken before, and we are taking that percentage out of all our income for that purpose. In going through all the figures, I do not see how it is possible to increase that 15.3 per cent, and it is an amazingly difficult thing to run a department at capacity and organization to pay even reasonable half-decent salaries because of the cuts to be made in the personnel of all other departments.

Hon. Minister of Public Works: Mr. Speaker, may I be permitted to explain an item that appeared in [the] Humber Trust Account? It looks as if that amount of \$339.19 was paid to the Deputy Chief Commissioner of Highroads. I may say that amount was disbursed as follows: (*reads*).

I think it is only fair to make that explanation in justice to Mr. Hall.

Hon. Leader of the Opposition: Mr. Speaker, I have no desire to unnecessarily delay the time of the House, but I would like to ask the Secretary of State, as the representative of the District, in the absence of the Minister of Marine and Fisheries from the House, why he permitted the removal of the whistling buoy from Petites? The people of Burgeo District have time and again appealed to the

Minister of Marine and Fisheries over the removal of this very necessary aid to navigation, but got no satisfaction. I think, Sir, that the Member for the District should have put up a better fight against [the] removal of this buoy. It was there for two years, having been brought there by the *Cape Agulhas*, was the sole means for fishermen picking up the land in stormy weather, and just when it is most needed it is removed, and the unfortunate fishermen of that locality have now got to try and grope their ways in blinding snow storms and other adverse weather conditions. There are 116 fishermen with 469 dependants in that section of the coast, and, if a disaster occurs, the Minister of Marine and Fisheries and the Secretary of State, who is the representative of those people in this House, will have to take their share of the responsibility for it.

I blame the Member for the District because he did not put up a fight. If he had, the whistling buoy would have remained there. Quite a number of people have telegraphed me about it. I understand there are 116 fishermen there; altogether 469 people get their livelihood out of the proceeds of the fishery from that District. It is too late now, but I would not like to be in the shoes of the Minister of Marine and Fisheries or in the position of the Secretary of State if any fatality occurred.

Hon. Secretary of State: It is exceedingly good for the Hon. Leader of the Opposition to take such a paternal interest in the Burgeo District. The matter to which the Hon. Member refers was brought under my notice by a businessman of the District. Immediately, the matter was referred to the Department of Marine and Fisheries and the Minister said that he did not intend to remove the groaner unless he was forced to do so on account of the presence of ice. Some time later there was some sign of ice and the thing was removed, otherwise it would have been lost. The anchor had worn out and the thing would have been driven ashore and would have meant the loss to the Government of about \$3,000 or \$4,000. It is not a case of overlooking the needs of the District, as the Leader of the Opposition would imply.

Hon. Leader of the Opposition: I did not say "overlook." I said the Member for the District did not put up a fight. There was no ice to carry that away. Only on 22 instances has ice come in there. They have had no ice around where that buoy should be for the last eight years. There was nothing to justify the removal of that buoy. There were no instructions given to the Captain of the *Cape Agulhas* to use his own judgement. He was told to take it up and let the unfortunate fishermen be at the mercy of snow squalls.

The following items on the Order Paper were deferred:

Second reading of Bill "An Act to make provision for controlling the export of gold and for regulating the currency in times of emergency."

Second reading of Bill "An Act to amend Chapter 23 of the Consolidated Statutes (Third Series) entitled 'Of the Auditing of Public Accounts.'"

Second reading of Bill "An Act to amend Chapter 27 of the Consolidated Statutes (Third Series) entitled 'Of Death Duties.'"

Second reading of Bill "An Act to amend Chapter 22 of the Consolidated Statutes (Third Series) entitled 'Of the Customs.'"

Second reading of Bill "An Act to amend Chapter 10 of the Consolidated Statutes (Third

Series) entitled 'Of the Department of Finance and Customs.'"

Second reading of Bill to Re-organise and combine the Departments of Marine and Fisheries and of Agriculture and Mines. [*Evening Telegram*, February 25, 1932, p. 15]

Hon. the Prime Minister tabled the Annual Report of H.M. Penitentiary.

It was moved and seconded that when the House rises it adjourn until Tuesday afternoon, March 1st, at three of the clock.

The Prime Minister in explaining the long adjournment stated that efforts were being made to prepare the budget and the estimates and he required the consultation of the heads of departments with Mr. Penson and meetings of his executive and party. [*Daily News*, February 24, 1932]

The House then adjourned accordingly.

Tuesday, March 1, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

Rt. Hon. Prime Minister tabled the following statements:

The Customs Returns.

Report of the Council of Higher Education.

Income Tax Returns.

Hon. the Speaker: I have to report to this House that this morning at 10:30 a.m., in company with the Hon. Member for Bonavista and the Hon. Member for Placentia East, I called upon His Excellency the Governor, Sir John Middleton, and presented to him the Address passed by this House at the last session, and His Excellency was pleased to reply as follows:

Mr. Speaker and Members of the Honourable House of Assembly:

The prayer of your Address will receive my earnest consideration.

(Sgd.) J. Middleton

Governor,

Government House,

St. John's, Newfoundland,

1st March, 1932.

Mr. Puddester: I ask leave, Mr. Speaker, to present a series of petitions from the District of Bay de Verde in connection with the railway service in that District. In August of last year, the branch railways of Ferryland, Heart's Content and Bay de Verde ceased operations. The Executive Committee together with the Railway Commission recommended that operations on these branch railways cease in the month of August. The hardships the people of these Districts have to endure on account of the elimination of this railway service is a very heavy one indeed, and they are now asking that when the Spring comes the operations of these railways be re-commenced. This service during the last few years ceased some time in January and did not re-commence until the first part of May or June, that was not so bad as the time was definite and the people were expecting that there would be some reason for not operating the railway during the Winter when there would be snow drifts and storms to block the line. If it is the intention of the Government to carry out their intention of not having a branch railway there, I give it as my opinion for what it is worth, and as a man who worked with the Railway for several years and was familiar with the costs of running these branches, I give it as my opinion that the cutting of the Bay de Verde branch will not save the country one cent. If this branch were discontinued in January and started in April, and then closed down for a few months during the Summer when trade is dull and then opened again during the Fall when trade becomes brisk, it could be operated successfully, but to close this branch at the end of August when trade is just becoming brisk will not save the country one cent. In my opinion the closing of this branch railway lost thousands of dollars to the country, there would have been thousands of dollars worth of freight carried to Carbonear from St. John's for distribution in [the] Bay de Verde District but the Government and the Railway Commission in its wisdom saw fit to close the branch and we

have to bow to the inevitable. This is the first time that these people have had an opportunity to bring their grievance before the House, and this petition is signed by every man, woman, and child in Island Cove, Grate's Cove and all these places for the consideration of the Secretary of State and the Railway Commission. I would ask this House to receive this petition and that it be referred to the Secretary of State.

Hon. Leader of the Opposition: Mr. Speaker, I desire to support the petition of my honourable friend the Member for Bay de Verde [*omission*] suffer great hardships in getting coal and other commodities from St. John's and other places, and I agree that during the busy seasons it would be a simple matter to run two or three trains a week to take care of that traffic. I have a letter from one of my honourable friend's constituents: (*reads*). I beg to support the petition of the Hon. Member for Bay de Verde and trust that it will be referred to the Department to which it relates.

Mr. Moore: Mr. Speaker, I beg [to] support the petition presented by the Hon. Member for Bay de Verde. There is one fact that I would like to mention in this connection, and that is that of past years in places like Broad Cove all their district grants were spent on marine works, wharves and such like to accommodate the handling of their coal, etc., which they brought from Sydney, now there is not a block left, everything has been swept away and now that the branch railway has been closed they are absolutely without any means of communication whatever. In my opinion, Sir, if the Bay de Verde branch were kept open during the busy seasons, it could be made [to] pay. I think that the Railway Commission could be led to think that if this branch were closed during certain seasons and opened only during the busy seasons of the Spring and Fall that it could be made to pay. I have much pleasure, Sir, in supporting this petition, and I hope that it will receive favourable consideration from the Department to which it relates.

Mr. Earle gave notice of question.

Mr. Fudge gave notice of question.

Mr. Cashin gave notice of question.

Mr. Byrne gave notice of question.

Mr. Tobin gave notice of question.

Mr. Moore gave notice of question.

Mr. Alderdice gave notice of question.

Mr. Puddester gave notice of question.

Mr. Emerson gave notice of question.

Mr. Quinton gave notice of question.

Mr. Winter gave notice of question.

Mr. Puddester gave notice that he would on to-morrow ask leave to introduce a Bill entitled "An Act Respecting Sunday Observances."

Rt. Hon. the Prime Minister gave notice that he would on to-morrow ask leave to introduce a Bill entitled "An Act Respecting the Export of Marine Shells from Labrador and the Islands adjacent thereto."

The Minister of Public Works gave notice that he would on to-morrow ask leave to introduce a Bill entitled "An Act to Amend the Highway Traffic Act, 1925."

Mr. Alderdice moved and Mr. Emerson seconded that there be appointed a Select Committee of the House consisting of five to enquire into by taking evidence upon oath and sending for persons, records, and things, and to report to the House (with a verbatim copy of the evidence taken and the documents adduced) upon a certain charge made by the Honourable Member for Ferryland, on the 16th day of February, 1932, past, as contained in a Speech that he delivered, namely:

That Hon. Dr. Campbell, a member of the Executive Council, has not complied during the years 1929-30-31 with the provisions of the Income Tax Act in regard to making returns of his income for the said years or in regard to the payment of the taxes payable by him thereon.

Rt. Hon. Prime Minister: Mr. Speaker, I have secured from the Assessor's Department a statement dealing with the whole matter, which I propose tabling. This statement should obviate the necessity of an enquiry, and I now ask the Hon. Members to withdraw their motion. The statement is as follows:

1931

September 21st - Letter from me to Hon. Dr. Campbell asking for his Income Tax returns and setting out that I am endeavouring to conclude all returns before 30th September 1931. Section 11(1) ... limits the time wherein the Minister is in a sense obliged to conclude all returns.

September 30th – Letter from Hon. Dr. Campbell promising to furnish returns within a few days and giving an order on an authentic source for the payment of an amount which approximated 33 per cent of his estimated tax.

October 29th – Received for credit of Dr. Campbell's Income Tax from source on which order is given the amount referred above plus a further substantial amount.

November 4th – Wrote Hon. Dr. Campbell acknowledging total cash receipts and advising the placing of same to credit of Income Tax, also referring to the filing of returns.

November 26th - Assessed Hon. Dr. Campbell for \$X and credited his account with cash received on account in advance of assessment which cash receipt exceeded two-fifths his total assessment.

The Assessment was made under Section 11 (1) (2) (3) and was very strict with all possible and probable sources of income fully covered.

December 17th – Letter from Hon. Dr. Campbell referring to his Assessment as excessive. The original Assessments stand without change and subsequent payments for Tax credit were received on December 16th, 1931, January 8th, 1932, and February 1st, 1932.

The matter is set out in Assessment No. 91 on page 3 of the House of Assembly report under date of January 25th, 1932, and in accordance with Section 27 of the Income Tax Act.

No. 91 (balance) is one of three secured Assessments, so entered as I see no reason to question the sources from which this and the other two secured accounts are to be paid; in addition, [I] was informed orally by the late Minister of Finance, that he had arranged the holding of certain payments due to Hon. Dr. Campbell.

John J. Sinnott
Assessor

Department of the Assessor, February 27th, 1932. [*Daily News*, March 2, 1932]

Mr. Alderdice: Should not a fine be imposed when the Assessor has to assess anyone liable under the Act?

Mr. Emerson: May I point out that this memorandum refers to several letters which have not been tabled. If this is the explanation of the situation, why not let us have the letters? I am now going to point out the iniquity of the statement made by the Prime Minister. In the first place the charge is that Dr. Campbell has not made returns for three years, and that charge has not been answered by the Assessor. The charges made distinctly state that he had not paid taxes for 1929, 1930, and 1931. This statement does not say for what years he was assessed. Did the Assessor assess for those years or only for last year?

Rt. Hon. Prime Minister: I have given all the particulars I have received.

Mr. Emerson: Will you postpone this matter until you get the information?

Rt. Hon. Prime Minister: No.

Mr. Emerson: Then you are going to refuse the information and use your majority to do as you like. In the first place the assessment made by the Assessor was not in accordance with the Act, which provides for a penalty of \$10 per day for every day that returns are not made after April 10th. It is clear from the statement of the Assessor that Dr. Campbell did not make returns, and in that respect the charge made is true. Under the Act, when returns are not made, the party should be summoned and an enquiry held, and the Assessor in this connection has all the powers of a Royal Commissioner. He is empowered to take evidence on oath, examine the books and accounts of the delinquent, and then he is empowered to assess according to the information he has received, and not nebulously and without information. He can then sue and execute if the assessment is not paid. We are told that Dr. Campbell has given orders for some payments due to him, but the Member from Ferryland has said that his wages had been stopped and if this had not been done it is quite clear that no payments would have been made. It is clear now that no voluntary payments were made and none at all until they were stopped. There is no authority whatever given in the Act for deferring payments. Why should his income tax not have been paid up in full? Dr. Campbell is making over \$15,000 a year from the government and why should the payment of his income tax be deferred from year to year? It is clear that the whole scandal is true, the scandal of a Minister of the Crown not paying the income tax which every member of the House had voted for.

Whereupon the House divided and there appeared in favour of the motion: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Moore, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Abbott, Mr. Byrne, and against it: Hon. the Prime Minister, Hon. the Secretary of State, Hon. the Minister of Posts, Hon. Mr. Bradley, Hon. Mr. Lewis, Mr. Downey, the Minister of Public Works, the Minister

of Fisheries, Mr. Earle, Mr. Starkes, Mr. Fitzgibbon, Lady Squires, Mr. Scammell, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr. Parsons, Mr. Fudge, Mr. Strong, Mr. Greene, Mr. Smith, Mr. Murphy, so it passed in the negative and was ordered accordingly.

Mr. Alderdice moved and Mr. Emerson seconded that there be appointed a Select Committee of the House consisting of five to enquire into by taking evidence upon oath and sending for persons, records and things, and to report to the House (with a verbatim copy of the evidence taken and the documents adduced) upon a certain charge made by the Honourable Member for Ferryland, on the 16th day of February, 1932, past, as contained in a Speech that he delivered, namely:

That the Honourable Member for St. Barbe (Mr. Skanes) had during the year 1931 forged the endorsement of a cheque issued by the Department of Marine and Fisheries in favour of one Sandy Payne for \$500 and had wrongfully obtained the proceeds thereof.

The motion was accepted, without division, and Mr. Speaker intimated that he would appoint the Select Committee at a later date.

Mr. Speaker then appointed the Select Committee to enquire into certain charges preferred against the Hon. Dr. Campbell, for receiving money as Port Physician, whilst a Member of the House of Assembly, contrary to law, as follows: Hon. Mr. Bradley (Chairman), Mr. Godden, Mr. Strong, Mr. Puddester, Mr. Emerson.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Amend the Law Relating to the Carriage of Goods by Sea" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to notice, and on motion of Hon. the Minister of Posts, the House resolved itself into a Committee of the Whole to consider certain Resolutions for the amendment of Chapter 35 of the Consolidated Statutes (Third Series) entitled "Of the Postal and Telegraph Services."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Hon. Minister of Posts and Telegraphs: Mr. Chairman, although these Resolutions are introduced as an amendment of Chapter 35 of the Consolidated Statutes, still it comes under the Postal Telegraph Service and it may be regarded as a revenue Bill. The Postal Telegraph Department, in common with other departments of the public service, are told that as a result of the financial stringency obtaining at the present time we must get more revenue, and not only must we get more revenue but we must cut down our expenses so that we can make both ends meet. In other words, we must cut our garment according to our cloth.

Mr. Chairman, all increased taxation is objectionable but we have got to submit. In subsection (a) the tax is now 2 cents; we are raising it to 3 cents, that is more proportionate, Section (b) (*reads*); it was 4 cents it is now 6 cents and to parts of the British Empire it was 4 cents it is now 6

cents.²⁴

Hon. Leader of the Opposition: Is the Minister satisfied that by raising the rates he will increase the revenue? In other countries it has been found that by lowering the rate of postage they have increased the revenue. It seems to me that the Minister is taking the risk of defeating the very object for which the Bill is intended. We all know that times are very bad and with increased rates I think that it will be prohibitive, and consequently will result in not an increase of revenue but a decrease. I was wondering if the Minister has any experience or if this is just a leap in the dark?

Mr. Puddester: Take the city postage, there are some concerns that use the Post Office to a large extent, they have found that the posting of letters costs about the same as delivering them by hand and if you increase the rates of postage about the city it might happen that they would cut out the Post Office all together and deliver their mail by hand.

Hon. Minister of Posts and Telegraphs: They may do that.

Hon. Leader of the Opposition: Why not let local and outport postage stand as it is. If you are confident that this measure will increase revenue then increase the foreign postage, but in some places the reverse has been the case, particularly in England; they lowered the rates and they found they got an increase in revenue. We are taking the opposite course.

Hon. Minister of Posts and Telegraphs: The increase is not in the same proportion as the increase in cost. I may say that the estimated revenue from this will be about \$80,000 to \$90,000. I think that members should consider the Bill on its merits, I don't think that this House would approve of holding up any Bill in connection with the finances of the country at the present time.

In reply to an interjection by Mr. Puddester he stated the public message about the vote of censure on the compiler of the public despatch had been sent to-day. (After being ordered sent on Thursday, February 18th). [*Daily News*, March 2, 1932]

Mr. Puddester: I do not want to protest against this Bill, but I do not think that the returns will warrant this increase, certainly not in so far as St. John's is concerned. The tax on newspapers is a hardship, at the present time there happens to be two Opposition papers in the city, and last year we had to pay \$1,100 or \$1,200 that was unloaded on us, and the public has to bear it because they want the news to read, and I contend that they should get it at the cheapest possible price. This tax will mean that we will have to pay some \$3,000 or \$4,000 and this will mean a heavy burden. I remember in 1921 when we had to pay the present rates and the protests that were uttered, and now we have another tax doubling the amount. I consider it very unfair but we have to bow down before the powers that be. We can't bear it ourselves and we have to pass it on to the public.

²⁴ "The bill provided for increases in postage rates by approximately 1 cent all round. Newspapers and periodicals etc., were increased to 1 cent for every 2 ounces. Newspapers from the office of publication were increased to 1 cent per pound, just double the present rate." *Daily News*, March 2, 1932.

Mr. Scammell: In connection with any matters that come before this House on the question of financing, you say you are satisfied to bow to the will of the powers that [be], you have to do it, and you know who those powers are now.

Mr. Emerson: The Hon. Member forgets that the powers that be are the Executive, and that he does what he is told. To refer to the Bill, I must say that I think that so far as any efforts made by the Government with the assistance of the experts to obtain the necessary revenue to balance the Budget, apart altogether from bowing to the will of the powers that be, in any event we have to give our support to it on account of the Bank Agreement signed on the 31st December. At the same time I disagree with them. I must say that I agree with the Hon. Leader of the Opposition that you are defeating the object you are aiming at. You are not going to increase the revenue and you are going to interfere with the exchange of correspondence. One aspect of it that has been called to my attention is this increasing of the Parcel Post rates. Most of the Parcel Post is done in connection with trade between St. John's and the outports, and the cost of these parcel rates is at present very high. If you increase it you are going to interfere with trade, and furthermore, as there is no corresponding increase in Canada, you are going to find that a considerable amount of shopping by post is going to be increased as between Newfoundland and Canada. There will be more buying in Canada than in Newfoundland. Apart altogether from the fact that you are not going to increase the revenue, you are actually going to interfere with trade. I think the Minister should pause and seriously consider before making those changes in the Parcel Post rates. We can only prophesy; we have not got the actual figures before us, we won't have them for another year; yet I feel at the present time it is a step in the wrong direction and you are not going to get the revenue you anticipate.

Hon. Leader of the Opposition: [re Section 24, Franking Privilege] I would ask the Hon. Minister if this is abused. I know some honourable gentlemen on the other side of the House that send bills out under cover of a franked envelope. That is hardly correct, is it?

Hon. Minister of Posts and Telegraphs: Strictly it should not be done.

Hon. Leader of the Opposition: Is there any penalty for it?

Hon. Minister of Posts and Telegraphs: I may say that this Section 24 deals with the sending and not receiving.

Hon. Leader of the Opposition: I am speaking of sending.

Hon. Minister of Posts and Telegraphs: Sending must be in official envelopes.

Hon. Leader of the Opposition: I am speaking now of the privilege of franking, taking advantage of it. For instance, for what does a Member of the House of Assembly use a franked envelope? Is it matters in connection with the country only that he can use a franked envelope for?

Hon. Minister of Posts and Telegraphs: District matters.

Mr. Quinton: This Government has not included the Great War Veterans' Association. I wonder if they were left out by omission or why?

Hon. Minister of Posts and Telegraphs: I don't know whether they were accidentally left out.

Mr. Quinton: I move that the Great War Veterans' Association be inserted.

Hon. Leader of the Opposition: I second that.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed the same with some amendment, and recommended the introduction of a Bill to give effect to the same.

This report was received and adopted, and the Bill entitled "An Act for the Amendment of Chapter 35 of the Consolidated Statutes (Third Series) entitled 'Of the Postal and Telegraph Services'" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. The Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act in Relation to the Amendment of the Loan Acts 1898, 1927, 1928 and 1929."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Mr. Alderdice again pointed out that in his opinion the \$10,000 set aside for the purposes of a City Market should not be included. It was a breach of faith to the city and the Municipal Council had not been consulted on the matter. [*Daily News*, March 2, 1932]

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 on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself

into a Committee of the Whole to consider the Bill entitled "An Act for the Amendment of Chapter 127 of the Consolidated Statutes (Third Series) entitled 'Of Companies.'"

Mr. Speaker left the Chair.

Mr. Smith 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 on to-morrow.

The committee on the Bill relating to registration of deeds and other documents was deferred at the request of Mr. Emerson who stated he was in consultation with members of the legal profession and Mr. Maddick of the Department, and hoped to introduce some amendments to make the act more effective. [*Daily News*, March 2, 1932]

Pursuant to notice, and on motion of Rt. Hon the Prime Minister, the House resolved itself into a Committee of the Whole on Ways and Means.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Hon. the Prime Minister introduced the lengthy document by citing the general depression existing world wide, and which, he asserted, was due in part to the grave crisis existing in our own economic affairs. The failure of the foreign markets to which we exported codfish, seal-oil, seal-skins, cod-oil, newsprint, [and] iron ore, was chiefly the cause of local conditions as we have experienced them during the past eight months.

The Prime Minister then dealt with the financial period 1930-31, and in doing so submitted the following:

Estimated Revenue	\$11,380,000
Estimated Expenditure	11,363,130
Actual Revenue	9,655,640
Actual Expenditure	12,898,933

Showing an actual deficit of \$3,243,292. This figure does not include the additional expenditure made on loan account, which if included would increase the actual expenditure amount to \$15,426,059. These temporary loans, \$2,500,000 were negotiated through the Canadian Banks last June,²⁵ a railway deficit of \$600,000 was also accounted for by a temporary loan.

The Prime Minister then detailed the financial situation of the present fiscal year:

²⁵ "The deficit ... was met by temporary loans of \$500,000 made last March, and of \$2,000,000 raised from the Canadian banks last June." *Daily News*, March 2, 1932, p. 3.

Estimated Revenue	\$10,010,391
Estimated Expenditure	\$11,467,146

which called for an estimated deficit of \$1,456,754. In his opinion the deficit would be close upon \$4,000,000 when the books are closed June 30th, 1932. He estimated the amount expended on dole and relief account would be approximately \$700,000.²⁶

Before July 1st we shall be called upon to meet a considerable portion of the interest on certain loans, consequently he proposes later in the session to introduce a Bill authorizing a loan to be raised within the Dominion.

“Thereafter,” he continued, “our balanced Budget will look after the full interest charges on the Debt of Newfoundland, and with the total interest on both Funded Debt and temporary loans fully secured as a prior charge on Customs Revenue Account, our bonds will form a most attractive investment security.”

The Prime Minister then detailed the re-organization of the various departments and civil service generally. A 10 per cent cut had been made on all civil servants’ salaries and a cut of 25 per cent on all ministerial salaries. He figured this re-organization and salary reductions would mean a decrease in expenditure of almost \$1,000,000. Unfortunately this amount would not be realised this year as an additional \$250,000 had to be expended on relief.

The consolidation of the Marine and Fisheries, and Agriculture and Mines Departments, also the merging of the Highroads and the Government Engineers’ Departments, with that of the Board of Works, he predicted would be a saving of \$700,000. These changes came into effect February 1st.

The attention of the Government and financial experts is now directed to the Posts and Telegraphs Departments, also the Public Health Welfare and other departments in an earnest effort to balance the budget of 1932-33, which, he declared, was highly possible in view of the fact that there are already positive signs of a revival in trade in evidence.

The Prime Minister declared the estimated expenditure should not be greater than \$9,500,000. He then read the following items:

1. Fixed Charges	
Debt Services for 1932-33	\$4,700,000
Customs Refunds	<u>163,000</u>
	\$4,863,700
2. Essential Public Services	
Police and Fire Services.....	244,870
Lighthouse Services.....	<u>224,940</u>
	\$469,810
3. General Expenditures	
Salaries, Office expenses, etc.	\$1,436,572
Social Services and Pensions.....	\$1,868,253
General Expenses.....	715,856
Post Office Subsidies	<u>406,242</u>

²⁶ “As an estimate ... the deficit as at June 30, 1932, would be \$3,800,000 ... Of this deficit, \$2,200,000 was covered by the loan secured December 31 last.” *Daily News*, March 2, 1932, p. 3.

Education	763,065
	\$10,513,498

The reduction of Budget Expenditure, he stated, to approximately \$9,500,000 meant cutting down the vote of regular expenditure by approximately \$1,000,000 on top of the other reductions of approximately \$1,000,000 which were made last Summer by the committee of ministers, mentioned above.

The cut, therefore, will be one-fifth of this total.²⁷

The Prime Minister then followed with statement of estimated expenditure for 1932-33:

Debt Service.....	\$4,700,000.00
Department Finance	258,611.70
Civil Pensions	129,000.00
General Contingencies	50,000.00
Sec. of State and Prime Minister's Depts.....	69,283.85
Election Expenses	60,000.00
Public Health.....	256,266.00
Public Welfare	45,188.50
Bureau of Education	700,000.00
Dept. of Natural Resources	320,915.94
Posts and Telegraph	838,296.37
Dept. of Customs	430,768.95
Assessor of Taxes	37,956.00
War Pensions	455,290.00
Less percentage reductions in salaries	30,000.00

He said the civil service and war pension votes would have to be reduced and he proposed a scaling process. He intimated that the war service pensions here were 116 per cent above that paid in Britain and even with the proposed reduction it will still be 44 per cent above the English scale. The payment of pensions will be discontinued where the disability is under 20 per cent and where the recipient has substantial means of support.

Old age pensions he said would be maintained and so would the orphanage grants.²⁸

Beginning July 1st, 1932, a further reduction in civil service salaries when a 5 per cent cut on salaries over \$1,500 up \$300, 7 per cent on deputy ministers' salaries netting them \$3,000 yearly, the same applies to all other salaries excepting those of the Judges of the Supreme Court.

The following new duty rates were then imposed to take effect 9 o'clock this morning:²⁹ 50 cents a barrel on flour; \$2 a barrel on salt pork and salt beef; 5 cents a gallon on kerosene. The rates of duty collected on goods imported by religious bodies and educational organizations would be, in

²⁷ "Referring to the railway and steamship services, he declared that these must be run on self-balancing lines. There could no longer be permitted to be any deficit falling upon the Exchequer with respect to those services. The same principle, he said, must apply to the postal and telegraph services." *Daily News*, March 2, 1932, p. 3.

²⁸ "He stated that the income from motor licenses would be used separately for the upkeep of motor roads, and that a small grant would be available for local roads." *Daily News*, March 2, 1932, p. 3.

²⁹ March 2, 1932.

future, just half the rates collected on the same goods when imported by others. The duty on imported butter and butterine would be raised from 3 cents to 5 cents a pound, and the excise on them increased by 2 cents. The duty on fresh meat would be increased 1 cent a pound, tea 1 cent a pound, and confectionary by 10 per cent. The import duties on eggs and certain other farm products would be increased thereby affording protection to local farmers. 50 cents a ton on domestic coal imported into any places except Carbonear, Hr. Grace, Placentia, Bell Island and St. John's, these places already paying local coal taxes. The sales tax would be increased from 5 per cent to 7½ per cent. Glue for local manufacturing purposes will be let in duty free, a rebate of one-third will be allowed on sugar, etc., used in local manufacture of confectionary, jams, etc.

Dealing with the Income and Corporation Taxes, the Premier said: the basic rate is increased from 5 per cent to 6 per cent on incomes up to \$6,000 and less; from 8 per cent to 12 per cent on incomes in so far as they exceeded \$6,000. The exemption in the cases of unmarried persons would be reduced to \$1,000 and for the case of married ones to \$2,000, with the children's allowances left undisturbed.

The Corporation Profits Tax was increased from 8 per cent to 12 per cent. The tax on insurance companies premiums was increased from 5 per cent to 6 per cent. A tax of 2 per cent would be placed on Life Insurance premiums.

With these proposed changes in the tariff he estimated the Revenue for 1932-33 would be:

Customs.....	\$6,925,000
Income Tax	1,000,000
Post and Telegraphs	635,000
Cable Tax.....	68,000
Inland Revenue Stamp	65,000
Crown Lands.....	115,000
Death Duties	30,000
Insurance Assessments & Life Insurance Tax.....	39,000
Fines.....	25,000
Fees & Receipts of Public Institutions.....	60,000
Liquor Control	250,000
Miscellaneous Revenue	250,000
	<u>\$9,672,000</u>

[*Evening Telegram*, March 2, 1932]

Hon. Leader of the Opposition: Do those duties go into effect to-morrow morning?

Rt. Hon. Prime Minister: Yes

Hon. Leader of the Opposition: Are we sitting tonight?

Rt. Hon. Prime Minister: I was hoping to go on tonight.

Mr. Puddester: We can't get here tonight; we have an important party meeting.

Rt. Hon. Prime Minister: I would be glad to extend the courtesy of adjourning until to-morrow if

you so desire.

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 to-morrow.

This report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Pursuant to notice, and on motion of Rt. Hon the Prime Minister, the House resolved itself into a Committee of the Whole to consider certain Resolutions in Relation to the Amendment of the Act 20, George V., Chapter 36, entitled "The Income Tax, 1929."

Mr. Speaker left the Chair.

Mr. Smith 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 to-morrow.

This report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Rt. Hon. the Prime Minister gave notice that he would on to-morrow move the House into Committee of the Whole to consider certain Resolutions to Amend the Customs Act by making the basis for Imposition of Customs Duties the Newfoundland value of the United States Dollar.

The remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises it adjourn until to-morrow, Wednesday at three of the clock.

The House then adjourned accordingly.

Wednesday, March 2, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

In the absence, through illness, of the Hon. the Speaker, the Chair was taken over by Mr. Smith, Deputy Speaker.

In the report of the proceedings of Tuesday at the House of Assembly an error occurred, although it tallied with the minutes of the House. In connection with the notices of motion for committees of enquiry made by Mr. Alderdice, it was stated that the Committee of Enquiry appointed was to investigate the charge against Mr. Skanes, for misappropriation of money, the property of the Marine and Fisheries Department. This was not so. Whilst the motion for the appointment of such committee was passed by the unanimous consent of the whole House, the committee was not named, but will be named either at to-day's session or at a subsequent one.

The committee that was appointed was to enquire into the charge against Hon. Dr. Campbell in that he was receiving a salary as Port Doctor and therefore was not permitted to hold a seat in the House of Assembly.

In the above connection, there was a general misunderstanding and the minutes of the House concerning the matter, which were the same as reported in the [*Daily*] *News* yesterday, had to be altered. [*Daily News*, March 3, 1932, p. 4]

The Minutes of the previous session as corrected were adopted.

Mr. Puddester gave notice of question.

Mr. Alderdice gave notice of question.

Mr. Byrne gave notice of question.

Mr. Quinton gave notice of question.

Mr. Puddester: to ask the Hon. Minister of Posts and Telegraphs to table a statement containing the following information: Is the Post Office at Laurenceton, N. D. B., a public building, if so, what is the cost of its maintenance; who is the telephone operator at Laurenceton, and what amount is paid for services?

To ask the Minister of Public Works to table a detailed statement of the allocations sent to Elliston in the District of Bonavista East and to whom sent during the years 1930-31; also table copy of the returns received for the expenditure of said allocations.

To ask the Minister of Public Works to table a copy of returns made by Mr. G. W. Wilton of Bonne Bay for monies expended by him during the years 1929 and 1930.

Mr. Quinton: to ask the Hon. Minister of Posts and Telegraphs to table copies of all tenders received for the conveyance of mails in the District of Bonavista South since the removal of the *S.S. Malakoff* from the Bonavista Bay service, and to state which tender was accepted in each case.

Mr. Byrne: to ask the Hon. Secretary of State to table a statement showing in detail why E.

S. Spencer received a cheque for \$800 from the Humber District Interest Account on November 28th, 1931, and to state the reason for having the cheque sent to the office of the Secretary of State in accordance with written instructions; table also copy of the written instructions referred to in the Bank statement.

Mr. Fudge: to ask the Hon. Secretary of State as member of the Railway Commission:

1. If it is the intention of the Commission to have the *S.S. Glencoe* restored to the South West Coast steamship service? And if so, when?
2. In view of the fact of this service being performed by one boat, is it the intention of making Argentina the eastern terminal? [*Daily News*, March 3, 1932, p. 5]

On motion of Rt. Hon. the Prime Minister, the Report of the Select Committee on the Address in Reply was adopted, and it was ordered that the said Address in Reply be presented by the Whole House at the convenience of His Excellency the Governor.

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into [a] Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Scammell took the Chair of Committee.

Rt. Hon. Prime Minister: Mr. Chairman, this work has been one of amazing difficulty, and will no doubt be a subject of great controversy in this House. Our object has been to bring about an entire reorganization of the whole departmental system. No comparison can be made with other years as various amounts have been taken out of one department and placed in another on the advice of the experts, our object being to put all work within the scope of a department entirely under the control of that department. I intend reading this memorandum very slowly, or if the Honourable Members prefer it, I shall have typewritten copies made and distributed, as I fully appreciate the difficulty involved, and would like to have the most accurate knowledge possible had by all members of the House. (*Reads memorandum. The following summary is taken from The Daily News.*)

Expenditure Under Statute

The ministerial salaries are reduced from \$4,000 to \$3,000 and the Auditor General \$4,000 to \$3,000. The payments to the members of the Board of Works are eliminated as is also the salary of the Minister of Agriculture. The total of the above vote is reduced from \$56,500 to \$42,600.

Department of Finance

The Deputy Minister of Finance is increased from \$3,600 to \$9,000. This is the new salary for the Controller of the Treasury, at present Mr. J. H. Penson and the salaries of the remaining officials remain the same as 1931-32. The total vote is increased from \$10,300 to \$14,790. The vote for miscellaneous items is increased from \$2,000 to \$32,000. The \$30,000 increase is made up as follows:

Reorganization of Government service (Sir Percy Thompson), \$17,500.

Expenses under the Insurance Companies Act 1906, \$5,000.
Guarantees \$3,000.

Board of Liquor Control

The Chairman's salary is fixed at \$3,240 and one Commissioner only is assisting and his salary is reduced from \$3,600 to \$2,000.

The salaries of the Government Engineer's Department are dropped on account of the Department being merged with the Public Works and the salaries will be paid there.

The High Commissioner's Office in London is being retained and the vote increased from \$10,000 to \$12,500; \$4,000 is voted for Mr. Davies as Trade Agent and Acting High Commissioner.

Civil Service pensions are reduced from \$131,794.35 to \$120,000. No details of the pensioners are given but considering the large number of persons pensioned in recent months the cut must be around \$40,000. If no new pensions were added this vote should be in the neighbourhood of \$90,000.

Administration of Justice

The vote for the salaries of Judges and other officials are practically the same as last year under the 10 per cent cut but the Solicitor General is reduced from \$5,000 to \$4,000.

Legislative Council

The salaries of the members are reduced from \$150 to \$100. Black Rod from \$400 to \$300 and the vote for printing, etc. is cut by \$2,000.

House of Assembly

Provision is made for 40 members at an indemnity of \$750 each instead of \$900. The officials of the House are subjected to a severe cut and the vote for stationery, debates, Journals, etc., is reduced by \$2,000. The total vote is reduced from \$52,400 to \$38,790.

General Contingencies

This vote is again placed under the control of the Finance Office and is the same as last year viz: \$50,000, although on December 31st, the whole of it had been spent.

Public Charities

Relief for the poor widows, orphans, etc., is cut from \$240,000 to \$185,000, but an amount of \$50,000 is voted for casual able-bodied relief. The old age pension vote is \$148,000 instead of \$160,000. The votes to the orphanages remain as before. The vote to Charitable Societies is cut from \$3,672 to \$1,000. Relieving officers' salaries are cut \$3,000. The grants to Hospitals, etc. are reduced from \$80,000 to \$47,500, the vote of \$15,000 to the Grenfell Association is dropped, as is also the vote for the institutions for Blind, Deaf, and Dumb amounting to \$16,800. The vote for the General Public Health is reduced from \$223,750 to \$190,000. The vote for Tuberculosis Campaign Dispensary, \$3,864 is dropped.

Justice Department

The salary of the Deputy Minister of Justice is increased from \$3,600 to \$5,000. The salaries of the Supreme Court staff are decreased by \$5,000 including the 10 per cent cut.

The Magistracy for Carbonear is dropped, Grand Bank and Burin with Lawn amalgamated, as are also Channel and Burgeo, Ferryland and Trepassey, Harbour Breton and Belleoram, St. Anthony and Battle Harbour, St. Mary's is dropped and also the vote for Labrador. The gaolers at Greenspond and Placentia are no more. Only four of the former local constables survive. The total vote for the Justice Department is reduced from \$387,857 to \$358,063.

Education

The vote for Education is cut from \$1,013,065.03 to \$700,000. The vote for the Memorial College and the Normal School is sliced in two pieces from \$10,000 to \$5,000.

Lands and Fisheries

The salaries vote in the combined Department is reduced from \$107,929 to \$65,173 and the Miscellaneous vote from \$16,150 to \$10,000. The vote for surveys, forest fires, agriculture, etc. is slashed from \$47,250 to \$18,000. Fire Patrol Committee vote remains as it was: \$8,000.

Fishery protection service is cut from \$43,500 to \$25,000. But \$21,600 is voted for Fishery Research. The vote for cold storage for bait is dropped and bounty on ships is cut from \$25,000 to \$15,000. The maintenance of the *Cape Agulhas* is fixed at \$5,000. Dredging is cut from \$20,000 to \$4,000. The vote for lighthouses is cut from \$249,534 to \$143,392.

The total vote for Agriculture and Mines and Marine and Fisheries last year was \$513,207.75; it is now reduced to \$320,915.94.

General Post Office

The votes for Outport Inspector and two other clerks are dropped as also are the votes for about four other clerks. The total vote for administration is cut from \$49,000 to \$32,000.

The vote for the Distribution branch is reduced from \$34,670 to \$27,798. The "orderly" is eliminated. Votes for mail clerks are reduced from \$43,000 to \$30,417. Sydney P.O. is reduced from \$6,878 to \$3,000. Overtime in the G.P.O is entirely eliminated. Votes for Outport Postmasters are reduced from \$78,670 to \$55,185. Contracts for mail couriers are reduced from \$125,000 to \$88,000 and the miscellaneous vote from \$100,000 to \$57,000.

The South West Coast Steam Subsidies are reduced from \$143,600 to \$45,000 including \$15,000 for Placentia Bay. The other \$30,000 is for a boat plying between Port aux Basques and Argentina.

The North and East Coast services last year were voted \$247,000. The new votes are specified as follows: North East Coast \$35,000, Labrador \$12,000, Fogo District \$25,000, Notre Dame Bay \$25,000. Apparently the following services are to be discontinued, Battle Harbour and Humbermouth, Lewisporte - Cooks Harbour - Bonavista Bay and Trinity Bay. The Railway mail services are discontinued as follows: Bay de Verde Branch, Trepassey Branch, and Heart's Content Branch. The total vote of the Post Office is reduced from \$1,004,868.68 to \$557,225.01.

In the Telegraph Branch the following changes are noticed: central staff, St. John's, is reduced from \$20,540 to \$13,014. The following votes are dropped: fourth check clerk, \$1,000,

clerk in charge of construction and repairs telegraph and telephone \$1,800, clerk in charge [of] telephones \$1,800, line inspector \$1,000 and one stenographer \$480.

The vote for operating staff is reduced from \$55,956.20 to \$39,550.38. The following votes are dropped: Night operator \$1,380. Four operators \$4,500. Three clerks \$1,080. Overtime \$4,500. Outport operators are dropped from \$170,501.60 to \$106,842.58.

The vote for repairers is reduced from \$31,830 to \$16,664. The following repairers are dropped: Badger, Come by Chance, Crabbs, Curling, Deer Lake, Gambo, Millertown Junction, Norris Arm, Port aux Basques, Port Blandford, Portugal Cove South, St. Andrews, St. George's, and Whitbourne. The general maintenance vote for the lines is reduced from \$40,000 to \$24,000. Main and Branch line repairs cut from \$60,000 to \$30,000. Outport telephones are reduced from \$17,000 to \$11,000. The vote for the Public Dispatch \$3,500 is eliminated, and the total amount passed over to the two daily newspapers. The total vote for the telegraphs is reduced from \$442,827.80 to \$281,071.36. For both Postal and Telegraphs Departments the reduction amounts to \$609,400.11.

Customs

The post of Inspector of Customs \$2,400 is dispensed with and the Inspecting Auditor is reduced from \$3,000 to \$2,520. The office of chief statistical clerk is abolished saving \$1,800. In the Examining Store there is a general increase in salaries. The chief examiner is increased from \$2,400 to \$3,240, the assistant from \$1,600 to \$1,800 and three clerks from \$2,301 to \$3,000. The Inspector of Preventive Service \$1,728 is dispensed with. The Parcel Post Customs staff is re-organized with an apparent increase from \$4,140 to \$8,028. The outport appraiser gets an increase of \$100.

One messenger is dropped at a saving of \$1,000. The housekeeper is also dropped, saving \$650.

The vote for sufferance warehouse keepers, tide waiters, and boatmen is reduced from \$68,112.50 to \$40,656. Miscellaneous expenditure comes down from \$34,000 to \$28,900. The total vote for Customs administration is brought down from \$185,507 to \$145,804. Outport collectors vote is reduced from \$98,560.50 to \$56,494.95. Tide waiters and boatmen are reduced from \$47,438 to \$22,670. The total Customs vote is reduced from \$549,869.50 to \$430,768.95.

Public Works

The votes for the Government Engineer's Department are included in the Public Works Department. The chief engineer gets a boost from \$2,200 to \$3,000, the second clerk is advanced from \$1,700 to \$2,250. The motor vehicles registrar is advanced from \$720 to \$1,080. The Superintendent of Public Works gets \$2,500 instead of \$3,500 received by the late Superintendent (it is understood that the Superintendent was retired a few days ago). The office of Assistant Superintendent of Public Works is dropped. The Government Engineer, Mr. T. A. Hall, is retained on a pension and also a consulting fee of \$1,000. The outport road inspectors, two city road inspectors, inspecting druggist and Inspector of Rolling Stock are dropped from the votes.

The vote for repairs to buildings, heating, plumbing, etc., is reduced from \$72,550 to \$30,000. The following reductions are noticed in votes for Hospitals, etc.: Insane Asylum, from \$124,660 to \$101,022; General Hospital from \$131,565 to \$101,348; Sanatorium from \$80,798 to \$63,809; Poor Asylum from \$56,212 to \$38,437; Fever Hospital from \$37,543 to \$18,524. Roads,

Bridges, etc., the total vote is only \$25,000 as against \$153,808 last year (but last year's was not spent). The total vote for the Public Works Department is reduced from \$956,799.70 to \$600,956.80.

Soldiers' Pensions

The total vote is cut from \$619,500 to \$438,905, the principal reductions taking place under the following heads:

Military, from \$495,000 to \$348,000.

Nfld. Port R. N. R., from \$46,000 to \$32,300.

Marine, from \$30,000 to \$20,000.

Forestry, from \$8,500 to \$5,000.

1931-32 total amount voted \$11,466,857.06.

1932-33 total amount voted \$9,701,587.29.

Reduction \$1,765,269.77 [*Daily News*, March 3, 1932]

With regard to steamship subsidies, here the Post Office will only be answerable for actual necessary postal services, and all others will be treated as commercial subsidies. For instance, hitherto \$15,000 per year has been voted to St. George's, which was not worth one cent to the Post Office. We are now putting the whole \$15,000 as a commercial subsidy. Mail fees will in future be only for those steamships which are for mail purposes principally and for passengers only incidentally. The distinction will be rather a fine one in many cases, but formerly these amounts were lumped up unfairly against the Post Office, when they were not really Post Office debts at all. The proposal is now that this amount of \$15,000 be transferred directly to the Finance Department.

In the Finance Department there are two new items due to its reorganization. The Secretary of State's Office now includes the Department of External Affairs, and this Department is by no means a sinecure as is shown by the situation which recently arose in Brazil. Here let me pay tribute to Sir John Crosbie for the apt and accuracy with which he brought this matter to my attention and to the very helpful and businesslike cooperation which he gave me throughout. The Public Health Department has also been reorganized. Under the new arrangement the total number of patients has increased, with a decrease in the expenditures. Reorganization of the General Hospital has had the same effect, and more patients will be accommodated at less cost per day per bed.

With regard to the Justice Department, my hope is that ultimately we will be able to obtain the services of a District Judge, who will be a qualified man, for the North Shore of Conception Bay, and to appoint Clerks of the Peace in Brigus, Carbonear, and Bay de Verde. In this way it would be possible to obtain a higher grade of service, with a higher jurisdiction at very much less cost. But the Hon. Member for Bay de Verde will realize that this can only be brought about from year to year. In the case of Carbonear I may say that I have recently heard that Magistrate Penney has been stricken with a stroke of paralysis, and it is very unlikely that he will ever return to the bench. Since his retirement as Speaker of this House, he has rendered highly efficient service.

In the case of Education we have a unique situation. Every department of the Government other than Education has been able to make substantial reductions by curtailment of operation and by curtailment of personnel of staff. The Bureau of Education, of which I happen to be the Head, has

taken the persistent and consistent view that there should be no curtailment in service, and, consequently, the curtailment has come temporary upon the various officials in connection with educational matters and with a corresponding effort being made by the various religious denominations, societies and other organizations of the various towns throughout the country to have the schools maintained as far as possible; and the first vote which I hope it will be my pleasure to recommend as soon as we get over the immediate pressing and imperative necessity of the day, will be to put the education vote on a satisfactory basis to all concerned. However, at the present time this vote is at the highest percentage basis ever paid in Newfoundland. We are now paying 15.3 per cent of our total revenue available for the public service. Formerly it was 11 per cent. I would like to pay a tribute to the work done by Dr. Burke and the Superintendents of Education in that connection. It has been a day and night job. Then you have the teachers throughout Newfoundland, who are poorly paid in order to keep things going until we get around the corner. The bitter economies and the reorganization we are now putting into the different departments of the public service are doubtless unpopular, harsh and drastic, just as if it was a case of war in which Newfoundland was fighting for its liberty against a foreign foe of depression.

Under Lands and Fisheries we also have reorganization. Here we have the amalgamation of two departments and it has been a reorganization of outstanding importance.

Mr. Puddester: May I ask a question on these Old Age Pensions? This \$160,000 that has been reduced to \$148,000, this is a drop balance?

Rt. Hon. Prime Minister: Yes.

Mr. Quinton: Were there some applications on hand not considered because there were no funds?

Rt. Hon. Prime Minister: In the past, payments were dealt with on a per capita basis, each district was on a per capita basis, the same applies to Old Age Pensions. In some districts there might be a large number of pensions and the widows or whoever got them might receive perhaps \$5 per month, and in other districts there might be a small number of pensions and the people might receive as high as \$12 per month, if the number increased or decreased the amount of the pension would be relatively greater or smaller. All the Districts had a certain number, and if that number was filled a Member had no chance of getting another on his list unless he was a good friend of Mr. Bursell and could persuade him to give him one from another District that had not its quota filled. It generally happened that some districts were overcrowded and some were under their allotment. This does not put the Districts on a per capita basis, it puts them on a basis of real need regardless of the fact that one District has more or less than another.

Hon. Leader of the Opposition: We had a number of them to our credit, do we lose ours?

Rt. Hon. Prime Minister: Your District will go in as a drop balance. Any amount you save on your District will go in as a drop balance. Each case will be looked into separately. A certificate is usually given by the magistrate or the clergyman or two responsible citizens of the town, but there

is no particular examination into each case beyond the certificate signed by two responsible men.

That gives a general idea of the Budget, you will be able to follow it more closely when we go into it in detail. I would therefore ask that the Committee rise and report progress and ask leave to sit again on to-morrow.

Mr. Alderdice asked why in some cases pensions were being granted to civil servants who were well able to perform their duties. There were cases of comparatively young men being pensioned and older ones replacing them. If these men were not able to do the work or were being removed for cause, the proper thing to do was to dismiss them. After some comment of a general nature, the Committee rose. [*Daily News*, March 3, 1932, p. 6]

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 to-morrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on to-morrow.

Pursuant to notice and leave granted, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Amend the Act 22, Geo. V., Chap. 25, entitled 'An Act Respecting the Export of Marine Shells from Labrador and the Islands adjacent thereto'" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Rt. Hon. Prime Minister: This is merely an application to extend the period of time for a short number of years. I am perhaps one of the few members in this House who has no interest whatever in this Bill and consequently I feel quite free to introduce this Bill.

Hon. Leader of the Opposition: Do you think we could get a quorum of shareholders?

Rt. Hon. Prime Minister: I think last year the senior officers who were interested left the House.

Hon. Leader of the Opposition: The common shareholders remained?

The Committee of the Whole on Ways and Means was deferred.

The introduction of the Bill to amend the Highway Traffic Act was deferred and so was the Committee of the Whole to consider resolutions to amend the Customs act by making the basis for imposition of Customs duties the Newfoundland value of the United States dollar.

Answers to questions were tabled. In verbal reply to the questions of Mr. Cashin as to whether the members of the police force on duty at the House of Assembly are equipped with tear gas, the Prime Minister said no. [*Daily News*, March 3, 1932, p. 6]

Rt. Hon. Prime Minister: The answer to Question No. 117 is in the negative.

Hon. Leader of the Opposition: Has any been imported?

Rt. Hon. Prime Minister: A circular was received by me saying that Mr. [omission] in Toronto was the agent for some tear gas company, and that they had some consultations with him and they wrote down enquiring as to whether we needed any here to quell any disturbance.

Rt. Hon. Prime Minister: (re Question 118) I am sorry that the Secretary of State telephoned this morning saying that he was very ill, and it might be some days before he could get out. I am sorry that I can't give any information on the point, but I will telephone the Secretary of State as soon as the House rises.

Hon. Leader of the Opposition: Practically every man travelling prefers the *Glencoe* to the *Portia*. She is a much more comfortable ship, keeps better time, and I can't see why the *Portia* is kept when the *Glencoe* gives better service.

Referring to a question asked by Mr. Fudge as to whether it was the intention of the Railway Commission to have the *Glencoe* restored to the South-West coast steamship service, Mr. Alderdice stated that as far as he could learn the people of that coast desired to have the *Glencoe* replaced and could not see why the *Portia* was kept on and the *Glencoe* taken off. The latter ship gave better service and could be operated more economically. [*Daily News*, March 3, 1932, p. 6]

Rt. Hon. Prime Minister: I am very much obliged for the information.

Hon. Minister of Marine and Fisheries: (re Question 119) We only received this Order Paper at 11 this morning. It is impossible to answer any questions whatever to-day.

Rt. Hon. Prime Minister: I can answer the question. In connection with the Bay d'East water power, that is the Crowe one, that is a matter in which there are proceedings before the Supreme Court. The International Power and Paper Company think they have a right to it, and the Government claim they have no right to it. The International Company claim they have taken over the interests of the Crowe Estate which includes the Bay d'East water power, and \$135,000 has been paid in connection with it. It is a matter of litigation. It is impossible for me to venture any opinion in respect of the Bay d'Espoir water power. So far as I am aware, that is not involved in the litigation.

Hon. Minister of Public Works: I have no reply to any question on the Order Paper to-day; two of our staff are home sick, and with a very much reduced staff it is impossible to handle an Order Paper at such short notice.

Reply to Question of Mr. Tobin, No. 99, on Order Paper of March 1st, 1932.

Detailed statement of amounts paid to Hon. Dr. A. Campbell by the Department of Public Health and other Departments, and listed in the Public Accounts for 1930-31.

A) Extraordinary Expenditures:

For Services visiting Nfld. Infirmary and Sick Poor, Public Health Department	
July 31st	\$155
August 31st	155
September 30th	150
October 31st	155
November 30th	150
December 31st	155
January 31st	155
February 28th	140
March 31st	155
April 30th	150
May 31st	155
June 30th	150
February 12th, S. A. Home	50

	\$1,875

B) Medical Attendance Paupers:

July 21st	\$307.00
August 18th	318.00
September 16th	325.00
October 16th	318.00
November 20th	328.00
December 13th	329.00
January 10th	337.50
February 9th	426.00
March 9th	446.00
April 6th	472.50
May 7th	381.50
June 8th	396.00
June 30th	584.50

	\$4,969.00

C) Contingencies Fever Hospital:

July 1, 1930, to June 30, 1931, @ \$5 per day	\$1,825
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D) Contingencies General Hospital:

July 1, 1930, to June 30, 1931, @ \$5 per day	\$1,825
(This amount was incorrectly stated in Question as \$1,920)	

E) Contingencies General Hospital 1931-32:

July 1, 1931, to October 31, 1931, @ \$5 per day, less 10 per cent	\$553.50
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F) Contingencies Fever Hospital 1931-32:	
July 1, 1931, to November 31, 1931, @ \$5 per day, less 10 per cent	\$688.50
G) Customs Fees:	
313 steamers @ \$5 per steamer	\$1,560
74 schooners @ \$2.50 per schooner	\$160
Immigration Doctor - 12 months @ \$45 per month	\$540
H) Board of Pension Commissioners:	
For the period July 1930 to June 1931, as Medical Advisor to the Board of Pension Commissioners, advice on 954 cases, at \$1 each	\$954
I) Customs Fees, January 1932:	
21 steamers @ \$5	\$105.00
1 schooner @ \$2.50	2.50
Immigration Doctor	40.50
J) Contingencies General Hospital, January 1932:	
November 1 to December 31, 1931, @ \$5 per day, less 10 per cent.....	\$274.50
Total	\$15,367.50

Mr. Tobin: to ask the Minister of Public Works to table a statement explaining in detail the two amounts paid T. W. Peckford in 1930-31 from the Poor Asylum Accounts, \$1,958.34 and \$1,000.00 respectively – the latter charged to the Poor Asylum Contingencies.

Answer – \$1,958.34 – salary as Superintendent and Storekeeper of the Poor Asylum and Infirmary. \$1,000 – for special services performing the work of Superintendent in addition to his duties as Storekeeper from the time that Mr. Miller gave up active service to the date of Mr. Hanham's appointment.

Reply to Question of Mr. Quinton, No. 104, on Order Paper of date March 1st, 1932.

Details showing the services rendered by the following for payments as reported by the Auditor General's Report under Section 33(b) of the Audit Act:

Honourable F. J. Morris:

 Services re Marine Court of Enquiry into the loss of the schooner "V. G. Shave"\$1,500
 Services re Marine Court of Enquiry into the stranding of "S.S. Caribou"\$1,000

Mr. C. H. Hutchings:

 Service as Commissioner on Public Utilities, Economic and Lunacy Commissioner\$1,000

Dr. T. Anderson:

 Services as Police Surgeon and Consultant to the Board of Health for 9 months ending 31st December, 1931

Mr. B. E. S. Dunfield

Professional services re \$10,000,000 Butler-Reid claim against the Government of Newfoundland.....	\$2,500
Hon. Dr. Mosdell:	
Payment as Medical Advisor to the Board of Pension Commissioners for the period July to December 1931, 470 cases @ \$1 per case	\$470

In answer to Mr. Puddester's Question No. 127 on Order Paper dated March 1st, 1932, the Minister of Marine and Fisheries tables the following statement regarding Expenditure on Earthquake relief:

Anglo American Telegraph Co. - telegrams	\$2.48
George Bennett - iron	10.00
Bowring Bros., Nails - iron.....	83.37
Colonial Cordage Co. - rope	115.20
Dawe and Sons, Wm. - sticks	500.00
Dibbon, Hy. - breastwork at Port aux Bras.....	95.15
Gibbons, John - salvage stage.....	10.00
Giovannini, Mrs. - board, Stanford.....	72.00
Hollett & Co. - sticks	63.25
Hillier, Edgar - breastwork repairs, Port aux Bras.....	44.00
New Taxi Service - taxi hire	27.00
Piercey, S. - dory and oars	32.20
Stanford, A. - expenses, services, repairs, wharf, St. Lawrence.....	839.65
Slaney, A. - salvage wharf, St. Lawrence	40.00

	\$1934.25

Answer to Question No. 88 asked by Mr. Quinton, on Order Paper dated February 23rd, 1932.

1) The latest monthly report of the Railway is for the month of December 1931. This shows a loss on operation, amounting to \$3,385.54, for that month and a loss on operation, amounting to \$4,903.96, for the half year ending December 31st.

2) According to the books of the Railway as at February 22nd, 1932, the total of Bills receivable was \$97,642.30; and of bills payable was \$162,208.28.

(These figures do not include the accounts with Foreign Railroads)

Reply to Question of Mr. Tobin, No. 21, on Order Paper of February 16th, 1932.

Visit of Hon. Secretary of State, Hon. Sir William Coaker, Hon. H. M. Mosdell, and Hon. P. J. Cashin, to Halifax, Montreal and Ottawa in September and October last.

No payment in respect of services have been made to any of the delegates.

The Secretary of State and Sir William Coaker have not presented any account for traveling expenses, nor have any accounts been paid either of them in respect thereof.

In the case of the other two delegates, the following amounts have been paid in respect of traveling expenses:

Hon. P. J. Cashin.....	\$1,000
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Hon. H. M. Mosdell\$1,200

Answer to Question No. 109, Mr. Quinton, re payment to Dr. R. A. Brehm, January 1st-December 31st, 1931.

Extra Services VD Treatment:

January 22nd	\$270
March 2nd	515
April 9th	590
May 18th	635
June 30th	545
October 12th	575
November 19th.....	1,390
December 31st	425

\$4,945

[*Questions and answers as reported in The Daily News, March 3, 1932, p. 7*]

Rt. Hon. Prime Minister: Tables answer to Question No. 152.

Hon. Minister of Marine and Fisheries: Tables answer to Question No. 42.

Mr. Byrne: I beg to draw the attention of the Prime Minister to Question No. 70 on the Order Paper of Tuesday (*reads question*).

Rt. Hon. Prime Minister: I have referred that to the proper Department, and as soon as I get reports I will table them.

Hon. Minister of Public Works: Tables answer to Question No. 75.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act in Relation to the Amendment of the Loan Acts 1898, 1927, 1928, and 1929," was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act for the Amendment of Chapter 127 of the Consolidated Statutes (Third Series) entitled 'Of Companies'" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Committees on the Income Tax Resolutions and on the Bill relating to the registration of deeds and companies, were deferred. [*Daily News, March 3, 1932, p. 6*]

Pursuant to notice, and on motion of Hon. the Minister of Posts, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Radio-Telegraph Act, 1930."

Mr. Speaker left the Chair.

Mr. Scammell 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 on to-morrow.

Pursuant to notice, and on motion of the Minister of Public Works, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Reorganize the Department of Public Works."

Mr. Speaker left the Chair.

Mr. Scammell took the Chair of Committee.

Several sections of this Bill were discussed and amendments made. In reply to Mr. Puddester, the Minister of Public Works stated that in future Mr. Hall will be retained on a pension and also on a salary. He suggested that it was possible that Mr. Hall will be given an appointment as permanent Inspector of Mines. To this Mr. Puddester replied that if that was so, Mr. Hall should be under the head of the new Department of Natural Resources and not under the Department of Public Works. After some debate it was brought out that Mr. Sam Churchill will probably be pensioned and his position given to Mr. Udle.

Mr. Alderdice could not see the necessity for this change as Mr. Churchill is still a young man and only last year was voted an increase of \$500 per year. Could it be that he was voted the \$500 extra in his declining years and with the intention of pensioning him a year or two later? [*Daily News*, March 3, 1932, p. 6]

Mr. Greene: Mr. Chairman, I am very glad to be here, if it is definitely decided to have these last four lines deleted from the Bill, that Mr. Hall's services will be retained more or less in the capacity of inspecting the mines at Bell Island regularly, because in the past we have had investigations only take place after accidents had happened. I think in my maiden speech in this House, following a cave-in that occurred in one of the mines at Bell Island, I advocated the necessity of having proper safeguards for the protection of the miners. Now, if Mr. Hall is to be retained as Government Engineer, I do hope and suggest to the Minister in charge of this Bill that the responsible and specific duties be assigned him to pay visits of inspection fortnightly or monthly to the mines at Bell Island and Buchans, where the lives of miners are so endangered through the falling of timber and

mining props. Besides, the carrying out of the duties of the Government Engineer to ensure the safety of the miners will have a good moral effect upon those concerned.

Mr. Puddester: I see Mr. Churchill passing by my office in the day and I think that he is a very smart man, and I think that the Minister should give a satisfactory explanation when the time comes as to why this pension was voted.

(Clerk reads the Bill)

Mr. Winter: Mr. Chairman, might I suggest that sub-section (c) of Section 6 is not really a part of Section or Sub-section (3). I think that this should be a separate section.

Hon. Minister of Public Works: This is the old Act, and I quite agree with you that this should be a new section. *(Sections renumbered)*

Mr. Winter: Mr. Chairman, how is that report to be made? Is it to be made verbally? I would suggest as an amendment "to be made in writing stating the reasons therefore." *(Amendment adopted)*

(Clerk continues reading)

Mr. Puddester: Mr. Chairman, we have read some 30 sections, and might I suggest that we now rise and get on with something else and continue with this again to-morrow.

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 to-morrow.

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Make Provision for Controlling the Export of Gold and for Regulating Currency in Periods of Emergency" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Amend Chapter 23 of the Consolidated Statutes (Third Series) entitled 'Of the Auditing of Public Accounts'" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to

Amend Chapter 27 of the Consolidated Statutes (Third Series) entitled 'Of Death Duties' was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act for the Control of the Public Treasury" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Pursuant to Order, and on motion of the Minister of Marine and Fisheries, the Bill entitled "An Act to Combine the Departments of Agriculture and Mines with the Department of Marine and Fisheries under the Title of The Department of Lands and Fisheries" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Hon. Minister of Marine and Fisheries: In moving the second reading of this Bill I may say that the explanations are contained in the following paragraphs: (*reads*).

Hon. Leader of the Opposition: Mr. Speaker, I am afraid I can't see that it is going to justify itself in any way. We may save a few thousand dollars; that is questionable, but you are certainly going to reduce the efficiency of one department. We are either going to have a fisherman looking after the farmer's interest, or a farmer looking after a fisherman's interest, or we are going to have a man who knows nothing about either. So far as Agriculture and Mines is concerned, there is quite enough work for a Minister on a full time job. The Hon. Minister of Marine and Fisheries knows that he has all he can do to look after that Department. I know he would do a great deal more if he had the opportunity. I am just getting up now to say that I object to the Bill on principle. There is no real saving to be made; we are going to impair the efficiency of both Departments very much. These are the two Departments where we can expect constructive work. If we are going to develop an agricultural policy it must come from the Department of Agriculture and Mines, and if we are going to develop a fishery policy it must come from the Department of Marine and Fisheries. I would rather have divided the Department of Marine and Fisheries and make three departments than make these two Departments one. As we go through, I would draw the Minister's attention to some things that I think bear alteration, but I want to say that on principle I disapprove of this Bill. Sooner or later, if we are going to have construction of this country so far as industrial development is concerned, we will have to separate these two Departments. No Minister can take charge of Agriculture and Mines and of Marine and Fisheries, unless he is going to be puttering around from one branch to another and acting as a rubber stamp, but if he is going to be the head of the Department it will be one man's job. I don't believe that the present Minister would say that it is short-sighted economy. It is not going to produce results; it is the sort of economy that defeats its own ends.

I am sure the Prime Minister will agree with me that if we are going to get out of our present trouble it won't be by means of paring and shaving, cutting down soldiers' pensions, cutting down salaries; if we are going to get out of our present trouble, it must be by industrial development. I think this is the very best way to prevent increased earning power, by uniting these two Departments. It is all very well to say that you are going to engage competent deputies, but deputies,

to a large extent, are nothing more than [omission] men. The man who has got to bring these Departments to where they should be will be the Minister, the man who is the mainspring of the Department; the man who thinks nothing but Agriculture and Fisheries, who have hobbies for their positions; call them men of one-track minds, if you will. I can't see where you are going to gain anything by this apparent economy, save a few thousand dollars, but very few. The Minister of Marine and Fisheries can make a saving there without joining up with the Department of Marine and Fisheries.

I know we are not going to get out of where we are to-day by saving along these lines; we must increase our productive earning power, and the only way you can do that is by having men who will be able to give their whole time to their jobs, who will be able to make it their hobby. They may be fanatical about it, but let them take hold of the Department of Agriculture and Mines, or of the Department of Marine and Fisheries, one of the two. I don't see where you are going to gain anything by this saving of a few thousand dollars by amalgamating these two Departments. I disapprove of this Bill. I think it is wrong in principle. I like to see economy, but I don't like to see misdirection, and this is what this Bill amounts to.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act Further to Amend the Act 20, George V., Chapter 3, entitled 'An Act Authorizing the Governor-in-Council to Enter into a Contract with the American Telephone and Telegraph Company,'" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Pursuant to Order, and on motion of Hon. the Minister of Posts, the Bill entitled "An Act in Relation to the Amendment of Chapter 35 of the Consolidated Statutes (Third Series) entitled 'Of the Postal and Telegraph Services,'" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

The remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises it adjourn until to-morrow afternoon at three of the clock.

The House then adjourned accordingly.

Thursday, March 3, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

Rt. Hon. Prime Minister: Mr. Speaker, permit me, Sir, to express on behalf of myself and the Government Party, my sincere regret because of the indisposition of Mr. Alderdice, Leader of the Opposition. I might say that my Party is somewhat decimated to-day, owing to illness.

Mr. Puddester: Mr. Speaker, on behalf of the Opposition, I am very much obliged to the Hon. the Prime Minister for his kindly expression of regret towards our revered leader, who, unfortunately, through illness, is unable to be in his seat to-day.

Mr. Speaker appointed the following Select Committee to enquire into the charges preferred against Mr. Walter Skanes: Hon. W. W. Halfyard (Chairman), Mr. Winsor, Mr. Fitzgibbon, Mr. Winter, Mr. Quinton.

Mr. Emerson gave notice of question.

Mr. Puddester gave notice of question.

Mr. Bennett gave notice of question.

Mr. Winter gave notice of question.

Mr. Quinton gave notice of question.

Pursuant to notice and leave granted, and on motion of the Minister of Public Works, the Bill entitled "An Act to Amend the Highway Traffic Act, 1925," was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Pursuant to order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider certain Resolutions to amend the Customs Act by making the basis for imposition of Customs duties the Newfoundland value of the United States dollar.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: Mr. Chairman, at the present time the duty on imported goods is, so far as sterling is concerned, based on $\$4.86\frac{2}{3}$ to the pound. The duty on imported goods, so far as Canadian goods are concerned, is based on 100 cents to the dollar or Newfoundland dollar, and the duty on goods imported from the United States is based on 100 cents to the dollar. But, the value of the United States dollar at the present moment is 113 cents. The object of this Bill is not intended to change the $\$4.86\frac{2}{3}$ so far as English goods are concerned, but to make the duty charged upon United States invoices and upon their rate of exchange, namely, 113 cents. This is not absolutely equitable, I admit, but it is a fairer basis as between the Empire and foreign products and is calculated to increase the revenue.

Mr. Puddester asked if it was the intention of the Government, according to the new duty rates, to have a sales tax of 7¼ per cent on flour, beef, etc., in addition to the fixed taxes. He pointed out that whilst it is true the new Bill meant a substantial increase on American goods, it gave preference to British goods imported.

Hon. the Prime Minister replied that in the case of flour, beef, tea, kero oil, that the sales tax would not apply.

Mr. Quinton termed the new duty on schoolbooks an outrage which should not be perpetrated.

Hon. the Prime Minister replied that scholastic and religious articles for, and imported by scholastic and religious institutions, would be half the normal rate.

Mr. Emerson was of the opinion that the Bill should be left over for consideration at the Imperial Conference at Ottawa, which takes place in a few months, which is called expressly for the purpose of advocating and encouraging dominion trade. At present, whilst our imports are chiefly from England, Canada and the States, our exports do not go to these countries except in the case of paper. If the Bill was passed he did not think the imports of goods from the United States would be very large. [*Evening Telegram*, March 4, 1932]

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed the said Resolutions without amendment, and recommended the introduction of a Bill to give effect to the same.

This report was received and adopted, and the Bill entitled "An Act to Amend Chapter 22 of the Consolidated Statutes (Third Series) entitled 'Of the Customs'" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Amend the Radio-Telegraph Act, 1930," was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to Order, and on motion of the Minister of Public Works, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Reorganize the Department of Public Works."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Mr. Emerson: (*Following reading of Section 32, sub-section (3)*)

I would like to point out that no Minister of the Crown has ever been given such wide powers as that. Look at your power respecting the use and control of the highroad. You could pass regulations there dealing with speed, with the rates at which cars could travel. You could repeal the

whole Highway Traffic Act; you could do away with the old Act on licence fees, weight of cars, age of drivers, rights of pedestrians, rights of adjoining proprietors of land. All those powers would come under the "Use and Control of the Highway." If there is any particular power that the Minister feels should be left in his hands, by all means take it, but I can assure you that no House is going to grant you these powers; as much as we admire you and feel sure that you would exercise your power with discretion, no House of Assembly is going to invest you with these powers. I ask you to consider having a very drastic amendment put in there, so that you can know that there is some limit on the ideas that might be borne in upon you by perhaps an overbearing board. You might not be able to withstand pressure from some idealistic member of your board who might wish to control and pass regulations which you don't really have in mind at the present time, and don't wish to have under your control.

As to the second part of the section, I feel sure the Solicitor General will agree with me on the second part of the section; Section 31, sub-section (3), and the Speaker also will agree with this point; at the end of the section: (*reads sub-section*). May I point out the real meaning of those words; it means that if you pass a rule or regulation under that Section it is not the subject of reviewal [*sic*] by the courts. In other words it becomes an Act of Parliament, and the courts cannot even say it is ultra vires. That is the effect of it. I notice the same thing has crept into the Lands and Fisheries Act, which I presume will be up for discussion during the day. There is no question about that. It has been held in the courts of England, and it has been the subject of comment by the Lord Chief Justice, that that provision there takes away the power of the Court even to review the powers of the Minister, so that if the Minister passed an Act, simply said he was doing it, by virtue of the sub-section the court would [not] be able to say it was ultra vires. Also that earlier provision there in regard to the powers of the Minister to make rules and regulations governing the use of the highroads (*reads sub-section*). Why not follow the usual practice and say "Come into force and effect when published in the Gazette"?

Hon. Solicitor General: Leave out the words "after law," and it will give the same effect.

Mr. Emerson: Put in the words "Such regulations shall come into effect." I would suggest that the sub-section stand over for reconsideration. That section is far too wide.

Mr. Emerson asked what was going to be done in the case of men who had contracts with the government for services extending over a period of years. He had in mind a man in his District who had a contract for a ferry which was made for a four year period.

The Minister of Public Works stated there were several of these contracts which had not been ratified by Parliament and would be cancelled and given only for [a] yearly period.

Mr. Emerson did not think that was fair. If contracts had not been ratified that was really the fault of the Government and not that of the contractors who could not be expected to go into Parliament and pass acts of ratification. These men had undertaken expenses on capital account purposely for these contracts, and it was scarcely fair to them to cancel them and renew them on perhaps greatly reduced terms.

Minister of Public Works: The position is we have not got the money.

Mr. Emerson: And you would not have it even if Acts had been passed, giving the contracts. [Daily News, March 4, 1932]

Mr. Emerson: [re Section 38] There is just one point, the last part of that sub-section. It occurs to me – the Minister may think that is bad principle – I will tell you what I think you should do. If you go through a man's land and have to put up a fence, you should pay him an allowance for two reasons. In the first place twenty years hence, who is going to know what is your obligation in regard to the putting up of any fences; there will be no record. It will be the cause of long, drawn out legal disputes where evidence will depend almost entirely upon the evidence of the oldest inhabitant. Moneys will be obtained from time to time through political influence to get fences repaired.

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.

This report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend Chapter 23 of the Consolidated Statutes (Third Series) entitled 'Of the Auditing of Public Accounts.'"

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

The Prime Minister explained that the Bill was introduced in order to conform with the agreement made with the banks. [Daily News, March 4, 1932]

Mr. Emerson: Mr. Chairman, I was not here the other day when this Bill was read a first time. I think, Mr. Chairman, that we might have order, at least from the strangers. There are a few remarks I have to make on the principles of this Bill. The matter involved in this Bill is to some extent technical and in a large measure constitutional. The principle on which the Audit Act was framed was that the Legislature should have control of the public purse, and that no moneys should be spent by the Governor-in-Council except in cases of emergencies as set forth under Section 33(b), and no moneys can be borrowed except as provided in the Loan Act for emergencies. The exceptions would be the sudden arising of a crisis or the temporary collapse of revenue. For instance, the Budget provides for seasonal revenue, and the Governor-in-Council may find itself without funds to meet emergencies, and under Section 8 they can go to the banks and get funds which must be repaid in a short time as soon as the revenue permits. It is quite in order when a serious crisis arises that a loan may be raised and repaid in a short time, but it was never intended that the Executive Council should borrow money for periods extending over a couple of months. It was never thought that the

Exchequer would be exhausted for more than six months at a time. It was never thought that a crisis so serious would arise. Consequently Section 8 was passed and reads, (*reads*).

The idea of that section was to keep the control of the public purse in the hands of the House of Assembly. Last year for the first time in the history of the country, a crisis arose owing to the failure of the Government to raise the loan of several millions which was authorized by the Loan Act of 1931, and as a result of that crisis the Government found itself in the position where it was unable to pay off to the banks certain temporary loans, and as time went on it was found necessary to borrow from the banks further sums. These loans extended beyond the period of six months. The question is as to whether temporary loans could be raised to pay off previous temporary loans, and the Government appear to doubt.

I have no hesitation myself in expressing the opinion that it was never the intention of Section 8 to give the Executive Council power to borrow money to pay off an existing temporary loan. The whole object for which that section was drafted was to control the Executive Government in the borrowing of money, and in effect it said, "If you want to borrow money for periods longer than six months it is your duty to call the Legislature together." I don't intend to labour the point as to whether the Government should have called the Legislature together to deal with the crisis. There seems to be no question whatever that the object of the Audit Act is to control the powers of the Governor-in-Council. The condition that existed last year was one which Section 8 was never intended to meet, and as a result this section is now being amended for the purpose of giving the Government power legally to borrow money to pay off existing temporary loans. I object in principle to this Act. This is not party criticism, because I object to it on principle for any Government, this or the next, to be in a position where temporary loans can be borrowed for a period extending over six months and be renewed, because it is taking from Parliament the control which it should have over borrowing and spending, and particularly over borrowing. We do endeavour to exert some influence upon the Government in the expenditure and revenue on the Revenue and Income Account, annually the Estimates and the Budget cover these, but the Government power to borrow should be under the strictest control of Parliament, and the right to borrow should be exercised only subject to that very strict control.

Now the position is that at the present time we are owing to the banks a very considerable sum of money, in the vicinity of \$6,000,000 in the way of temporary loans – I am not sure about that. At the present time there is not foreshadowed any legislation with regard to funding that.

Rt. Hon. Prime Minister: No. It is going to remain as a temporary loan.

Mr. Emerson: It is going to remain as a temporary loan, and you intend in this Bill to do away with the doubts that may exist with regard to that loan. At the present time, there are existing loans which have been revised to pay off previous loans. We have the position where the Government, at the present time, owes the bank \$6,000,000, and it is going to take power to pay off the loans from time to time by raising further temporary loans if the banks are sufficiently generous to lend them further sums as the year goes by. I object to that on principle. I think the Government should be under the strictest control of Parliament in connection with the raising of moneys, and if a crisis such as we are still suffering from should arise, they should do what the Audit Act requires them to do, call the Legislature together and deal with it. I make protest knowing it to be futile, but I do not intend to

permit this Act to go through without protest because I feel very definitely on the subject, and I think the matter is being wrongly handled. I think the banks are doing wrong in asking us to pass this legislation; we have got to vote for it, and I can assure you, Mr. Chairman, that I do so very much against my better judgement.

Rt. Hon. Prime Minister: I agree with the Hon. Member. It is very much against our better judgement. Had the ultimatum come to us earlier than the 31st day of December we would have made a much better bargain, but it was received on December 31st at three o'clock, within six hours of the default.

Mr. Emerson: May I ask why this part of the section is left out (*reads*): "But the sums to be so raised ... whatsoever."

Rt. Hon. Prime Minister: In this particular case there are certain sums of money due by temporary debenture. The banks desire to have the opportunity of these particular loans being continued so that a temporary debenture may issue to-morrow or the day after to replace a temporary debenture which has expired.

Mr. Emerson: In the original Act the words are – the words are exactly the same, "Before power to pay one temporary loan by raising another ..." Apart from that, the wording is not materially changed, but you have left out something (*reads portion omitted*).

Rt. Hon. Prime Minister: With respect to that deficiency, there will be a new arrangement in connection with the control of the Treasury which will come before the House in due course. We are not dealing with that now, but we are dealing with the Exchequer Account; we will be dealing with it by placing a certain amount in Exchequer Account to the credit of interest coming due the following December, having the balance only to the balance of [the] Exchequer for the purpose of the credit of the funds of the Colony. This legislation fits in perfectly with the other legislation which is now on the table of the House, or will be coming forward in due course. It is covered in the Treasury Control situation.

Mr. Emerson: It has got nothing to do with the Temporary Loan Act. This is a general statute called the Audit Act which provides (*reads*).

Leave aside for the time being the question of the temporary loan. We are talking now about the occasion where you have to go to the bank in connection with a temporary loan (*reads*).

The question of the Treasury Control has nothing to do with the leaving out of those words. Has it been pointed out to the banks that those words are left out?

Rt. Hon. Prime Minister: I presume the people who are dealing with the banks – I am not – have submitted this to the banks. This Act was drafted conjointly by the Treasury Control and the Department of Justice through Mr. Dunfield.

Mr. Emerson: I have no brief for the banks. I have a brief for the House.

Rt. Hon. Prime Minister: Will my honourable friend move that this be deferred?

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.

This report was received and adopted and it was ordered that the Committee have leave to sit again on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act for the Control of the Public Treasury."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: This Bill is known as the Treasury Control Bill. It was originally described on the Order Paper as an amendment to the Customs Act, but it was thought better to give it its specific title. It is not the intention to pass it immediately. It will remain on the Order Paper, so that if any amendments are suggested while we are going [through] the Estimates or Budget, we can immediately go back to committee stage. I would suggest that it be now read in committee without the preamble being read, so that we can leave it on the Order Paper, and if any helpful points arise we can immediately put it back in committee.

Mr. Puddester: What is the intention with regard to the present Comptroller? Are we going to have an expert from the British Treasury permanently?

Rt. Hon. Prime Minister: Not necessarily a Britisher, but the idea is to have a man nominated by the British Treasury and then appointed by the Newfoundland Government. The provisions of the Bill provide that the nominee shall be sent out here on a six-month probation, and then if he is found suitable he will be appointed by the Newfoundland Government.

Mr. Puddester: I have yet to be convinced that it is impossible to find a Newfoundlander to fill the position, and one thing is certain at any rate, that no Newfoundlander would get \$9,000 a year.

While I am on my feet, I would like to refer back to the ultimatum which the Prime Minister mentioned some time ago as being received by him of December 31st. That ultimatum did not reach Newfoundland until the 28th. What I want to know is, why was it delayed so long? Sir Percy Thompson left for Montreal on the 1st. What delayed the negotiations so long that no final report was received until the 28th? Furthermore, Sir Percy Thompson must have been convinced that Newfoundland would accept the ultimatum. He made a statement in Montreal in which he said that Newfoundland would not default. Surely he must have had something to go on when he said that.

At any rate, Sir, I say it was very harsh, and extremely unfortunate for the country that this ultimatum was not received until the 31st. It is true that when the ultimatum was received there was no alternative but to accept or default, but I would like very much to know why the negotiations were so long delayed. If there is any blame it should be placed on the right shoulders, whether it be the banks, the government, or Sir Percy Thompson. I fully agree that when the ultimatum was received it was too late to do anything, but why was it so late?

Rt. Hon. Prime Minister: I shall ask Sir Percy Thompson for a statement of the negotiations.

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.³⁰

This report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend the Act 20 George V., Chapter 3, entitled 'An Act Authorizing the Governor-in-Council to Enter into a Contract with the American Telephone and Telegraph Company.'"

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: Mr. Chairman, as explained on yesterday, this Bill gives a further extension of three years.

Mr. Emerson: Is there any correspondence on this subject?

Rt. Hon. Prime Minister: Yes. This is a plan showing the programme, as revised, and the amount of work done. It would appear from this programme that instead of going to Trinity, the cable is going across to Perlican in Trinity Bay. I have also a memorandum from the Company outlining what has been done since the contract was made. This memorandum reads as follows: (*reads memorandum*).

That means that the work which was to have been completed in 1933 has been deferred for conclusion until 1936, and the work which was to have been finished in 1932 is deferred until 1935.

I think that concludes the data. The actual fact of the matter is that under the present financial conditions there is little if any hope of making any progress in any large commercial venture. The Atlantic work has been done from a scientific standpoint, they have acquired the

³⁰ Both *The Daily News* and *The Evening Telegram* state that the Treasury Control Bill passed the committee stage on March 3.

licences necessary therewith, and they want time to complete their work.

Mr. Emerson: I listened very carefully to the data read by the Prime Minister, and to all practical purposes this Company has done nothing since the last session. In 1929 this Bill was heralded as one of the most forward steps that this country has taken. The Prime Minister went and sought out these people and offered them landing rights. He said he was not going to spend all his time in Newfoundland; he was going to go out and look for business; he was going to offer our resources to all the world. He told us that from our office here we would be able to speak to people in England, Europe, Australia and South America. The whole thing was a complete mirage, and the delay in completing this work is not due to the financial situation or any financial embarrassment, but was due to the fact that the Company is not ready to do it properly. The contracts for delivery of the cable were never given, and up to last December the raw material was never ordered, and finally they have not even acquired the patent rights, their relations with the British Government have not yet been settled, and the whole thing is just a mirage. The Prime Minister then goes and offers them landing rights at the same price as 30 years ago instead of charging them four times that price, and now the Prime Minister says that even in spite of the fact that they haven't even got their licences or patent rights or raw materials, etc., we should give them an extension of time for a couple of years. That is the wonderful vision shown by that Act. I don't know if it is much use reading the statutes brought into this House, because the Prime Minister would probably force them through anyway. I think that we should show this Company that the work has got to be done, and that we should insist on its being done on a more remunerative [basis] than it is being done now.

(Clerk reads the Bill.)

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.

This report was received and adopted, and it was ordered that the said Bill be read a third time on to-morrow.

Pursuant to Order, and on motion of Hon. the Minister of Posts, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act in Relation to the Amendment of Chapter 35 of the Consolidated Statutes (Third Series) entitled 'Of the Postal and Telegraph Services.'"

Mr. Speaker left the Chair.

Mr. Smith 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 with some amendment.

This report was received and adopted, and it was ordered that the said Bill be read a third time on to-morrow.

Mr. Winter gave notice of question.

The motion re a Bill entitled "An Act respecting Sunday Observance" was deferred.

The following orders were deferred: Committee of the Whole on Supply; Committee of the Whole on Ways and Means; Committee of the Whole on Income Tax Resolutions; Committee of the Whole on Bill "An Act for the amendment of Chapter 111 of the Consolidated Statutes (Third Series) entitled 'Of the Registration of Deeds and other Documents.'"

Committee of the Whole on Bill "An Act to make provision for controlling the export of gold and for regulating the currency in periods of emergency." On motion this matter was deferred.

The Death Duties [Act] and an Act to Combine the Departments of Agriculture and of Mines with the Departments of Marine and Fisheries under the title "The Department of Land and Fisheries" were deferred. [*Evening Telegram*, March 4, 1932, p. 3]

The remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises it adjourn until to-morrow afternoon at three of the clock.

The House then adjourned accordingly.

Friday, March 4, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Puddester gave notice of question.

Mr. Emerson gave notice of question.

Mr. Winter gave notice of question.

Rt. Hon. Prime Minister: Mr. Speaker, I give notice that I will on to-morrow ask leave to move Resolutions with respect to the Western Marine Railway.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Further Amend the Act 20 George V., Chapter 3, entitled 'An Act Authorizing the Governor-in-Council to Enter into a Contract with the American Telephone and Telegraph Company'" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to Order, and on motion of Hon. the Minister of Posts, the Bill entitled "An Act in Relation to the Amendment of Chapter 35 of the Consolidated Statutes (Third Series) entitled 'Of the Postal and Telegraph Services'" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Make Provision for Controlling the Export of Gold and for Regulating the Currency in Periods of Emergency."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of the Committee.

Rt. Hon. Prime Minister: Mr. Chairman, the procedure which I suggested in connection with the Auditing of Public Accounts Bill and the Treasury Control Bill is the same procedure in respect to this Bill, namely, that we should take this Bill section by section and discuss it, leaving the preamble not passed by this Committee. It would then remain, so far as the Order Paper is concerned, in Committee stage, so that if any point arises in connection with the Estimates with our banks, with the Government or with the Opposition, there will be an opportunity of considering it. The Bill as originally drafted was not satisfactory to the banks. They did not want things done by the Governor-in-Council. We now do it by statute, whereby every regulation made under this Act shall have the force and effect of law as if the same was part of this Act, and may be rescinded, renewed or amended by further regulation whenever and as often as the Governor-in-Council may deem fit. The notes of the four banks, namely, the Bank of Montreal, the Bank of Nova Scotia, the Canadian Bank of Commerce and the Royal Bank of Canada, operating here are legal tender so far as the banks and

the public are concerned. The Bill provides for its own repeal on December 31st, 1934, or a date three months after the date on which the Government of Newfoundland shall cease to be indebted to the said banks in respect of temporary debentures. It expires on December 31st, 1934. It will not be necessary to bring in an Act of Legislature to dispose of this Bill because after the 31st of December, 1934 it automatically expires. (*Reads sub-section (2) of Section 7*)

This means that if Newfoundland can pay the money it owes to the banks the Act automatically expires. (*Reads sub-section (3) of Section 7*)

This means that we go on the same as Canada.³¹

Mr. Emerson: Canada is on the gold standard.

Rt. Hon. Prime Minister: Theoretically, yes.

Mr. Emerson: But they haven't made their bank notes legal tender.

Rt. Hon. Prime Minister: No, but if you hand in a five dollar bill and try to get five dollars gold they would laugh at you. (*Reads Section 7*)

Mr. Puddester: Why were the banks so anxious to have this proviso?

Rt. Hon. Prime Minister: The banks were prepared for a default on December 31st. This meant that they had to have millions of dollars of gold shipped into Newfoundland from Sydney and Halifax and other places to provide for the people in Newfoundland asking for their money. As a matter of fact, the head offices wired and asked specifically for the cubic contents of their gold vaults so that the gold could be rushed in here if the people wanted gold. Now they might naturally desire to send some of this amount back [to] Canada; Canada might need to export some of her gold to the United States. If the gold were not needed, it would remain here; it is just as safe here as anywhere else, although perhaps it might not be so mobile, but it would remain here. So far no permits have been asked for but it is only fair that the excess the banks have should be available for export.

(*Clerk reads the Bill*)

Mr. Emerson: I take it that the proviso in regard to number one is in case anyone is in doubt about the notes of one bank, he can get the notes of another.

³¹ "... the Bill provides that the notes of the following banks, namely: the Bank of Montreal, the Bank of Nova Scotia, the Canadian Bank of Commerce and the Royal Bank of Canada ... shall pass current and be legal tender in Newfoundland ... [and] such notes shall hereafter be legal tender in any satisfaction of any obligation to pay in gold coin ... provided that it shall at any time be lawful for any person to whom any notes of any one of the said banks are tendered to require the substitution within a reasonable time of any other or others of the said banks.

"That the said banks shall ... be not under obligation to redeem their notes in gold or gold coin on demand."
Evening Telegram, March 5, 1932.

Rt. Hon. Prime Minister: It means that if a man comes into a bank with a deposit of loose money there will be no doubt about the bank taking it.

Mr. Emerson: (*Reads the section*).

Rt. Hon. Prime Minister: That means that as all four banks' notes are legal tender for Newfoundland, a man can make his selection.

Mr. Emerson: If you offer me Bank of Montreal notes and I can insist on, if I wanted to, on say Bank of Nova Scotia notes? That is what it means? This is the first time that I have read this Bill, but it strikes me that the verbiage is not quite clear, this is a very important matter and I think we should be quite clear on what we are doing (*reads section*). If I am offered \$100 in payment of a debt and I say that I want notes of another bank, how soon can I get it?

Rt. Hon. Prime Minister: It says here "Within a reasonable time." You can of course realize the difference between a man in White Bay owing you money and a man in St. John's owing you money and you want different notes.

Mr. Emerson: But I have not completed the tender and you can sue me.

Rt. Hon. Prime Minister: You have made a legal tender but if you want a special note the banks are compelled to give it, but you have made a legal tender.

Mr. Emerson: I want to be sure of the wording, this is an important matter and we want to be sure that the wording is right and we are clear on it.

Rt. Hon. Prime Minister: (*Reads Section 2*).

Mr. Emerson: Suppose I don't substitute, that is the point. Is that first tender valid? I offer you – we will leave the actual banks out, as between two individuals where there is a debt – A offers B \$100 worth of Bank of Montreal notes. That is a legal tender. There is an obligation because B says, "I want Bank of Nova Scotia notes." There is an obligation to take back those notes and get Bank of Nova Scotia notes; if neither, how does A enforce his obligation?

Rt. Hon. Prime Minister: A has had a legal tender. To begin with he says, "That is a legal tender, but I want such and such notes, Royal Bank instead of Bank of Nova Scotia." These Royal Bank notes would have to be substituted for the other notes, and the person has a reasonable time in which to do it.

Mr. Emerson: I don't see how he is going to be compelled to do it.

Rt. Hon. Prime Minister: There is no reason why he should be compelled to do it. As between

banks here in St. John's ...

Mr. Emerson: I am talking about individuals. We are dealing with the rights of individuals. It is a question as to whether the verbiage is sufficiently accurate. As the Bill is going to remain on the Order Paper for some time these points may be revived.

[*Re Section 5*] That has been held to mean that regulations passed under an Act of this kind are not reviewable by the courts because they become a statute themselves and a statute is not reviewable by a court.

Rt. Hon. Prime Minister: I understood that is the reason why those words were there.

Mr. Emerson: I think we ought to stop them. I don't think they should be given the right to make Acts of Parliament. They might pass many regulations which were entirely ultra vires.

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 motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Pursuant to order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend Chapter 23 of the Consolidated Statutes (Third Series) entitled 'Of the Auditing of Public Accounts.'"

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: I have been discussing this with Mr. Dunfield, and it would appear that under the old Act there was a provision whereby the Governor-in-Council could not borrow, except for the purpose of replenishing the Exchequer Account if that were short. If that is the point that my honourable friend raises, it has not been included in this section. That was never bothered about in the administration of the Audit Act. Any attempt to apply the actual provisions of the Audit Act would have been impossible under modern conditions. Supposing the Newfoundland Government to-morrow wanted to borrow a certain sum of money, they could borrow to the amount to which the Exchequer was deficient, but that deficiency would not necessarily include commitments outstanding, or obligations which were expected to come within the course of a month's time, and borrowing would have been to a sum such as would have been considered necessary under the circumstances. The Act in the form in which it is now drafted brings it in conformity with the former practice of the Auditor General's Department in connection with such matters, and really facilitates the handling of the business along the lines in which it always has been handled, and will now be handled with the advantage of the Audit Control.

After examination of the matter with the banks and these officials, they feel that the wording as now in the Act, as worked out, gives the necessary power of borrowing, so that if there has to be borrowed, say \$50,000, it does not mean that \$50,000 is actually short at the time, it means that this money will be needed in the near future, if not in the immediate present, at the time the borrowing is made.

Mr. Emerson: That point which was raised by the Prime Minister is quite right, and the Act has been so amended by certain changes in the verbiage of the sections that are here now. The position, as pointed out, if strictly followed by the Act would be impossible because [*omission*] had to borrow in advance, consequently it would be impossible to follow out; the construction of the Act would have to be a bit more liberal. But as to the words that are left out, I may say that I was speaking to Sir Percy Thompson about that. He asked me what the question was, and I pointed out to him what had been left out. He seemed to be unaware of it; he said he would take it up with Mr. Dunfield. When I saw Mr. Dunfield in connection with the other Acts, I called this matter to his attention. Apparently he had not seen Sir Percy Thompson, and was going to get in touch with Mr. Penson who is apparently responsible for the drafting of the Act, but the words that are left out are: (*reads*).

I can see where those words might need the same alteration as occurs in the section which has been accepted so it read (*reads*).

These words could be put in with that slight modification to which you refer. I suggest that it would be unwise to leave those words out unless there is some particular reason for it (*reads*). "The Governor-in-Council may from time to time ..." That is really what you intended to do in the past. If you inserted the words "But the sums to be so raised ... then falling or to fall."

Rt. Hon. Prime Minister: These words then would be unnecessary. You have given power to raise such sums as have fallen or are about to fall ... It is only adding the same phrase over again to repeat those words.

Mr. Emerson: It goes on and shall be applied ...

It may be impossible to accurately gauge what exactly you will require, especially where you are dealing with a number of services, but the intention is to restrain the Governor-in-Council from using a surplus from one of those loans for any other purpose. It does not affect the banks. Once they have lent you the money, they can't control the expenditure of it, but it does concern Parliament as to what the Governor-in-Council does with it. You are only supposed to raise this money for specific purposes, and having raised it, you must not use it for any other purpose.

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 motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Second reading of Bill "An Act to amend the Highway Traffic Act, 1925."

Mr. Hibbs: Mr. Chairman, I ask that the reading to the amendment of the Highroad Traffic Act be deferred. I have had a request from the Secretary of the Motor Association that he read it first.

Mr. Emerson asked if the Municipal Council had been communicated with in respect to the section which provides that the proportion of motor taxes collected from car owners within municipalities should be reduced from one-half to one-quarter.

The Prime Minister stated this was not so. The Bill had been deferred in compliance with the wishes of the Motor Association which desired to give the Bill some consideration. He promised to consult the Council on the matter. [*Evening Telegram*, March 5, 1932]

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Amend Chapter 22 of the Consolidated Statutes (Third Series) entitled 'Of the Customs'" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Pursuant to Order, and on motion of the Minister of Public Works, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Reorganize the Department of Public Works."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Hon. Minister of Public Works: I appreciate very much the valuable suggestions and amendments submitted by the Honourable Members of the Opposition.

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 with some amendments.

This report was received and adopted, and it was ordered that the said Bill be read a third time on to-morrow.

The remaining Orders of the Day were deferred.

Rt. Hon. Prime Minister: Might I be permitted to table this statement of Sir Percy Thompson's negotiations which Mr. Puddester asked for yesterday. My learned friend also asked a question yesterday with reference as to whether there is a sales tax on certain items. I might say that flour, pork, beef, and kerosene are free from sales tax.

Mr. Halfyard tabled answers to 160, 164, 121.

Mr. Lake tabled answers to 174, 173, 162, 150.

Mr. Hibbs tabled answers to 161, 159.

It was moved and seconded that when the House rises it adjourn until Tuesday afternoon next, 8th instant, at three of the clock.

The House then adjourned accordingly.

Tuesday, March 8, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

The Prime Minister was glad to see Mr. Alderdice back in his seat in the House and trusted that he had recovered from his illness. Acknowledging the wishes, Mr. Alderdice pointed out that several members of the Opposition were ill and he hoped that the more important business of the House would not be rushed. [*Daily News*, March 9, 1932]

Mr. Emerson gave notice of question.

Mr. Quinton gave notice of question.

Pursuant to Order, and on motion of the Minister of Public Works, the Bill entitled "An Act to Reorganize the Department of Public Works" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Rt. Hon. Prime Minister tabled answers to 139, 148, 167, 175.

Hon. Minister of Public Works tabled answers to 118, 122, 126, 129, 141, 156, 158, 172, 182.

Hon. Minister of Marine and Fisheries tabled answers to 179, 181, 177.

Rt. Hon. Prime Minister: Might I say, that I accept the suggestion of the Hon. Leader of the Opposition that the Budget be deferred until Thursday. In the meanwhile, I may say that there are some minor changes to be made in the schedule. There was some doubt in the minds of the older Members as to whether gasoline should be subject to a sales tax, and this was allowed [to] stand over further. There was also some doubt as to whether jowls and such like should be subject to a sales tax, and it was felt that instead of the \$1.50 and sales [tax] it would be better to make it the straight \$2 without sales tax.

In the case of candy, a complicated situation has arisen; we do not want to tax candy in the shape of the 5 cent bar to such an extent that it cannot be sold with a reasonable profit at 5 cents a bar. It has been represented to me that the present 35 and 3 cents per pound set forth would result in the present large importations being greatly curtailed, and thus the tariff would defeat itself. An increase from 5 cents to 6 cents would put them out of business. This will mean a slight readjustment; we have to try to hold the balance of power between the local factory and the revenue.

The next item that we have had to consider is the case of Bibles and etc. There was a special item in the tariff setting forth that sacramental wines would be allowed in duty free, this is being enlarged to embrace Bibles and etc. on the free list. In regard to school books, the question has arisen as to the margin below which school books can be imported duty free, and also the question of books coming in as donations for libraries. These matters will be subject to investigation and they can be put in the resolutions after the arguments.

Hon. Leader of the Opposition: I take it that we will have everything in printed form before Thursday, the Auditor General's Report, the Customs Blue Book and the Budget. They are

necessary for us and I hope that we will have 24 or 48 hours to consider them before we have to pass on them in the House?

Rt. Hon. Prime Minister: Yes, certainly.

Hon. Leader of the Opposition: Is it the intention of the Government to tax school books?

Rt. Hon. Prime Minister: It is just a question as to what value of the books under which they shall go free. A book under \$2 shall go free, but the margin has not been definitely decided yet. Mr. Paton telephoned me in relation to this matter and I told him that while it had not definitely been decided, that \$2 would in all probability be the margin below which books would be free of duty.³²

The committee of the whole on Ways and Means and Income Tax resolutions were deferred.
[*Daily News*, March 9, 1932]

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act for the Amendment of Chapter 111 of the Consolidated Statutes (Third Series), entitled 'Of the Registration of Deeds and Other Documents.'"

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: This Bill has not been read a third time and is subject to amendment. In Section 2, I would move the following amendment by striking out the words [*omission*] and substituting therefor the following words: "When the amount secured thereby exceeds \$500 ..."

Mr. Emerson: This is a new section added to the Act. Section 2 deals with hire purchase agreements by adding those words to the end of the section. Section 5 provides that certain deeds shall be registered by adding these words; there is a provision at the end which will not apply to certain documents by adding these words (*reads*) [*omission*].

Section 35 deals with warehouse receipts. These words are added in Section 38 as well.

Hon. the Speaker: With respect to the suggestion of the Hon. Member for Placentia East with respect to hire purchase agreements and conditional sales, would it not be better to introduce an amendment to the Act, not in this Bill, but otherwise to deal particularly with those, and provide for the registration of hire purchase agreements in an entirely different way, so that they may be registered for two reasons. The first will be that certain fees will be obtained by the Registry of

³² "In the matter of jowls ... the duty would be increased so as to bring these to the same level as other such food products ... 5 cent bars would not be increased in price to the consumer ... As to the matter of school books ... the value proposed was \$2, and all under that price might be duty free. Bibles would be kept on the free list." *Daily News*, March 9, 1932.

Deeds for them; in the second place the commercial community will have some measure of protection. In other countries, in the provinces of Canada, each one has a special Act dealing with the registration of hire purchase agreements and conditional sales; they are specially provided for at the Registry of Deeds. If we had that here the commercial community would get some protection.

Rt. Hon. Prime Minister: That would be a matter for a separate Bill.

Mr. Emerson: At the present time the object of the Registry of Deeds office is to give notice to individuals of the registration of certain documents, and to that extent it is binding upon individuals. If there is no registration they are not bound by unregistered documents. If you are going to apply that to commercial documents, you will have to pass a special Act for that purpose.

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 with some amendment.

This report was received and adopted, and it was ordered that the said Bill be read a third time presently.

Whereupon with unanimous consent, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act for the Amendment of Chapter 111 of the Consolidated Statutes (Third Series) entitled 'Of the Registration of Deeds and Other Documents'" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Make Provision for Controlling the Export of Gold and for Regulating the Currency in Periods of Emergency."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: This Bill was finally disposed of in Committee except the preamble. It has been suggested to me that it would be desirable to have this Bill passed.

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.

This report was received and adopted, and it was ordered that the said Bill be read a third time presently.

Whereupon, with unanimous consent, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Make Provision for Controlling the Export of Gold and for Regulating the Currency in Periods of Emergency" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend Chapter 23 of the Consolidated Statutes (Third Series) entitled 'Of the Auditing of Public Accounts.'"

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: My honourable friend Mr. Emerson had some points which he was raising on that question. I think there has not been an agreement. We are now open for debate on that point.

Mr. Emerson: Mr. Chairman, when this Bill came up before, I asked that it be deferred so that an explanation could be obtained as to why certain things in the Bill had been left out. Sir Percy Thompson since called on me and expressed surprise at the delay. I showed him the words that had been left out, and he said he didn't know why the omissions had been made, and said he would take up the matter with Mr. Dunfield. Mr. Dunfield said he didn't know, as Mr. Penson was responsible for the Bill. Mr. Penson then rang me up and gave an explanation with which I don't agree. At any rate, it was impossible to discuss a technical matter like this over the telephone; moreover, I don't see why I should be called upon to perform the duties of the Law Officers of the Crown.

The Act states (*reads*). That is a most important [point]. That limits the Governor-in-Council to raising loans only in case of actual emergency. It did not give power to anticipate and make provision for that emergency. Under the new Act they look forward to the deficiency and make provisions to meet it. I quite agree with that. We should not have to wait till the interest is actually due on our bonds, but the Bill as it stands does not give power to exceed the actual deficiency. Suppose the government needs \$500,000 and there happens to be \$100,000 in the Exchequer Account. If these words are omitted, all the Government will be able to raise is \$400,000, the amount of the actual deficiency, and the result would be that it would be left entirely without funds. The Bill does not improve the existing situation at all, and there is no reason why these words should be left out. The fact is we are trying to deal with an emergency with ordinary legislation. What we should do is to pass a special Act to deal with the matter for this year, and if necessary re-enact it again next year. But an Act which was intended to deal with normal conditions should not be tampered with.³³

³³ "He then proposed that the Bill should be amended to provide 'That the sum to be so raised shall never exceed the amount of the deficiency in the consolidated revenue fund and shall be applied to no other purpose whatever.'... Mr. Emerson's motion on being put was defeated by the government." *Daily News*, March 9, 1932.

Rt. Hon. Prime Minister: The Hon. Member is quite right in that respect, but the Audit Act is now an antiquated enactment. It must be revised and brought up to date. It was the intention to have it entirely reorganized and modernized, but it was not thought wise to do so at this date, so this amendment was brought in. The situation is now one about which lawyers are of different opinions. It is the intention to bring in an entirely new Audit Act at the next session of the legislature.

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 with some amendment.

This report was received and adopted, and it was ordered that the said Bill be read a third time on to-morrow.

The Death Duties Bill was deferred. [*Daily News*, March 9, 1932]

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act for the Control of the Public Treasury."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported they had considered the matter to them referred, and asked leave to sit again.

This report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Pursuant to notice, and on motion of the Minister of Marine and Fisheries, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Combine the Departments of Agriculture and Mines with the Department of Marine and Fisheries under the Title of The Department of Lands and Fisheries."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Hon. Leader of the Opposition: Mr. Chairman, as already intimated to the House, I do not think it is either desirable or necessary to have these two Departments united and to have one man acting in the dual capacity of ministerial head of two Departments. I am quite sure that the present Minister of Fisheries has his hands full daily without being called upon to take on the work of the Department of Lands – work that he has not the experience nor qualifications to do. Consequently, it will be

found that the few thousand dollars saved by combining the two Departments will be more than offset by the lack of efficiency encountered by uniting the votes of these Departments. Later on when we discuss this Bill, I shall be asking the Minister to point out where the economies are going to take place under the new scheme of the Government, and economies that could easily be effected in each Department separately. Seemingly, this combination of Departments is a freakish notion of somebody who has little idea of the condition of things, but who thinks this new idea is going to save money, whereas, on the contrary, it is going to make matters less effective from an efficient and economic standpoint. According to the Bill, there are to be three deputy ministers appointed. Now I do not think that this is going to solve the difficulty, because the Minister, as you know, has to be the dynamic force of any department. He has to have vision and he has to be always dreaming dreams for the welfare of the department, for as your Prime Minister has said, "without those dreams all will perish and decay."

Hon. Minister of Marine and Fisheries: Mr. Chairman, I may say that there is no provision made yet for the salary of a Deputy Minister of Agriculture. The policy of the Government is to have an agricultural policy inaugurated this season, and we have been looking around for a suitable man. We want to get the right man to take over the responsibility of carrying out this agricultural policy. I agree with the Hon. Leader of the Opposition that as head of the department he should be dreaming, but, after all, the deputy ministers of the departments are the permanent heads and upon them the bulk of the work falls.

Hon. Leader of the Opposition: (Section 12, sub-section (14))

I might say that I had a letter this morning from a man somewhere near Pilley's Island and he said it was the custom to catch rabbits and hold them over for a couple of months in a frozen state and then can them. Do you think that is a safe practice? Do you think that the meat is in good enough condition for canning? Don't you think that something should be done to compel them to can the rabbits immediately after they are caught, or at least stipulate a time limit within which they must be canned?

Mr. Downey: I have always found that defrosted fish when it is salted is not as good as the fresh fish. Defrosted fish and defrosted meat is never as good as the fresh product.

Hon. Minister of Marine and Fisheries: We have given people throughout the country the privilege that they be allowed to catch them [rabbits] for their own private use up to the 15th of March. Really the 1st of March was the time, but we have extended the time of catching up to the end of March, but not for sale. That is only for people in places where there is no fresh meat. While we have issued no general order, we say this, that we won't prosecute up to the 15th of March. That is for people who are in need, but not for sale.

Mr. Quinton: I have had letters from people all over the country about this matter. They do constitute a valuable food.

Hon. Minister of Marine and Fisheries: That was the idea why we did that, in order to assist

people.

Mr. Quinton: (Section 14)

That is a clause that a good many people will be glad to see. I compliment the Minister and the gentlemen responsible for the drafting of the Bill for the words in that section. If this matter had been taken up two and a half or three years ago, it would have been unnecessary for one of my constituents to have received the letter that I have before me now. I take it that the average farmer or fisherman who is a producer is suffering from lack of knowledge. It is that that has reduced earning power. Some time ago, in fact the letter that I have here signed by the Deputy Minister of Marine and Fisheries, dated December 22nd, is in reply to a constituent of mine who asked for some recipe or formula for the preparing of herring for kippering and the correspondent says: (*reads reply*).³⁴

I want to say that I exonerate the Minister entirely from responsibility for the contents of that letter. It is a sad commentary upon the situation that I won't say we enjoy – but that we are suffering from at the present time. I think that this clause, properly interpreted, will do away with the need for correspondence of that nature. If the producer is to make good there must be some centralized committee or body in order to get that information, and give it to the men who have not got the facilities to obtain it for themselves. It is a pity, with this Research Bureau at Bay Bulls, that the Department did not think of sending that letter to Dr. Thompson who must know how herring may be processed.

While I am on my feet, there is one other matter that I would like to refer to. It comes under this Sea Fisheries Board in connection with lobsters and herring. I know the Hon. Minister and various Members of this House have had a similar experience. A very prominent firm in this city who are buyers of lobster sent me this letter: (*reads letter*).³⁵

Now, in a sense I don't blame the Department, and in another sense I do. Perhaps it is because there has never been proper provision made to take care of such a situation. I don't know, Mr. Chairman, if the Minister has had occasion during his term of office to cancel the licence of any packer of any article that is produced under his administration.

Hon. Minister of Marine and Fisheries: I have.

Mr. Quinton: There needs to be a lot more cancelling. I presume you have found representatives of districts saying, "You must not cancel that man's licence because he is in my District."

Now, before we get our food products on a sound basis, we have got to keep a stiff upper lip and establish some hard and fast rule with regard to people who are licensed to pack food products. I know of a case in connection with split herring this year – and there are others who have had similar experiences – where as much as \$8 a barrel could have been obtained for good herring in Boston and

³⁴ " ... a request had been made to the Department of Marine and Fisheries for a formula as to the proper method of handling herring, and a reply was received from the Department to the effect that it was unable to give any formula and recommended the man in question to get in touch with people in Trinity Bay who were engaged in the business." *Daily News*, March 9, 1932.

³⁵ "... he had a letter from a prominent firm buying lobsters which showed that in eight cases received, 42 cans were of light weight and in seven cases 23 packers had a share." *Daily News*, March 9, 1932.

other cities. People have tried to put up this herring and the result is that various wharves in this town to-day are filled with them and they are unfit for export. I am going to pay a tribute to some of the herring inspectors who labour under difficulties. There should be a proper grade for the stuff that goes to the West Indies. I mention this because it is under this particular heading, and there is the opportunity perhaps for the Minister to gather ideas and opinions and some small measure of experience from people outside, who are in contact hourly and daily with very vital matters in connection with the Department. I mention this for what it is worth, and I trust that when the Board functions, it will do its best to inaugurate a strict inspection which will establish a reputation for our food products.

Hon. Minister of Marine and Fisheries: I want to thank the honourable gentleman for his remarks this afternoon, and to say that the honourable gentleman will perhaps realize the vicious system under which the Department of Marine and Fisheries has laboured all down through the ages up to the present time. When I came in to the Department of Marine and Fisheries some four years ago, one of the first things which I did was to call in some outport packers of lobsters, including the father of my honourable friend Mr. Abbott, and one or two others, and suggest to them that no man should be allowed to pack a case of lobsters unless he could guarantee to pack 25 [cases] in one year. My idea was to get centralization of packs. Until this country gets a centralization of every kind of pack of its products, we are not going to have centralization of fishery or other products, and I do say that we have laboured under a vicious system.

The Hon. Member said there were 27 packers of seven cases. We might have got 100 packers in seventeen cases. I should like to see something functioning whereby the Department of Lands and Fisheries would have control, so that no representative shall have power to say to the Minister that he wants to get something for a constituent in Placentia or somewhere else. Until we get some such system in vogue we are not going to have centralization. This not only applies to lobster but also to herring. I think that so far as herring is concerned, that we have to-day the best herring inspection service that this country ever had. I am sorry to say that the market for all classes of herring to-day is off, but we have a very good standard pack.

I want to assure the Hon. Member that anything I can do, I shall be very glad to do.

Mr. Downey: If I spoke extempore, I fear I should trespass to far on the patience of the House, so I have prepared some memoranda in order to keep the subject matter in consequence, and these, Mr. Chairman, with your kind permission I shall now read to the House (*reads*).

He stated that for 60 years every political party has carried an agricultural policy in its manifesto. All these statements were made in good faith and sincerity, but the makers were not practical men, and could not detect the weak parts, so that their efforts were negatived and results did not materialize. In years past one of our troubles has been that though we have had a good market for our agricultural products, it can easily be oversupplied and prices must drop as a consequence. That is what happened a few years ago on the West Coast when an agitation was aroused for increased production of cabbage, and when in the second year afterwards there was an abnormal yield the prices dropped, and in the following years many stopped growing cabbage. In 1929 the Department of Agriculture and Mines undertook to transport potatoes to St. John's in frost-

proof cars but the opportunity was not availed of. The idea of increasing the duty on imported potatoes was an ungraceful act, in that the farmers who supply these potatoes now supply flour to us at a rate which gives them only about 30 cents a bushel for wheat. The cost of potatoes plus freight, wharfage, duties, etc., is \$3.04, and with the proposed increased duty they will be \$3.24. If this increase is imposed we must expect to have to pay a higher price for flour. Britain's agriculturists are amongst the keenest in the world, but years of experience has shown them over there that massed production is what is required if costs are to be kept down and profits made. There is need for re-organization of our methods too, and unless something is done results cannot be obtained in the manner that is desired. [*Daily News*, March 9, 1932]

Mr. Chairman, I have a very strong conviction on this matter, and I thought I was warranted in giving you the benefit of my experience, having been connected with the Agriculture and Mines Department for a considerable number of years.

Mr. Emerson: (Section 18, sub-section (2))

Mr. Chairman, I object to that because it makes the owner of the land liable in an action that may be taken. Take for instance a lobster cannery, the owner of the land on which it is situated might be liable for a tenant's breach of the Act governing the canning of lobsters. What is the object of the section anyway? In ordinary criminal law the man who commits the crime is liable.

Hon. Minister of Marine and Fisheries: What would you suggest?

Mr. Emerson: I don't see the necessity of it.

Mr. Bradley: It is too wide alright, let it stand over.
(Section 18 allowed to stand over)

Mr. Scammell: (Section 20) Mr. Chairman, I move that this section should be allowed to stand over for the time being until I get a chance to go into it more fully.

Mr. Quinton: I would like to support the motion of the Hon. Member for Bonavista Centre, there are many valuable places around the coast and the people might put a fence around them.
(Section 20 allowed to stand over)

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported they had considered the matter to them referred, and asked leave to sit again.

This report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend Chapter 22 of the

Consolidated Statutes (Third Series) entitled 'Of the Customs.'"

Mr. Speaker left the Chair.

Mr. Smith 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 on to-morrow.³⁶

The Press Dispatches Bill was deferred; the same applied to the Highway Bill. [*Daily News*, March 9, 1932]

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: The Committee of the Whole on Supply may prefer to begin temporarily, and there are two or three sections of that Supply Bill which we might go into at once – the matter of Education. It is a matter of putting educationalists on a certain definite basis. There are matters in connection with the Assessor's Department in the usual form. If it is the pleasure of the House, I would now resolve it into a Committee of the Whole on Supply. From the standpoint of Educational Estimates, the allocations which it will be possible to give the Department will amount to the sum of \$72,000, which is the maximum a balanced budget will stand. It works out at 15.3 per cent of the amount available for the Public Service of the Colony on a budget basis. That is a higher percentage than has been hitherto given in any previous Budget. There is a particular hardship in connection with the educational system, in that educationalists are attempting to carry on their full staff with assistance from churches and societies and others. All their teachers are maintained. In the case of other Departments, the reduction, which amounts to about 30 per cent, has been made by reducing the staff. In the case of the Educational Branch that has been done without reducing the staff but by internal reorganization that has been undertaken by the Superintendents of Education. These are the Estimates in connection with their programme for handling the vote on the basis of \$72,000. I have taken the report given by the Secretary of Education as the best that could be done in regard to the vote available for the purpose.

Hon. Leader of the Opposition: The full personnel of the Educational System is being kept on?

³⁶ "The Customs Bill, dealing with goods on which the duty shall be imposed on the Newfoundland value of the U.S. dollar was passed through the committee stage." *Daily News*, March 9, 1932.

Rt. Hon. Prime Minister: I understand that is the intention.

Hon. Leader of the Opposition: In the regular service there is a reduction of 30 per cent.

Rt. Hon. Prime Minister: It is partly a reduction in personnel. In the case of civil pensions, according to our present estimate we think that the total reduction will be in the neighbourhood of 40 per cent.

Our general programme in connection with pensions is, when we get time to do it, take up each individual case and place it on a regular statutory basis. I propose an amendment to the Act of the year 1926 following along the lines of the Act of 1926, but with certain changes which will make the pension system a little more stringent and will have a general effect of reduction. In the case of certain outstanding pensions in particular and in the putting of pensions upon the basis of the new systems outlined by the new Act, that will mean that it will be some little time before it is brought into harmony with the new revenue. The latest estimate that I have is that the civil service pensions will, in the gross, amount to a reduction of about approximately 40 per cent.

Hon. Leader of the Opposition: I notice the higher-ups [in the Department of Education] get a 10 per cent cut. They don't take the medicine they administer to others.

Rt. Hon. Prime Minister: There is a 10 per cent cut up to a certain point, and 7½ per cent which has been proposed in our Estimates over and above a certain other amount. What my honourable friend calls higher-ups are in the ranks of deputies; they have got a 10 per cent cut, and in addition those over a certain salary get a further 7½ per cent, and others again another 5 per cent cut in accordance with the provisions of the Budget.³⁷

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed certain Resolutions and asked leave to sit again on to-morrow.³⁸

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Pursuant to Order, and on Motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Amend the Act 22 Geo. V., Cap. 25 entitled 'An Act Respecting the Export of Marine Shells from Labrador and the Islands adjacent thereto'" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

³⁷ "The Prime Minister stated the higher paid officials would be subjected to the further decreases in salary which are being introduced." *Daily News*, March 9, 1932.

³⁸ "The votes for the Departments of Education and Assessor were taken up and passed." *Daily News*, March 9, 1932.

It was moved and seconded that when the Houses rises it adjourn until to-morrow Wednesday afternoon, at three of the clock.

The House then adjourned accordingly.

Wednesday, March 9, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Byrne gave notice of question.

Mr. Brown gave notice of question.

Mr. Puddester gave notice of question.

Mr. Winter gave notice of question.

Mr. Quinton gave notice of question.

Mr. Cashin: Mr. Speaker, I draw the attention of the Secretary of State to Question No. 87 on the Order Paper of February 23rd. Whilst I have not been at the House recently, I don't think the answer to that question has been tabled. I would like to know when it is going to be tabled.

Hon. Secretary of State: I think it has already been tabled.

Mr. Cashin: The records of the House don't show that it has. Might I also direct the attention of the Prime Minister to Question No. 89 on the Order Paper of the same date. The answer is being prepared; the Question is quite a simple one, and there is no necessity of the answer being held so long (*reads question*).

These Questions have been on the Order Paper for three weeks. Invariably the answer is being prepared. Whilst I realize that I know the answer myself, I think it should be tabled in the ordinary course of business. I know it; I have a very good idea of what the answers are.

Rt. Hon. Prime Minister: I remember an answer similar to the one that you gave passed through my hands here. I know there was a similar answer passed through the other day.

Mr. Cashin: I would like, Mr. Speaker, to ask the Prime Minister if the day the Budget was delivered, the Resolutions were tabled with the Budget the same day, because I don't think anyone knew what was in it. We did not get it until yesterday. If the Resolutions were not tabled when the Budget was delivered, I take it when a document is tabled in the House it is public property, if those Resolutions were not tabled, the Customs cannot collect duty on that document until such time as it is tabled.

Rt. Hon. Prime Minister: They were actually tabled by me in typewritten form.

Mr. Cashin: The ordinary businessman on the street did not know what was in these Resolutions, only rumours of a general tax on flour, pork, beef. The document itself was not tabled for publication in any of the papers. It could not be got at the House by any Members on this side of the House. It was only yesterday we got a copy of the Budget; if that document was not tabled a week ago and the revenue was collected without that document being tabled, the revenue should not have been collected as per that schedule until yesterday when it was officially tabled.

Rt. Hon. Prime Minister: I handed them to the Clerk of the House.

Mr. Cashin: The point is this, handing them to the Clerk they are the property of the House; Members of the House are entitled to see them. Members of the House have not been able to see them. Therefore duties collected on that document were collected illegally.

Mr. Puddester: Mr. Speaker, following up on that point in connection with duties, I was not here yesterday when the Prime Minister said that printed books were going back on the free list. I have not seen the schedule yet. Do I understand that these things were subject to duty in the schedules that were tabled?

Rt. Hon. Prime Minister: The original schedule as tabled dealt with books generally, included all books, but Bibles, prayer books, hymn books and such like in connection with church services and school books under a certain value will be on the free list. Another point, that is in connection with pigs' jowls that was originally taxed \$1.50 plus 5 per cent. It is now put on the rate of \$2 without sales tax.

Mr. Puddester: I don't know that there is very much difference. Pigs' jowls is pork.

Rt. Hon. Prime Minister: It was an important point down at the Customs.

Mr. Puddester: I thought that pigs' jowls was pork. Supposing now that there were some entries passed in the Customs between March 2nd and yesterday ...

Rt. Hon. Prime Minister: That will be adjusted.

Mr. Puddester: It was the first intention to tax these books; the first intention must have been to tax these books.

Rt. Hon. Prime Minister: I also mentioned yesterday that there was outstanding a matter in connection with certain candy which was on the basis of [*omission*]. There is a view to some change in that.

Mr. Puddester: Mr. Speaker, on the question of the privileges of the House, will you kindly inform the House as to whether in connection with the Address that we sent to the Governor on Tuesday of last week, [if] the Governor has communicated through you to the House his decision on the matter?

Hon. the Speaker: I have had no communication whatsoever from His Excellency since the presenting of the Address.

Mr. Brown: Mr. Speaker, before Notice of Motion goes, might I be permitted to say a few words by way of explanation?

Hon. the Speaker: I think the House will be quite satisfied to hear your explanation.

Mr. Brown: It has been ten days, Mr. Speaker, since I attended a session of the House. Saturday week I received an urgent call from Grand Falls informing me of the labour trouble there, and asking me to come immediately, if not by train by aeroplane. I have never been in the air; I would have been delighted to go by air if there had not been a freight train available. The trouble in Grand Falls was very serious, more serious than anyone in the House anticipated, and I think possibly through my going to Grand Falls a strike was averted. A strike in the Grand Falls mills at this time of the season would have thrown the whole thing out of kilter. I wish to say for the information of this House that the trouble at Grand Falls is settled so far, but there will be further negotiations opening up next month, when committees of the labour unions will meet the management, and probably come to a final settlement. The thing, as it stands to-day, is that the workers are in the mills working at the old rate of pay with no reduction, which is a victory for the unions at Grand Falls. The management put forward their story and the unions put forward their story, and we arrived at a deadlock. Nothing further could be done, as the management had no authority to settle the matter, and the management negotiated with Mr. McInnis, and I think that he will be down here some time in April when the thing will be gone into fully, and then and only then will it be known as to whether there will be a strike in Grand Falls. What I say now I will say for the information of those associated with the daily papers, that it would be most unwise to make any comment on the Grand Falls situation until both sides of the matter are understood.

Nobody in St. John's to-day understands the situation at Grand Falls. Believe me, Sir, the labourers had a far bigger kick than anyone knew anything about. I have been associated with them at Grand Falls for sixteen years, I know their grievances, their worries and their troubles. That was probably why they sent for me. All things are not going smoothly at Grand Falls yet. While the Company have got their side, the labourers have also got their side. Conditions are by far worse than before this new bunch took over affairs. When I walked into the Company's office as representing the International, I looked upon the wall and I saw a picture of the late Rev. William Scott. Mr. Scott was a man who had the confidence of every man, woman, and child in the place, and whilst he was in charge, there was absolutely no trouble of any kind. Mr. Scott and his lady had the respect of all and sundry, but since his retirement the people have not placed the same confidence in his successors. I must admit though, that the management were always most courteous and were always ready to meet and discuss terms with the representatives of the workers, but as I have said before, a deadlock was reached and nothing can be done until Mr. McInnis arrives. The position now is that the men have gone back to work with no reduction of wages, and in that respect it may be called a victory for the unions.

While I am on my feet, Mr. Speaker, I want to avail of the opportunity to make reference to a letter I received from Mr. Magor on my return to town. Mr. Speaker, I want always to try to be square and above board. I want to give credit where credit is due, and to criticize where criticism is necessary. On the day before I left town, Mr. White, manager of Messrs. G. J. Carter and Sons firm at Herring Neck, came to me and told me that in the relief orders that were being given out, cocoa was being called for, and Mr. Magor had refused permission to substitute tea. I told him that I would take the matter up. When I was in Grand Falls I had another letter from Mr. White, and he told me that he was not allowed to substitute tea. I wired Mr. White and told him "if no cocoa substitute tea." When I got back into town I was handed this impudent letter from Mr. Magor, and if Mr. Magor thinks he is going to do what he likes in my District he has another thing coming (*reads*

letter).

Mr. Speaker, I want to use the words now that I used to Mr. Magor over the telephone. I told him that I wasn't going to stand for it, and if he thought he was going to get off that kind of stuff he could fly straight to hell.³⁹

Mr. Speaker, in 1928 I fought a hard election, and I was returned by my District as I was twice before. My duty is to look after my District to the best of my ability, and I defy anyone to try and go in over my head whilst I am a sitting member of this House. Since I had the honour of being elected to this House, I have always tried to fight the cause of the working man, and I want to say right here now that it's the fisherman that is keeping this country going. I am sorry to have to mention in this House a matter that could have been settled outside, but as a Member of this House I can't swallow that affront. I am going to stand on my own legs, I am going to do the best I can for the District I have represented for nine years, and Mr. Magor can fly to hell.

Hon. the Speaker: I must ask the Hon. Member to withdraw these words and apologize to the House.

Mr. Brown: If I have offended anybody, let him get up and say so.

Hon. the Speaker: It's not a question of having offended any Member. You have been here now for a number of years and you know that your language is unparliamentary and must be withdrawn.

Mr. Brown: Alright, I'll withdraw them.

Mr. Puddester: In connection with this matter I would like to ask the Prime Minister isn't it true that he announced some time ago in the House that Mr. Magor had resigned as Food Controller and was back at the Railway?

Rt. Hon. Prime Minister: Mr. Magor has resigned as Food Controller only so far as St. John's is concerned. He is still in charge of outport relief, but the major portion of his time is given to the Railway.

Pursuant to notice, and on the motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider certain Resolutions with respect to the Western Marine Railway, Ltd.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

³⁹ "Brown: Is that you, Magor?"

"Magor: Yes."

"Brown: Ken Brown is speaking. What is the meaning of that sarcastic letter you sent me? Look here, Mr. Magor, I'm not standing anything from you. You can fly straight back to h-l or Canada where you came from." *Evening Telegram*, March 10, 1932.

Rt. Hon. Prime Minister: In 1925, the Governor-in-Council advanced by way of a loan to the Western Marine Railway Ltd., the sum of \$35,000, of which the sum of \$4,000 had been repaid to the Government and the remainder is still outstanding. Because there was no statutory authority for such borrowing, the present Bill was being introduced to make it legal. [*Evening Telegram*, March 10, 1932]

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed the said Resolutions without amendment, and recommended the introduction of a Bill to give effect to the same.

On motion this report was received and adopted, and the Bill entitled "An Act for the Confirmation of a Certain Loan in Connection with the Western Marine Railway from the Bank of Montreal" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Pursuant to notice and leave granted, and on motion of Mr. Puddester, the Bill entitled "An Act Respecting Sunday Observance" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Mr. Puddester: Mr. Speaker, on the motion for first reading of this Bill, I may say that I do not intend to go through every section of it to-day, but merely to make a short explanation on the principle of the Bill. It has been felt by quite a large body of public opinion in Newfoundland that we should have an Act on the Statutes in connection with the Lord's Day observance. Canada has had an Act on their Statutes concerning the observance of the Lord's Day since away back – the one at the present time having been passed in 1907 – and it has been considered by a large body of public opinion in this country that we should also possess an Act something similar to what Canada has enjoyed for a large number of years. This Act has proved very beneficial in Canada, although it is a little different to what is in force in the province of Quebec. The Act in Quebec was enacted into law principally on the recommendations of an influential body who call themselves labour unions of that province. If you want to get the perfect law for Newfoundland, the framers of the Bill now being introduced feel that the best way would be to take the Federal Act of Canada, incorporate into [it] the good points of the Quebec Act, and the two combined should suit this country. I may say that a committee has given a great deal of study and time to the Bill now before us, have considered it from every angle possible, and we believe that this House should reflect the public opinion of the people of Newfoundland. Some of us believe that the public opinion of Newfoundland has always been reflected by this House. I intend to put this Bill to the House to be voted on, and if public opinion is to be reflected in this House, and the House is in favour of this Act it will go through, but if public opinion is not reflected by this House the Bill can be defeated. But I am convinced that if the Dominion of Canada can have this Act on her Statutes and if Quebec could carry the principle further and felt the need of having it, I see no reason why Newfoundland should

not also benefit by having it.

There are two principles involved in this Bill. The first and chief principle is to see to it that the men working and living in industrial centres in Newfoundland will get one day in every seven whereby they can rest, because a day of rest is as necessary to man as it is to any of the beasts of burden, and the beasts of burden are always given rest. To-day there are men working in the industrial centres of our country who work seven days in the week and have no rest. Therefore, the principle of this Bill is to provide under penalty that such men will get one day's rest in every week. The other principle of the Bill is to respect and observe the Sunday which all Christian people in the world adhere to. These two principles, Sir, I commend to the consideration of the House, namely, to give a man one day's rest out of seven, and for the proper observance of the Sabbath Day, which has been handed down to us from our forefathers and our ancestors. You will observe as we go through the efforts that have been made to try and uphold these principles. I therefore commend the Bill to the consideration of the House, so that when we go into Second Reading within the next few days Honourable Members will have had an opportunity of studying the sections of it and be able to discuss it intelligently. There have been people trying to get these principles in operation in Newfoundland for the past 25 years, but this is the first time we have had it before us in practical form. It is said that "In the multitude of counsel there is wisdom," so I think that after a quarter of a century of labour we have brought something definite to the House in the principles I have enunciated.

Rt. Hon. Prime Minister: Mr. Speaker, I am sure the entire House is obliged to Mr. Puddester for having had distributed upon First Reading the Bill respecting Sunday Observance, and for giving us this explanation this afternoon, as it will be very helpful in discussing this measure, which is a non-party one. I do not think there is any man within the confines of this Legislature or outside of it who would challenge for a moment the subject matter of the Bill which forms the foundation stone in commercial as well as in religious life in this country.

The Auditing of Public Accounts Bill and the Customs Bill were read for the third time and ordered to be sent to the Legislative Council for concurrence.

Committees on Ways and Means and Income Tax Resolutions were deferred. The same applied to the Committee on Death Duties. [*Daily News*, March 10, 1932]

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act for the Control of the Public Treasury."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: I have had copies of the proposed amendments distributed. The amendments are as follows:

Section 2, sub-section (2); it was thought by deleting sub-section (2) of Section 2 and adding certain words after "shall" as indicated, the matter would be put on a more courteous basis,

especially in dealing with the Imperial Government. The person who is appointed is appointed, but he can be discharged after six months. In one case it is merely a trial, and in the other it is a temporary appointment. We conferred with Sir Percy Thompson and Mr. Penson, and they thought also that it was a more courteous and fair way of wording it.

The second amendment makes no difference that I have been able to discover, other than a change in the wording and clarifying the uncertain position of the Controller of the Treasury. There may be some little misunderstanding about the position of the Controller of the Treasury. The Controller of the Treasury is the financial controller, and has no control whatever over the policy of the Government. This paragraph as it was originally printed was considered by everyone abundantly clear that he was the financial controller as distinct from controlling any policy of the Government. As there might be some doubt, I conferred with the Acting Deputy Minister of Justice and others, and the wording was changed and it was agreed by Sir Percy Thompson and Mr. Penson from their standpoint that he was to be a financial controller, and that the policy of the Government was a matter for the Government. For instance, if there is an allocation of \$10,000 for roads and bridges, the Controller of the Treasury can say if the money is available or when it will be available, but he cannot say where it should be spent. I trust that now, after these few words, that it is [as] abundantly clear to everyone as it is to me in my way of thinking, and [as] it is to my legal associates in their way of thinking [and] as it is to the financial advisors in theirs.

Mr. Puddester: Do you think that if the Executive Council passed a Minute for the expenditure of \$10,000 for work, that the Controller of the Treasury could veto it?

Rt. Hon. Prime Minister: If it were not available, yes, or if it were not provided by Statute, yes, but the point is that it is not for the Controller to decide matters of policy or how any particular job should be done. His business is to see that when moneys are voted, the expenditure is not made unless the actual cash is there to meet the bill. The whole principle is that he controls the actual expenditures of the Legislature if there is a shortage of funds to meet them.

Mr. Puddester: I don't think that he can control Section 33(b) of the Audit Act; there is always a way to get around it. He would want to be a superman to control the Executive Government when they think that certain expenditures ought to be made. I understood from the announcement made in last November that there was to be a fool-proof and knave-proof system introduced into the Finance Department, and that the Governor-in-Council passed certain Orders in Council whereby the Controller of the Treasury would see to it that there was no money expended that was not absolutely necessary for carrying on the business of the country. That is too wide a term, not absolutely necessary for carrying on the business of the country. It all depends on what interpretation the Controller of the Treasury puts on these words.

There was another announcement about which I was skeptical, and that was that he would control the treasure in the Treasury and I am just as skeptical to-day. There is an Act on the Statute Book since 1898 or 1899, and the provisions of that Act have become to a large extent dead letters, and I don't see very much more in these Resolutions, this Act, than was in the old Audit Act all down through the years. If the Governor-in-Council makes up its mind to pass an Order in Council for certain expenditures, it is a very hard thing for the Controller to stop the expenditure. Even if

this Order in Council was passed in November, we have seen the Controller of the Treasury paying money he should never have paid. If the Order comes from His Excellency the Governor-in-Council he is going to exert all his powers to try and please the Governor-in-Council. There was money paid out when we were hard up during the month of December. It should never have been paid, but it was paid because there was an Order in Council, or it was said there was an Order in Council to pay the amount. I am not convinced that we are not going to have abuses, maybe we will not have abuses to the extent that we have had, but I am certain that we are going to have more abuses if the government in power sees to it that they are going to play politics no matter what state the country is in. No Controller can stop that 100 per cent. The Audit Act is ample if we are going to stop it.

I have here the Report of the Auditor General for 1930-31, I will turn up Revenue and Expenditure; outside of votes made by this House in the regular way, the Government without any authority whatever, except Section 33(b) of the Audit Act, they spent, illegally, \$1,184,919. As long as that kind of thing is going on there is no hope for Newfoundland. We stand here this afternoon absolutely discouraged. I know I can't talk the same as I could last year – we thought we were going to have better measures introduced, we thought that we were going to have better control over public moneys. I thought we were going to have control over the public money exercised. No body of men could stand in this House, no small number such as we have, only ten of us, I say it on behalf of the body with which I am associated, nobody could stand here and say more than what we said as far [as] legal expenditure and unwarranted expenditure were concerned than we said last year, last session, but the thing went on. As long as the banks poured out the money, the Government took it and was glad to get it and expend it. The only thing that stopped them was that the banks would not give them any more money because they had lost all confidence in them. That confidence has not yet been restored, and it is going to take some labour on somebody's part, whoever it is going to be, it is going to take some of the hardest labour that ever was expended in Newfoundland to restore the confidence of the financial men in this country.

No wonder we want a Control of the Treasury when we can spend \$1,184,000 under Section 33(b) of the Audit Act. The Act that was passed in this House and given to the Auditor General as his authority to see that no moneys would be expended except under cases of extreme emergency. Anything at all now is extreme emergency, no matter what it is, and I am skeptical, Sir, it is no difference what you bring in and put there before me so as to safeguard and make an Act fool-proof, I am still skeptical. Every government that we have had in Newfoundland since that Act was passed in 1898 has ridden roughshod over that Act, and has spent money when there was no necessity of spending it for every little thing that would come along. If Mr. Keating said, "No, I am not going to pay that," the man who wanted the money, all he had to do was to ask the Governor-in-Council. The order went through and the money was paid. If Mr. Penson can put a system in force that will stop the Governor-in-Council, and stop the Departments from spending the money that this House votes. When this House votes the money there is a warrant for the expenditure; this House controls the public purse of Newfoundland. There is a warrant when we pass it for the expenditure of that money. If Mr. Penson can do anything that will stop the Governor-in-Council from passing the Orders in Council authorizing certain expenditures that were never passed by this House, he will be able to do something.

It is not the little expenditure that goes on in the departments. Ministers of the Crown have authority to spend the money that is voted for them in this House. Mr. Penson will have little

trouble; I do not for a moment agree that he should control the policy of the departments when money is voted for them. The departments have money voted for a specific purpose, then the departments cannot transfer the vote from one thing to another. If they do, they are acting [with] the authority of the Auditor; that is the safeguard of the public purse of Newfoundland. What we want is an Act here, and I don't know how we are going to get it, to stop the Executive Government from passing Orders in Council for the expenditure of money that was never voted by this House. The Auditor General in his report last year gave his opinion that the only way to stop that kind of thing was by publicity. I am a believer in publicity. The Auditor General said that we should have the same as every other parliament has in the British Empire, a Public Accounts Committee that can review, during the time the House is in session, that can review the expenditure, not only under Section 33(b) of the Audit Act, but the expenditures of the Government in every department. Review it, call up the men who sold supplies to the Government to make it clear to the country that they sold supplies at a legitimate price; call every kind of a witness to prove that these things were done fair, square, and above board. When you have that committee working all through the session giving publicity to everything that has transpired within the past year, in my opinion that committee will be far safer than that Bill.

Publicity: there is nothing that will keep Ministers of the Crown straight so much as publicity will keep them straight, and I say, Sir, there is too much able-bodied pauper relief. I believe, Sir, that we would not have half the able-bodied pauper relief distributed in Newfoundland if we had more publicity than we have at the present time. During my experience in this House, I am convinced that publicity as far as pauper relief is concerned, even able-bodied relief, even permanent and casual, for if we had more publicity, [if everybody] from the man on the outside to the relieving officers down, knew that these things were going to be published, broadcast to the world, we would not have the able-bodied relief that we have got at the present time. There is nothing people hate as much as publicity, and with a committee of this House, I say it again, functioning through the session, going into the details of all the expenditure that has been made during recess, I believe it would be just as effective and more so than that Bill that we have before us at the present time. I commend to the Prime Minister the idea, during the next few months, of more publicity, and even before this House closes, more publicity on the accounts as far as relief expenditures are concerned. It will do no harm to the country to show the country some little things that have been going on as far as these men are concerned who don't care anything at all about the country, or about the finances of the country, only to give out as much as possible. Give them all the publicity that they require.

These are my feelings, Sir, on that Bill. I receive it in a very skeptical manner. I don't think that it is going to accomplish the end that you have in mind, but I do believe that a Committee on Public Accounts of this House functioning, inquiring into it – publishing the accounts, telling the country what has been done, I believe, Sir, that will have more effect than anything else you can do, and I trust – I spoke about this last session – I trust that before we close that the Prime Minister – it does not matter to us who are in the House at present time; in the natural course of events we will have to submit ourselves to the electorate during the next few months – here in this House in this last session we can do something by way of what I have indicated, we can do something to make it better for the men who come here next session, and perforce during the next parliament of Newfoundland, the men who come here must do right. They can't exercise any graft because I don't think there will

be any money to exercise graft over. While we have this opportunity – I say it in the utmost sincerity – I think that when we have this opportunity we should, in addition to that Bill if you like – I would be very glad to give it my hearty support if it comes from the Crown as it must come from the Crown, as it must come from the Crown, I should be very glad to give it my hearty support, let us have an order passed whereby that committee will be appointed and function during the whole session. Even if that Bill is right, even if it is foolproof – because there has been money paid out since November that never should have been paid out because it was an Order-in-Council, there was money paid out because the Government thought it should be paid out, and if it was done during the past two or three months it will be done again. In addition to that Bill, let us have a Public Accounts Committee that will not only go through the Orders in Council, but let us have a Public Accounts Committee that will go through every department of the Government, take evidence, show up those who have done wrong, and give full publicity to the actions of the minister and the department during recess. I commend that, and I suggest it [to] the Prime Minister. I suggested it last year; it was not taken very much notice of. All Dominions have Public Accounts Committees; a Public Accounts Committee would do much in the way of answering questions.

Rt. Hon. Prime Minister: I think the idea of the suggestion is an admirable one, if it had the effect as my honourable friend said of saving the multiplicity of questions. At the same time it would enable investigations that would show reasons rather than merely going into figures which are very often misleading. I shall pass this suggestion along.

Mr. Puddester: No. 6 reads “No Member of the Legislature or other person whatsoever ...”

Rt. Hon. Prime Minister: The Bill is really declaratory of existing law.

Mr. Puddester: No Member ever had any authority to order the expenditure of public money. I suppose this was put in to tell the rank and file of the House where they got off. They must have been very ignorant up to this, and looking at it in that light it is really a reflection on the intelligence of the House. No private Member could ever authorize any work to be done, all he could do was recommend it. The function of a Member of this House is to vote the money and he has no further authority. If I order any work to be done in my District, I have to stand behind it if the Minister repudiates it. I have never ordered anything myself without first consulting the Minister.

Mr. Emerson: Might I ask the Hon. the Prime Minister if any arrangement has been made to put the Humber Constituency Account back in the Exchequer?

Rt. Hon. Prime Minister: That money belongs to the people of the District and it will be spent there.

Mr. Emerson: Excuse me, it belongs to the people of this country, and I am surprised that the financial experts have not insisted on it being returned. That is what they were brought here for and this is a flagrant breach of the law.

Mr. Cashin: There is a question or two I would like to ask in connection with the financial control. Before any expenditure is carried out, is it necessary for the Controller to be asked whether or not we can afford it? In my opinion the Controller will have no power under this Bill, as the Executive Government can override him whenever they want to, and consequently the Bill is only a farce and a waste of time.

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 on to-morrow.

Pursuant to order, and on motion of the Minister of Marine and Fisheries, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Combine the Departments of Agriculture and Mines with the Department of Marine and Fisheries under the Title of The Department of Land and Fisheries."

Hon. Minister of Marine and Fisheries: Mr. Chairman, I may say that after consulting with the gentleman who drafted the Bill, in conjunction with Mr. Emerson, it was decided to delete subsection (2) of Section 18. Also, Section 20 is changed to meet the wishes of Mr. Scammell, and it will now read as follows: (*reads section*).

Mr. Quinton: I supported Mr. Scammell's contention to have this section deferred for consideration, but I would like to ask the Minister of Fisheries what is the purpose of this section now?

Hon. Minister of Marine and Fisheries: This was really an old section giving the Minister power to set aside certain parts of the coast for reservation for lobster propagation, and Mr. Scammell thought that these powers were too broad, and he thought it would be better to insert the words "from the Executive Council" after the words "in writing."

Mr. Quinton: I think it means that after the lobster season opens in May, fishermen in any section of the coast can be called upon to remove their traps within five days.

Hon. Minister of Marine and Fisheries: They can set apart a reservation at any place they wish.

Mr. Quinton: I do not think this is altogether necessary, and I object to the principle that any section of our coastline be set aside and reserved for the propagation of any particular fishery. Like in most cases, those who drafted the clauses in this Bill have copied them from somebody else's brains. There are valuable sections in this country that one cannot see for the moment. It seems that wherever there is a patch of good timber or good mineral land, somebody comes in and gobbles them up, and soon they are owned by a few profiteers. Now I fail to see the reason why any place in

the ocean should be specifically reserved for the propagation of any one sort of fish. Surely the ocean is free to everyone, and if the Government wants to propagate any shellfish why don't they make provision in the natural and proper way? Why bring in a clause of this character, which despite what the Minister of Fisheries may say, can compel any fishermen to take their traps out of the water? I object to this clause and I move that it be deleted from the Bill.

Hon. Minister of Marine and Fisheries: I do not agree with the Hon. Member, and I think this clause should have been in force long ago, otherwise the lobster will be ruined in a short time.

Mr. Quinton: If that is so, there is nothing to prevent a man from going to the Governor-in-Council and getting an order passed to set aside a certain section, and so prevent an industrial concern from starting a valuable shell industry. That is my point. It must be remembered that there are several valuable shell fishing centres around this Island, and that some day or other may be developed. Take the scallop industry, which is capable of being worth \$1,000,000 a year.

Mr. Puddester: Was that clause in the old Act?

Hon. Minister of Marine and Fisheries: Yes. I simply had the words "Governor-in-Council" added so that I could not have the sole right.

Mr. Quinton: If you want to say propagation of lobster, why not state it specifically? Why add the words "crustaceans or other shellfish"? If the grounds are tied up, if the territory are reserved for the propagation of lobsters, no one can fish there?

Hon. Minister of Marine and Fisheries: I can't conceive of any Minister trying to block any industry; I am trying my best to help out this fishery, and I can't help thinking that no Minister would try to block any industry of this sort. Mr. Walsh has suggested an amendment as follows: "The Governor-in-Council, on recommendation of the Minister."

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 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 to-morrow.

Pursuant to Order, and on motion of the Minister of Public Works, the Bill entitled "An Act to Amend the Highway Act 1925" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Hon. Minister of Public Works: In moving the second reading of this Bill, I might say that in addition to the Bill there are a few suggested amendments. I have a few copies of the 1925 Act and I

may ask to have them passed around, especially to the legal members.

Mr. Winter: What are the suggested amendments?

Hon. Minister of Public Works: Section 8, it is proposed to add a new sub-section (3), as follows: (*reads*). It is noticed that under the old Act these lights were to be placed on the right side of the car, and as nearly all have left-hand drives it is a bit awkward, and it is suggested to insert the word "driving" instead of "right," it is difficult to manipulate this light and it was thought wise to insert "driving."

Mr. Emerson: What lights do you refer to?

Hon. Minister of Public Works: Spotlight. It is proposed to make an addition to Section 6, (*reads*), that is in [the] case of a person driving a car and is stopped by the police, he may have the privilege of producing his licence within 48 hours. There is another amendment after Section 14, to increase the speed limit between villages on an open road to 30 miles per hour.

Section 28 is hereby amended by striking out the words "ten miles an hour" and substituting the words "fifteen miles an hour." That is in the case of trucks of the capacity of 8,000 lbs. They are not allowed to drive any more than fifteen miles an hour. If we are going to enforce a law to prevent trucks from going any more than ten miles an hour, we cannot do it. I thought it would be a good idea to make it fifteen miles, because I know that trucks do travel twenty miles an hour. Then there would be another amendment proposed to Section 24, sub-section (4).

(*Reads: "The proper officer ..."*) The idea being to permit the removal of cars from one garage to another, such as from [the] owner's garage to [a] commercial garage to be repaired. That is practically the whole of the amendments suggested. We will have more opportunity to discuss this matter. I beg to move the second reading.

Mr. Puddester: I think the Bill had better be reprinted with those amendments.

Hon. Solicitor General: In the meantime, I presume it can go through the second reading. There is no principle involved.

Mr. Emerson: May I ask the Minister if the Municipal Council has been considered in connection with that proposal to take away a proportion of the fees?

Hon. Minister of Public Works: I might say that the Solicitor General has written to the Municipal Council, and a copy of the Bill has been sent.

Mr. Emerson: Have you had a reply?

Hon. Minister of Public Works: Yes.

Mr. Emerson: Are they agreeable? The reason I ask the Minister is this: because the Municipal

Council have prepared a Budget, as they had to do every year with the revenue, the collectable revenue in mind, and they have to formulate that Budget and lay it before the Governor-in-Council in the early part of January. Now they did that this year anticipating that there would be no disturbance of their right to this proportion of the licence fees, and we propose to cut that in half now, three or four months after their Budget. It does not seem to me to be equitable that that should happen, particularly as licence fees for motor cars in every other country belong entirely to the municipalities, and I suggest to the Minister that he should reconsider the question of depriving the Council of this revenue.

Hon. Minister of Public Works: I am sorry that it will be a hardship on the Council, but we could not notify them two or three months ago; the House was not in session at that time. It was within the last couple of months that it was decided to amend the Act. I might point out for the information of the House that the Municipal Council have been receiving in the past 50 per cent of the registration fees of all motor cars. They have in St. John's about 55 miles of road. Outside St. John's, the Department of Public Works have what is known as Highroads about 1,000 miles. It is obviously unfair to pass over 50 per cent of the fees. Practically all those cars, everybody knows, use all those country roads of the peninsula of Avalon. To pass over 50 per cent to the Council to look after 55 miles of road I think is obviously unfair. As years go by, we are extending the Highroads. In St. John's they have not extended the roads, they have the same mileage in St. John's to-day as they had ten years ago, but the Highroads Commission, and I presume the Department of Public Works, will continue to extend the roads. I think to pass over 50 per cent is altogether too much.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: We are ready to proceed with the Marine and Fisheries Estimates, unless Honourable Members would like to adjourn. The Hon. Leader of the Opposition discussed the Bill on the principle that he felt the economies did not justify the combining of the two Departments, and that they could be maintained as separate Departments. The Bill having been passed, the House is ready to go ahead with the Estimates on that Bill.

Mr. Puddester: Would it be convenient to take up some other Section?

Mr. Cashin: Mr. Chairman, it has been customary in dealing with the Estimates to start from the beginning and go right through. The principle part of the Estimates is on the first page. I would like to hear the Prime Minister explain. It has been said that I know something of it. These loans are for interest charges. Any time I presented the Budget, we always started from the beginning and finished up at the end. That is the correct way to do it. I understand that we have been doing Educational Estimates because they are non-contentious. Here is something vital in the interests of the country that we should discuss from a non-political point of view. To discuss the Estimates

intelligently, one has got to start from the beginning and survey as one goes through.

Rt. Hon. Prime Minister: It was intended to take up the Department of Finance when the Hon. Leader of the Opposition, who has been ill, is able to get here. I understand that he is indisposed to-day.

What my honourable friend says is quite true, but he knows, personally knows, more about the Estimates than I do because he has had three or four years study. We were thinking of taking up individual sections of the Estimates which Members could debate in the absence of the Leader of the Opposition.

Mr. Cashin: If that is so, every Estimate in here is financial. If the Prime Minister means what he says, the best thing to do is to defer the whole Estimates until the Leader of the Opposition is here.

Rt. Hon. Prime Minister: That is unnecessary.

Mr. Cashin: We should start on page 6 if we are going to discuss them intelligently. If not, let it go, but I say on page 6 there particularly is the most important part of the whole Estimates which should take an intelligent House a couple of days to intelligently discuss. There are many contentious points on pages 6 and 7. To begin with, I would like to ask the Prime Minister this question: (*reads*).

The floating debt of the Colony to-day is \$5,600,000. Therefore there is \$1,000,000. Am I to take it that we are going to have a loan bill for \$1,000,000?

Rt. Hon. Prime Minister: On to-morrow I will be giving notice of an Internal Loan Bill. The amount is not yet fixed.

Mr. Cashin: That is the point; it is fixed here. I know what this thing is; this \$6,300,000 and \$300,000 is \$6,600,000; there is \$5,600,000, floating debt of the country at the present time. That is the money we owe the banks. In order to be accurate, I will enumerate \$500,000 temporary loan secured last February, arranged for in October 1930; \$2,000,000 got from the banks in June, \$2,500,000; \$600,000 of Railway deficit, \$3,100,000; \$2,200,000 secured in December, that is \$5,300,000; \$300,000 secured prior to December from the Royal Bank of Canada for the wiping out of the Hotel liabilities, that is \$5,600,000, and I notice to-day a further amount will be \$40,000, which is owed in connection with the Western Marine Railway.

When I saw this in the Estimates the other day I rang up Mr. Penson about it. He told me that the \$600,000 [was] not included. This is part of the Railway deficit. The purpose is to wipe out this \$600,000 and let the Railway itself become liable for it, although the Government is on the back of the note. If that is so, why not wipe out the whole \$55,000,000 which the Railway owes? There is just as much chance of one being paid as the other.

Now Mr. Chairman, even after that \$600,000 is taken we still have not enough, and I contend that the only sensible thing to do is to reduce our interest charges. These interest charges at the present time amount to \$4,700,000, over half the estimated revenue of the Colony. Now by scaling down the interest charges an additional \$1,000,000 can be saved. We are now paying an average of

5 per cent, and this can be reduced to 4 per cent. The position is a simple A, B, C. Any fool can cut down salaries and tax the free list, but it takes experts to scale down interest charges. We have experts here, and I say, Sir, they have not touched the main artery. We should now discuss these Estimates without heat, and cut down these interest charges, and I say it can be done and that any expert will tell you that. Our position is now desperate. We can get no more from the banks, and where are we going to get the internal loan the Prime Minister has referred to? Are people going to pay 90 or 95 for bonds which they can now get on the street for 60? If that's all the experts can tell us, it's just as well for them to go home again, for we knew that all the time. I would like to hear an expression of opinion as to these interest charges, for if we go ahead as we are going, in my opinion, we are bound to default in July. If, however, we go ahead courageously and scale down our interest charges, we could save \$1,000,000. The \$2,550,000 sales tax could come off, and we would have an extra \$500,000 to pay towards our floating indebtedness.

Mr. Puddester: I think if the correct position was put up to the bondholders in England, they could consider it in a very favourable light. Anyhow it would be worthwhile.

Rt. Hon. Prime Minister: The matter has occupied the attention of Sir Percy Thompson and Mr. Penson for the past two or three months, but no decision was arrived at.

Mr. Puddester: You know that self-preservation is the first law of nature, and I can quite see why Sir Percy Thompson would not like to hurt bondholders in England. Now, I have given this matter serious consideration for months past, and the only way out that I could see would be by scaling down the interest charges. We have over \$5,000,000 of a debt around our necks, no matter what happens, and our first consideration, in addition to cutting down these Estimates, should be to decide whether we can lop off another \$1,000,000. We have to float \$5,600,000, and that amount is being added to all the time. Why, it is not far short of the \$8,000,000 we were trying to borrow last year. Now how much have we borrowed since last year? We were told last year that the Government was going to borrow \$8,000,000, \$2,000,000 of which was to pay off a war debt, \$1,000,000 was to go to the City Council and the balance was to go to ourselves for various public expenditures. We were told that a lot of work was going to be done with this \$5,000,000. Now what has been done? We actually borrowed \$5,600,000, and I wonder has it ever struck the Members of this House that in a way we got our loan last year, and \$600,000 more than our loan, and still there is nothing for unemployment or anything else that we got for all that money except that it was used to liquidate our interest charges.

Mr. Cashin: Mr. Chairman, in connection with the scaling down of interest charges, I may say that the Government did discuss that matter, and the Prime Minister himself and other Members were unfavourably disposed towards the reduction of those interest charges. Unfortunately, the financial experts down here also were not favourably disposed to reducing interest charges. They did not even attempt to make any reduction in that direction. If they had attempted to do it and failed, I would take back water; but they did not even make the attempt.

Now, what is the correct financial position? The position is that we spent more money last year than we borrowed, and we got to spend another \$2,250,000 by June next to keep us from

defaulting on our bonds, and do not let anyone hoodwink you into the idea, Mr. Chairman, that you can get off without meeting that money before June 30th next, despite the fact that the Government has not got the money now. You have not got the money and your Budget is false, because it does not lay down the true financial statement of the country at the present time. Your financial experts do not know that either, but, if they will permit me, I will be glad to show them. The true position is cloaked, and looks like an ordinary political Budget that we heard so much about years ago. I make this statement and I defy contradiction by the experts or anybody else that in order to square your accounts by June 30th, you will require about \$2,300,000 because of having to meet your deficit on the Railway as well as your interest charges.

Why not face the situation like men, I ask? Remember, our backs are to the wall financially in this country to-day. We are here to protect our own people and it is our bounden duty to protect them. A few minor services have been wiped out, such as in the Post Office Department, but why not make an attempt to make a cut where it is most vitally needed, namely, in the interest charges. I think the Hon. Member for Bay de Verde struck the nail on the head when he said that self-preservation is the first law of nature. This is aptly applicable to our financial experts, who did not feel like approaching the bondholders in England with regard to any proposal towards any reduction in interest charges. The matter of scaling down interest charges is an easy one. It is only necessary to see four or five people representative of various groups who are our bondholders outside this country. The position is that if these people were told they had to choose between Newfoundland defaulting on June 30th or taking a lower rate of interest, that is for them to take 4 per cent instead of 5, there is no doubt as to what would happen.

Now, Sir, if you continue your Estimates as they are at the present time, you are going to default at the 30th of June next. I do not want to see it happen, but it is going to come, so why not grapple with the situation now? The trouble is that it should have been tackled three years ago. It is no use trying to shift the blame on past governments. We had a great deal to do with bringing about these grave financial conditions, and in that I was partly responsible too. You know that the proper time to put on extra taxation on the people is when times are good, such as prevailed in 1929 when fish was \$10 a quintal; but the Government did not have the courage to increase taxation in 1929, they were playing politics and they were afraid to go back to their districts after increasing taxation. But now they are going to [do] it because some outsiders tell them to do it. I think these experts, who are being well paid to come here, should tell us something we do not know, not something we already know, and if the Estimates we have before us to-day is the result of their work, which is costing this Colony \$70,000 for one year, then I say give them their tickets home right now.

On page 7 of the Estimates I notice that the Governor's salary remains the same.

Rt. Hon. Prime Minister: That is a contract between the Government and the Imperial Government, whereby the difference will be refunded.

Mr. Cashin: I say, Sir, there is no such contract; there is an understanding, and this House has got the power to vote him whatever it likes. If His Excellency the Governor has made any voluntary offer to have his salary reduced, it should be stated in the Estimates now before us, and not have the salary remain the same as it was twelve months ago. Last year the Governor wrote the Prime Minister on November 18th offering to reduce his own salary of \$15,000 by 10 per cent, also the vote for his Private Secretary of \$1,450 was to be cut out, or a total reduction in expenses of \$3,000.

The Governor's letter and the Prime Minister's reply thereto concerning that matter was published in the press at the time. Now, I claim that these Estimates should be as they should be, namely, \$13,500 for the Governor and the vote for the Private Secretary cut out altogether, as ordered last year. But the suggestion of the Prime Minister that this was a contract is pure bunkum. This House is the place for making and voting contracts.

These are just a few points. I will give you my views on these Estimates and you can do what you like about them. I helped compile some of them, I helped them compile the Finance and Customs estimates. Take the House of Assembly votes. I submit that if we are to be sincere in cutting down salaries we should first cut this vote. This House consists of 40 Members for 36 Districts and I notice \$30,000 is voted for them. Now, Mr. Chairman, I think that this is a disgrace, not that Members should not get sessional pay, but 40 Members is quite too many. I always advocated a new Redistribution Bill being brought in here cutting the number of Members to 24 instead of the 40 that are here now, of course it means that we would be voting that some of us would never come back here, but I contend that ten Members can run the country, the Executive is doing it, and we find that there are 40 Members coming in here getting money to talk to each other. In 1915 the sessional pay was \$300, and the departmental heads got \$200. These were good times, when we had surpluses. In 1919 we had a surplus of \$3,000,000 in the surplus trust fund of the country, and at that time the sessional pay of the Members was \$300; now it is \$750 reduced from \$1,000. You have to get back to the revenues of 1915, and when we mean getting back to the surpluses of 1915 we mean get back to the expenditures of 1915. But no, nothing like that, Members want all the money they can get.

I got quite a surprise when I saw that the vote for the High Commissioner's office was cut off the Finance Department, but when I looked through them further, lo and behold I found it under the Department of the Secretary of State and costing more than last year. Last year it was I think \$10,000, and now it is \$12,000, and this poor unfortunate country has to support a Trade Commissioner who was appointed at \$4,000 a year and is he even a Newfoundlander? No, he is not. Mr. Davies receives \$3,800 a year as Government Analyst and he was shipped over to England and stayed there as Trade Commissioner, and now he is practically confirmed in the job. If there was any small drop of red blood in any of the Members in this House, they would not stand for that. What does he know about the business of Newfoundland? He knows nothing. I was told about a Newfoundlander who went into the Trade Commissioner's office in London and asked about the sealers, and he didn't know whether they had gone out or not. He doesn't know a sculpin from a herring or a caplin from a squid, and if any Member would vote for the like of that, it is because he hasn't got the courage to stand up and say that we should throw him out. We are three years giving this individual pap, and you can't say that any advantage came from it. This office was created by a philanthropist in the person of Sir Edgar Bowring, and he did the job for nothing. Of course, we know that there are not many men in Newfoundland who could afford to take on such a job as this, with its incidental expenses, at his own personal cost, but when he left, we find that high salaries are being paid to officials which are absolutely unnecessary, the Government has to pay for it and they say it is in the best interests of the Colony, and yet we find you people coming in here and voting for the likes of that.

Now we come to the Secretary of State, and we find that the position of Private Secretary to the Governor, which was supposed to have been abolished, is still there, he is confirmed in office at

a salary of \$1,450 a year. In the Prime Minister's Department, the Secretary receives no cut, the filing clerk receives \$648 – and he was the Prime Minister's chauffeur as far as I know – and you are going to vote for that. Then we have the Trade Commissioner, the most disgraceful thing in the Budget, and any Member that votes for that is not fit to be called a Newfoundlander.

I am just running through these because I feel that as an ex-Minister of Finance I should say something about them, but I know it is useless because the Members opposite won't express an opinion one way or another. The Department of Justice. The Department of Justice cost this country \$3,500,000 a year. How? Well I'll tell you. Wrong legal opinion was deliberately given, evidently in order to create cases to give lawyers fees. This was confirmed in the Supreme Court a few days ago. Whether the Gander proposals would have gone through I cannot say, but I do say that the Justice Department, without the knowledge of the Government, issued these writs on the property of the people we were doing business with. We woke up one fine morning to find that these writs [were] on, and we were told by Mr. Dunfield that we were going to win the cases, and that we would own the Gander for ourselves. Mr. Dunfield gets a good legal fee and we lost the case. I know Members who got private legal advice and took the matter up with the Government, but we lost the case and it went to the Privy Council and it is heading there again, and by the time that it was all done it had cost the Government about \$3,000,000 since 1930, and now we are going to vote for an increase. I agree that we should have a good deputy with a reasonable salary but I contend that when we have a man who gives wrong legal advice which costs the country thousands and thousands of dollars he should be fired out. I claim that this wrong legal opinion was deliberate.

These are just casual glances through these Estimates. The Lands and Fisheries Department is a new estimate created since I went out of office, and I have not had time to study it, but this Department has \$70,000 worth of outstanding bills that have to be paid, the money has got to be found to pay them from the Exchequer Account.

In the Department of Posts and Telegraphs, Mr. Halfyard has all my sympathy. Although he has been Minister of this Department, I question whether he knows where he is in connection with these Estimates anymore than anyone else. They are suddenly chopped down from \$1,400,000 to somewhere in the vicinity of \$800,000. We are told in the Budget speech that we have got to make these accounts balance in order that the future financial situation of the Colony may be assured. If Mr. Halfyard had got up and told us that himself I would be prepared to take it. Now, we come to the Department of Public Works. My genial friend Mr. Hibbs has had his head under the axe, and I probably did some of it, and I move along until I come to my own Department. I leave my own until later on. I come to the Department of Pensions, that is, War Pensions, and in looking at these Estimates I see that approximately 30 per cent is cut off. I am going to ask the Prime Minister, without heat or anything else, if there has been any revision in connection with these Estimates.

Rt. Hon. Prime Minister: I am very glad to have an opportunity of saying that that section stands, as negotiations are pending between Sir Percy Thompson and the Great War Veterans.

Mr. Cashin: I ask you another question, Mr. Prime Minister. There is at the present time approximately \$175,000 to \$200,000 to the credit of [the] Reparations Account. Is that going to be put into the General Revenue Account?

Rt. Hon. Prime Minister: At the present time there is a sum of money against which there are claims ...

Mr. Cashin: Is that money going to be put into [the] Exchequer Account?

Rt. Hon. Prime Minister: There is no recommendation to that effect at the present time.

Mr. Cashin: There is a recommendation. I understand that Sir Percy Thompson told the War Veterans that he was going to put this money into the credit of [the] Exchequer. That was the \$175,000 [to] \$200,000 to the credit of that Reparations Account, which has been doled out and given out to people. In some instances people are being discriminated against. In this connection two ladies came in to see me a couple of weeks ago. A person is either entitled to the money or he is not. Why pay him a couple of hundred dollars on account? If he is entitled to it, pay him; if not, don't.

Rt. Hon. Prime Minister: If my honourable friend will name the case, I will be glad to give the information.

Mr. Cashin: There are several cases. I don't blame you for it. This money is being distributed on the recommendation of Mr. Dunfield and Mr. Curtis. If that is not an insult to every individual who volunteered in the army in this country I don't know what is. They now propose to cut 30 per cent off this vote. It makes my blood boil. I would be prepared to put on my uniform to-morrow and fix bayonets when an attempt is being made to take money from soldiers who fought for it, who bled for it, in view of the fact that a Reparations Account exists and that money, in my opinion, should be placed to the credit of the Exchequer Account, and this pension vote should not be touched. There is sufficient money to the credit of that fund to pay the difference – \$175,000 to \$200,000 – and that is what you have to do. That account is not kept in the Bank of Montreal; it is kept in the Government Savings Bank. There is \$175,000 or \$200,000 in that bank belonging to [the] Reparations Account, and I want to know before these Estimates go through whether that money is going to be put back into [the] Exchequer Account or not. If not, tell us; if it is, tell us. If I have to come in here and vote to reduce these pensions, I tell you right now that I would be prepared to don that uniform again whether Sir Percy Thompson likes it or whether he does not. The gall, Mr. Chairman, of bringing an individual here to tell the people of this country whether soldiers are entitled to a pension or not. What right has Sir Percy Thompson to meet the war veterans on behalf of the Government? Why don't the Government meet them themselves? They are passing the buck to Sir Percy Thompson or Mr. Penson. It shows lack of courage or ability to handle the situation. Right through they pass the buck to Sir Percy Thompson. He goes down and gives a line of stuff to poor unfortunate men, thinking he is putting something across, but Sir Percy Thompson, I notice in here, is not getting any reduction in his salary of \$17,000 or \$18,000, despite the fact that he came from England, where he was getting \$10,000, and is now getting \$18,000. Everything is saddled on some poor unfortunate creature here. I notice another departure from an old rule. I am satisfied to stay here until I get satisfaction about the war veterans' money, and I want to know before the Committee rises.

I notice that civil pensions are reduced to \$120,000. But in former years when the Estimates

were brought in to individuals who were accorded pensions, the pensions were voted, here a carte blanche is given to the Executive Government to give out and dole out \$120,000 however they like. Is that the idea, may I ask? Is the Government to dole out this \$120,000 to whomever they like?

Rt. Hon. Prime Minister: We are bringing in a Pensions Bill which is drafted on the lines of the existing Bill but different in terms, because we are taking a lump sum vote, which will be handled according to the provisions of the Bill.

Mr. Cashin: The wise thing to do is, if you are going to cut a man's pension, cut it and vote it in the Estimates. These pensions were prepared in the Estimates; I was prepared to come in and stand by them, now it is all hidden up. You are going to take a vote of \$120,000 for civil pensions; this \$120,000 is voted in a lump sum, and the Government will be given full power to give out and dole out to the various pensioners who had been receiving pensions, as they see fit. The same applies to telegraph and post offices; operators are cut out and we don't know who they are; postmasters are cut out and we don't know who they are. The Estimates are entirely incomplete. Whoever is in charge of these knows nothing about the job. If I had to remain in charge of them, they would [not] have been incomplete. If Mr. Penson is responsible for this, and this is a sample of efficiency, I don't know what I am talking about. I would like to know from the Prime Minister before we go on, whether we are going to have this Reparations Fund put into the Exchequer Account or not.

Rt. Hon. Prime Minister: There has been no recommendation to that effect. The portion of the Estimates relating to War Pensions will stand over pending conferences that have been taking place, and will be taking place in connection with the whole pension situation, and will not be considered until these conferences have been disposed of.

Mr. Cashin: That is not an answer to my question.

Rt. Hon. Prime Minister: That is all I can tell you.

Mr. Cashin: Here is the position. The \$175,000 to the credit of War Reparations is in the bank, is that money available for anything? That money should be transferred to [the] Exchequer Account on paper, at any rate; that is where it belongs instead of being left in a pool where people grab it and run off with it; that is what has been happening. Then they come and cut down soldiers' pensions. I move that this Committee rise and report progress and ask leave to sit again to-morrow.

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.

The report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Mr. Emerson gave notice of question.

Mr. Emerson: May I ask the Prime Minister what prospect there is to-morrow of getting the Auditor General's report?

Rt. Hon. Prime Minister: It has not yet been received. There are some copies of last year's Blue Book, which I would ask the Clerk to distribute. From a comparative standpoint the information in the Blue Book of 1929-30 will be just as valuable as any in this past year, because during the past year anything in the nature of returns will be upset by exchange and abnormal conditions. I will be glad if the Clerk will distribute them.

It was moved and seconded that when the House rises it adjourn until to-morrow, Thursday afternoon at three of the clock.

The House then adjourned accordingly.

Thursday, March 10, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Speaker informed the House that, in accordance with the intimation received, His Excellency the Governor would receive the Address in Reply presently.

Accordingly, Mr. Speaker and the House proceeded to Government House and being returned to the Assembly Room, Mr. Speaker informed the House that His Excellency had received the Address of Thanks, and had been pleased to reply as follows:

*Mr. Speaker and Members of the Honourable House of Assembly:
I thank you for your Address in Reply to the Thursday, March 10, 1932, Speech with which your present Session was opened.*

*(Sgd.) J. MIDDLETON,
Governor.*

*Government House,
St. John's, Newfoundland,
10th March, 1932*

Mr. Winter presented a petition from Marystown re breakwater.

Mr. Winter: Mr. Speaker, I ask leave to present a petition from the residents of Little Bay and Mortier Bay in the District of Burin East on the subject of ferry service. I understand this ferry service was closed down a short time ago in accordance with the policy of retrenchment of the Government, and the petitioners now ask that this particular service be continued. The petition sets out that the greater part of the settlement of Little Bay is cut off by water from Marystown, and it is over this route that the doctor, as well as the people who have to go to the Post Office, have to travel, so that without this ferry they are absolutely cut off. From my personal knowledge of this particular locality I have no hesitation in saying that this ferry is imperatively necessary. In asking that this petition be referred to the department to which it relates, I would ask that the Minister of Marine and Fisheries give this matter very prompt and serious consideration.

Hon. Minister of Marine and Fisheries: Mr. Speaker, I have very much pleasure in supporting the prayer of the petition. I happen to know that territory very well, and I believe that the petition will be given that consideration which it merits by the Department of Public Works.

Mr. Brown: Mr. Speaker, as I will be leaving town within a few hours, and before my return much business of importance will come before this House, and of which I will not have a chance to discuss with other Members, might I crave the permission and indulgence of the House to say a few words now in connection with these matters.

First of all, I want to go on record as being absolutely opposed to any reductions in the war pensions. This matter will, no doubt, be discussed when I am away from the House, but to make

myself clear with regard to this measure, I want to state my attitude in regard thereto this afternoon. There is another matter which will come up for discussion in the Estimates during my absence and which I oppose also, even though I am the only Member in the House who will oppose it, and that is the increase in salary of the Deputy Minister of Justice by \$1,000 with an additional \$1,000 for drafting the Acts for this House. Now, Sir, I also want to go on record as being strongly opposed to this increase. When I look at the Estimates and see the amounts cut out for widows and orphans and old age pensioners, I cannot in justice to myself and to my constituents who sent me here do anything else but oppose such an increase, which, in my opinion, is not justifiable in these strenuous times.⁴⁰

The Chairman from the Committee of the Whole on Supply reported certain Resolutions, which were read a first time, as follows, and ordered to be read a second time to-morrow.

<i>Bureau of Education</i>	\$700,000
<i>Department of Assessor</i>	\$37,965

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act for the Control of the Public Treasury" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to Order, and on motion of the Minister of Marine and Fisheries, the Bill entitled "An Act to Combine the Departments of Agriculture and Mines with the Department of Marine and Fisheries under the Title of The Department of Lands and Fisheries" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act for the Confirmation of a Certain Loan in Connection with the Western Marine Railway from the Bank of Montreal" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

The Committees on Ways and Means and Income Tax Resolutions, and on the Death Duties and Marine Shell Bills, were deferred. The second reading of the Press Dispatches Bill, Western Marine Railway Bill, and Sunday Observance Bill were also deferred. [*Daily News*, March 11, 1932, p. 5]

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole on Supply.

⁴⁰ "Mr. Brown's statements were applauded by both sides of the House as well as strangers in the gallery." *Evening Telegram*, March 11, 1932.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Mr. Emerson: Mr. Chairman, I do not intend to speak in a general way on the Estimates, but I shall speak in a general way on the votes as they come up. Yesterday some matters arose on which the ex-Minister of Finance and my honourable friend the Member for Bay de Verde spoke. I am sorry the ex-Minister of Finance is not in his place, because I say that he offended the rights of this House in connection with his statements regarding the Acting Deputy Minister of Justice, Mr. Dunfield. I hold no brief for Mr. Dunfield, but I claim that no Member has the right to exercise the privileges of this House to make an attack on the character of an individual who is unable to defend himself. Mr. Dunfield was accused by the ex-Minister of Finance of having given wrong legal advice to the Executive Government in connection with the Gander, and further that he gave this wrong advice deliberately. That is a very grave attack on the personal honour of a professional gentleman, and if a man wants to make attacks of that sort he should do so in the public press over his own signature and take the consequences if his statements are proved untrue or unfounded. Mr. Dunfield has no redress and Mr. Cashin is not liable to anyone. The statements in themselves can be disproved very easily. In the first place he gave his opinion on a matter that had already been settled by the Privy Council, and I take it as a result of *M. E. Martin vs. the Government*. There is also the fact that he happens to be supported in his opinion by the three judges of the Supreme Court, they heard the arguments of Mr. Fox, Mr. Winter, and myself on one side and Mr. Dunfield on the other, and they came to the conclusion that Mr. Dunfield was right, and if Mr. Dunfield erred, he erred in good company. I would further like to point out that even the Privy Council, a court which is noted for the speed of its decisions, when the case concluded around the end of November last, did not hand down judgement until the end of January.

I submit, Sir, that the charges against Mr. Dunfield can easily be disproven and I think that the Hon. Member for Ferryland should withdraw them. As a matter of fact, it was a surprise to me to see the Attorney General sit there in silence while a supporter and a subordinate of his was being attacked.

The other matter which I refer to was raised by the Hon. Member for Bay de Verde, and that is the reduction of interest on the public indebtedness, and I must say that I disagree with the attitude of both Members on this point, and I think that it is so important that the debate should not proceed without both sides of the shield being shown. There has been a lot of loose talk going around about repudiation of the interest on our debts, a lot of loose talk I say, but what applies to principal also applies to interest, and we are talking of nothing more or less than repudiation, and it makes no difference if repudiation is forced upon the investor or whether it is done by agreement, because the only agreement that the investor will accept will be an agreement that will be forced on him. No one would voluntarily give away his principal and interest unless he is forced into it. In the first place there has been no repudiation of debts in the British Empire, at least as far as I know, and I would like to dispel the idea right here and now that a conversion loan is anything like repudiation. Last year Canada floated a conversion loan that replaced a loan at 5 per cent for 4 per cent. This meant that the Canadian Government applied to the people to invest in a new loan of 4½ per cent, and with the proceeds paid off another loan at 5 per cent, it was used to pay off existing obligations. It is true that some holders of the 5 per cent loan did take some of the 4½ per cent, but they did so

voluntarily. That is entirely different from repudiation. There has been considerable talk of repudiation of war debts, that does not mean that the investors are going to lose their money. Let us take an illustration. During the war, England lent France huge sums of money, that is the English Government loaned the French Government; the British Government went to the people and subscribed this loan, and when the funding of the debts took place, France was forgiven 40 or 50 per cent of the money she owed England, but the investors did not lose a copper and they are receiving their interest from the Government, the Government is not receiving as much as it should but there was no repudiation.

There are several features about repudiation that are entirely forgotten. We had to go into the markets and beg for money and we offered as security all our assets, and there it is our duty to do everything in our power to pay those debts in full.

And up to the present time, up to the time when the Budget was tabled, up to the time when the Government did whatever was done, so Government has ever in the past made an effort to put our house in order with a view to paying debts when bad times came; when faced with a situation brought on by our own extravagance and our own waste we hear this loose talk about repudiating our debts without, as I say, making any effort whatever to pay them. Yesterday, Mr. Chairman, the Member for Ferryland said, "If I owed you \$1,000 and I came along to you and said 'I have not got \$1,000, I have only got \$900,'" you would not let him out of your sight until you had got that \$900. It all depends upon the situation. If a man who has been lent money has been spending it like a drunken sailor, buying motor cars, building houses, going on trips, and he suddenly finds he is not able to pay his interest on his debts, he is not going to get very much sympathy from his creditors, and if he goes to his creditors and says "I have only got \$900," his creditor is going to say to him, "What about your house? What about your motor car? What about the services you are carrying on? If you cut those down you can pay me, and your first duty is to cut them down and then you can do it."

There is a second and more important aspect of this. Let us take the case of a person who has invested, say, \$10,000 in Newfoundland Government Bonds. That is A; B has none; the Government says to A, "I am going to reduce your interest, or cut out your principal." That is a tax you are putting upon the man who lent you the money. But B, who may have a large factory or business, he is not asked to sacrifice any of his capital or interest. If there is going to be a sacrifice demanded, make it equal. If you are going to levy upon A, then you must levy upon B. If you are going to cut down the interest of A, then you must ask B, who is getting dividends from his business to contribute. If you are taking away a man's capital to reduce the burden of the country, everybody must bear a share.

And then finally you have to bear in mind that under the various Statutes of England, and certainly under the Statutes of Newfoundland, trustees of large sums of money are practically compelled to invest in securities of this kind. Down in the Savings Bank to-day there must be hundreds of thousands of dollars held by the Registrar of the Supreme Court, lodged there by widows and orphans because they have been compelled to invest in this fund. Are you going to take away the interest of this class of people who have been compelled to put their money into these securities? Apart from the trusteeship, how many hundreds of widows and orphans have put their money into these securities because they have looked upon them as being absolutely copper-fastened? And then finally, Sir, what is going to happen a few years hence if we do this, when you

have to go into the markets to borrow, as it has been considered that once a country has repudiated its interest what tremendous difficulties that country will have to face if it goes into the market again. We talk about bonds being worth \$50 or \$60 to-day; what would they be worth if it were known that we were going to repudiate our interest? What would happen if we went into the market to seek money to redeem the loans that would be outstanding in a few years? I feel confident that 6½ per cent loan will come due in the course of the next five years; then we have to go to the market to borrow money to pay that off. At what price could we get the money? We won't get it at all.

Now, I sincerely hope that people who are specifically responsible, people in the position of members of the House of Assembly, will bear in mind the very serious position which they hold, and in dealing with matters of high finance they will bear in mind the responsibility that rests upon this House in dealing with the finances of this country.

Rt. Hon. Prime Minister: With regard to the attack made upon the Deputy Minister of Justice, I took no notice whatever of it, either as regards his legal ability or his honour as a professional gentleman. With respect to the suggestion of our repudiating the debts, that is not a matter which would be considered for one moment. The fundamental principle is the payment of 100 cents in the dollar, balancing the Budget, liquidation of our obligations and no default. We are trying to make that as clear as possible at the beginning.⁴¹

Mr. Puddester: I think the debate is to be engaged on the matter of a conversion loan. That was a matter that I discussed. In Australia they had a conversion loan, and could reduce considerably during the next three or four years the interest charges on the country. The Prime Minister stated yesterday that there was a difficulty in connection with the matter on account of bonds being held outside Newfoundland. I agree with the position that it would be very hard indeed to perhaps ask the bond holders to accept 3½ or 4 per cent on their bonds when it was agreed to pay them 5 and 5½, but money is perhaps not so plentiful to-day as it was when they invested their money in the Newfoundland Bonds, and everything has fallen, and I don't see why people would not be agreeable to-day to take 3½ or 4 per cent from Newfoundland instead of 5 or 5½ per cent, knowing that we are up against it, and if this matter was put up to them, there would, in my opinion, be no need whatever to force it down their throats, but they would accept it voluntarily, and it is better to accept 3, 3½ or 4 than to accept nothing perhaps in three or four years time. I think this thing could be done so as to get a voluntary acceptance. It is a matter for the Government to decide; it is a matter for the experts, but I am still of the opinion that interest charges could be very considerably reduced by a diplomatic stroke as far as the financial position of this country is concerned, and if the financial experts would take it up with the proper authorities.

While on the Estimates, Mr. Chairman, I would like to make a few observations in respect to a vote that passed when I was absent from the House – the Department of Education. Being one who was, for a number of years, a schoolteacher in this country, although having to put up with a very meagre stipend in those days, I cannot but regret that the step has been taken to reduce the grant for Education. I think it is the very last thing that should be touched. I know \$1,000,000 is a very

⁴¹ "The Prime Minister ... spoke so low that not even the officials of the House could hear him. It is thought that he said it was the Government's intention to pay 100 cents to the dollar." *Evening Telegram*, March, 11, 1932.

large sum of money in this country to vote for one particular grant, but the reduction from \$1,013,000 to \$700,000 – \$313,000 in one year – is a very large sum of money to take off the educational facilities of Newfoundland. I have here a memorandum – I suppose it was sent to every other member of the House of Assembly – from the Newfoundland Teachers' Association. This memorandum points out that the Newfoundland teachers have suffered more than any other civil servant in the country (*reads*): "The average salary of all graded teachers of Newfoundland is now about \$450 a year or about \$8 a week; there are graded teachers receiving as little as \$150 a year ..."

The President and teachers ask the members of this House of Assembly if they think this is fair. That memorandum is signed by: (*reads list of signatures*).

I know the case of a teacher in a northern outpost, who after paying for transportation two ways and board, had \$5 for the year's work. I am very sorry that the condition of this country is such that the Government have been compelled to cut the education grant by over \$300,000. The Prime Minister has stated that the services have not been reduced, but that is a poor consolation to the teachers who have had to take such drastic cuts. If the grants have to be reduced again next year, what about the services then? I have before me a memorandum prepared by the Superintendents of Education which has been forwarded to the Government, and this memorandum, after reviewing the conditions and pointing out the difficulties under which Education was working, stated that the most that could possibly be taken off was \$200,000, but instead of taking the recommendation, \$313,000 has been taken off. I am now going to read that recommendation to the House so that the House may see the viewpoint, not only of the N.T.A., but that of the Superintendents as well (*reads*).⁴²

The answer received to that communication was a further cut of \$100,000. It is very hard for people to bring children into the world only to have to realize that they have to let them grow up in ignorance. I believe that if the experts had taken the trouble to explore other avenues of expenditure they would have found other means of reducing expenditures, so as to enable the Education grant to be reduced by a smaller sum.. Perhaps this year the teachers are better off than they will be next year. It is lamentable that the House had to agree to a cut of \$313,000 in the most important vote in the Estimates.

For the past seven or eight years, it will be remembered, some Honourable Members, at least, have asked that the Railway Estimates be brought down just as the Estimates of other departments of the Government were; but this year it has not been done again. The Railway has shown a deficit for a number of years, with the exception of the year the Humber construction was on. Now, the Government appointed an Economic Commission in July of last year to go into financial matters of the various departments of the Government, and more especially into the Railway Department so they could see where the reductions could be made. That Commission reported back to the Government on August 5, 1931. I have a copy of that report before me, and in looking through it there is only one conclusion I can come to, and that is that there was no necessity whatever for bringing Mr. Magor to the country to report on economic conditions in connection with the Railway. In fact this Commission went further than Mr. Magor has gone, because they recommended that the salaries of the highly paid officials of the Railway be reduced considerably. I have no means of finding out whether that report of the Economic Commission so far as the highly paid officials of the

⁴² "He read the House memorandums of protest from both teachers and superintendents, and said that it was lamentable that such drastic cuts were legislated." *Evening Telegram*, March 11, 1932.

Railway were concerned, so I put a question on the Order Paper asking whether these officials have been subjected to the cuts in their salaries, as recommended, and I find that no such reductions took place, and I find also that Mr. Magor did not recommend any reductions either, beyond the 10 per cent cut that all civil servants were subjected to last July.

Now, as already mentioned, the report and recommendations of the Economic Commission were made on August 5th. Mr. Magor reported on the Railway some time in November, and he recommended exactly the same as the Economic Commission recommended on August 5th. Consequently, I ask why did not the Executive Government put these recommendations and reductions into force when they had them before them in August, and why did they not get Mr. Magor to make the same recommendations over again three months after? The obvious conclusion one can come to is that the Executive Government did not have the courage to put into force the recommendations of a Commission of their own making, and so they brought in somebody else to whom they could "pass the buck" in the person of Mr. Magor. The Executive Government wanted it to be said that the reductions were not those of their own Committee, namely, Sir William Coaker, Dr. Mosdell, Mr. Cashin and Mr. Bradley, but were those of Mr. Magor, one of the experts. All I have seen so far is that the reductions in connection with the Railway were recommended by a Committee of the Executive Government, and not on the recommendation of one of the experts. Therefore, if Mr. Magor was brought here to reorganize the Railway so far as reductions were concerned, he has failed miserably because he has not recommended anything that the Economic Commission did not recommend over two months before he came.

I go further and say that it did not need a Committee from the Executive Government to recommend these reductions, because the Railway Commission could have put them into force and could have done so without any assistance or advice from a commercial expert from Canada either; and I go further still and say that the management, if they were told to do so by the Railway Commission, who would be backed by the Executive Government, would have been glad to have made these reductions themselves. But that, of course, would not suit so far as politics are concerned for the Executive Government to take the responsibility. Commissioners must be appointed, experts must be brought in and the blame must be passed to somebody else. I say, Sir, if anyone is to be blamed, let the blame be placed on the right shoulders. I have here a list of the salaries of the officials of the Railway, and it shows that the highly paid officials are not reduced according to the report of the Commission to the Government in August last. They have been only subjected to the 10 per cent cut that was done by statute in July, 1931. The recommendations of the Commission were that those officials who were getting \$8,000 a year were to be reduced to \$6,000; that those getting \$5,000 were to get \$4,000; that those getting \$3,000 were to get \$2,400 and so on down the list. But these recommendations were not accepted by the Government and so do I say, Sir, that so far as we are concerned in Newfoundland, that we have not got the means to pay those very large salaries, even if they are Railway officials. I think that the Government should have accepted the recommendations of the Economic Commission last year. But, instead of cutting the larger salaries, they use the axe on the salaries of the operating staffs on the Railroad, in the machine shops and in other places where the lower paid men were. As we go through the Estimates I shall have more to say on these things, but I think that the Government ought to have been men enough to accept the report and the recommendations of their own Committee.

Mr. Quinton: Mr. Chairman, I would like to have a few words to say while the Estimates are under

discussion. I want to go back for a moment and refer to what previous speakers gave utterance to concerning the interest charges on our national debt. This interest, doubtless, was brought about mainly through the raising of loans of various kinds, including war loans, and the inference is that we must be prepared to pay this interest when called upon, lest we default. Now, those bonds were signed in ink by the responsible Minister of Finance of those days; but negotiations are now proceeding in connection with another debt this country owes, and it is about that debt I intend to confine my remarks before discussing any further matters in the Estimates.

This country owes a sum of money and upon which we will be called upon to pay the interest anyway, and the bonds which that sum represents were signed in the blood of our countrymen, sailors and soldiers. My point is that if we must not repudiate even a portion of the interest charges upon our national debt – and these are fixed charges – lest we default, then how dare we attempt to repudiate any portion of that debt to which I have just referred? Mr. Chairman, it is not necessary for me to remind this House that the chief reason why some of us are called upon to discuss these vital matters is because graft seems to be a virtue now and patriotism a form of insanity among some people. Surely, Sir, would it not be more honourable for the Government to ask our bondholders in a businesslike way to accept a lower rate of interest temporarily, than to ask the sightless, the faceless, the legless and various others who lost their health, their limbs and their lives in the war for this country to forfeit one dollar of the debt which this country owes them in war pensions? Despite the fact that some of us were not in this House during the war years, we know full well from those who were here that money was borrowed and squandered to an unlimited degree, and all at the expense of the blood of our young men who were then overseas.

Mr. Chairman, there are certain men whose names I intend to mention who have been made the victims of political economy. The Government were afraid to do it themselves so they had to get a Sir Percy Thompson to do it for them. There are two men in the Pensions Department, [Eldred] Crane and [Harvey] McNeill, one of these is legless and the other is practically faceless, their salaries are insignificant yet the Government has to slice them off. Not alone are they taken out of their jobs, but the Government wants them to accept a large cut in their pensions, some 43.5 per cent I think. Suppose those men do get a few dollars, haven't they got something to show for it? Haven't they sacrificed their bodies on the altar of freedom? There has been a whole lot of men who have got public moneys and what have they got to show for it? There was another man in the Customs Department, John Squires, I believe that he too is to come under the axe and there is our old friend at the Department of Posts and Telegraphs, Tommy Morrissey, and another man by the name of [Lew] Walker, they too are to come under the Act, and I say whether anyone likes it or not that it is not good enough. I do not want graft, I am not getting a pension, I never looked for one and I don't ever expect to have one, I am trying to earn enough to keep a home together and eke out a livelihood in an honest way, and if I don't earn a living by graft I want to see that nobody else gets it.

I will pass on to the other items before sitting down, and I want to ask the Minister of Finance and Customs to tell me how much of our bond issues are held at home and how much are held abroad. I would like to point out to this House that we should know who the holders of our bonds are. In any business concern they know who holds their preference shares or bonds, even their ordinary common shares. I would also like to know who fixed the rate we received under War Reparations. I think it is something like $\frac{1}{2}$ of 1 per cent. If Newfoundland's claim under war indemnity was fixed at \$15,000,000, and the average life of a pensioner being 25 years, we would

never have needed to descend to cutting the war pensions. The Treaty of Versailles says on pages 105, 106, (*reads*). The point I make is this: we should have received more money than we did receive, and the money that we did receive should have been better spent, and if necessary this House should have defaulted on its bonds which were signed in blood rather than cut these men's paltry pensions. Why not transfer the Reparations Account to Pensions Account and have no cut in Pensions? I have no axe to grind, but as I said, I cannot sit here and see these men and their dependents, who gave so much for their country when their country needed them, trodden underfoot like dogs. It can truly be said that now graft is a virtue and honesty a form of insanity when we contribute to such a state of affairs.⁴³

Hon. Minister of Marine and Fisheries: I would refer the Members of the House to the Estimates on pages 55 and 56 where you see the combined profits. If you follow on down, you will see that we made a considerable reduction in staff by amalgamating the two Departments, and if any member wishes to see the names of the men who were left off, I will be very glad to show them to him if he cares to see them. On page 57 we have cut out, (*reads*). This cost us last year \$55,650.70, we are hoping to reorganize the system (*reads*).

In the matter of lighthouses, we have not reduced the number of lighthouses but we have reduced the system, a lot of the lighthouses are worked by electricity at a much cheaper cost. We had twelve kerosene lights on Labrador. We propose to change these to acetylene lights. These cost in the vicinity of \$12,000 to \$15,000 to operate and maintain. On the new system of acetylene lights it would cost about \$2,000. There is a saving in that section alone of \$10,000 to \$14,000. So you can readily see where the saving is made. We will have installed by June of this year something like sixteen acetylene lights and several electric lights. That programme, as I said, was recommended by me, approved of by the Commission, which consisted of the late Minister of Finance, Dr. Mosdell, Mr. Bradley, and, as I said before, was done before the present financial experts came to the country.⁴⁴

Mr. Puddester: Has the expert gone through your Department?

Hon. Minister of Marine and Fisheries: I have never seen him in the building.

Mr. Puddester: Evidently we can do something without the experts.

Hon. Minister of Marine and Fisheries: I have not seen them in my Department.

⁴³ "He had no axe to grind. He was not a pensioner but felt that as an ex-serviceman he could not stand by and see loyal countrymen, comrades and their dependents sacrificed on the altar of the graft-mad god of our demoralized public life." *Evening Telegram*, March 11, 1932.

⁴⁴ "Mr. Lake explained some of the reductions. He wanted to say that the reductions were not the work of the experts but were decided on before they came to the country." *Daily News*, March 11, 1932.

"Mr. Lake wished to assume the credit for the reorganization and reductions outlined. He was personally responsible for the substitution of acetylene and electric lights ..." *Evening Telegram*, March 11, 1932.

Mr. Puddester: I have before me a report of the Committee that enquired into your Department. As I go through I would like to find out whether all these recommendations have been put into effect: (*reads Minutes of Council*).

I don't see how we can do very much with the Estimates if we don't have a detailed list of those pensions and discuss them as we go through, every one. If they belong to Marine and Fisheries, we surely want to know before we leave these Estimates what pensions these men are going to receive.

I have asked a question in connection with a pension of two prominent men. That question is on the Order Paper two or three weeks, and we have received no answer. One of them has been written at a salary of \$1,000 as a consultant. I want to know how much that gentleman is going to receive as pension, and some others besides, and it will facilitate the passage of the Estimates if we get every pensioner on the table of the House, particularly those who have a pension since the 1st of July.⁴⁵

Referring to the bounty paid on ships built, he asked the Minister if every payment made had the approval of the proper authorities. The minister said "yes." Then how came it that this passage is written in the Auditor General's report:

"By Order-in-Council of date August 2nd, 1930, the sum of \$6,000 was ordered to be paid to Messrs. Ashbourne Ltd., of Twillingate in respect of bounty on schooner of 180 tons built by them to prosecute the sealfishery.

The bounty of \$40 per ton was ordered to be paid on 150 tons under schedule 'D' of the Act. On presentation of the voucher covering this payment a certificate was produced by Mr. McFarlane, Lloyd's Surveyor, to the effect that the ship was not eligible for bounty under schedule 'D' but qualified up to 150 tons under schedule 'A' as follows:

100 tons @ \$30	\$3,000
50 tons @ \$16	800
Total	\$3,800

The voucher, together with the certificate, was then submitted to the Department of Justice, which ruled in favour of Mr. McFarlane. The matter was then referred back to the Executive Government who, by Order in Council of date October 27th, 1930, ordered paid the amount as certified by Mr. McFarlane. On January 12th, 1931, a further Order in Council [was] issued authorizing the balance of \$2,200 be paid Ashbourne's Ltd., which was done. The latter payment, however, was disallowed until the Legislature passed Supplementary Supply of \$5,000 to cover the overdraft on 'Bounty on Ships Built' Account, when it was allowed." He asked for an explanation. [*Daily News*, March 11, 1932, p. 6]

Hon. Minister of Marine and Fisheries: I might say that when Ashbourne started to build this ship, it was understood that extra bounties were to be paid for ships that were built to prosecute the sealing fishery. This was a ship of 150 tons. It was thought that auxiliary schooners properly equipped were more suited to carry on the fishery, and that was the reason of the increased bounty.

⁴⁵ "Mr. Puddester objected to the idea of the votes in globo." *Evening Telegram*, March 11, 1932.

Somebody in the Government told the firm in question that they would get an extra bounty. This did not happen, and I believe that Messrs. Ashbourne were entitled to the extra bounty as they had built a vessel fitted with auxiliary engines on that understanding.

Mr. Emerson: I don't see why the firm should get that extra amount. There was no assurance in writing. It is nothing more or less than a gift by the Executive Government to Messrs. Ashbourne of \$2,200. Last year when the vote for the supplementary supply was being passed there was no explanation given for this vote, and now it transpires that half the vote was given to this firm as a gift. It is absolutely wrong and should never have been done.

Mr. Cashin: Mr. Chairman, I think it is outrageous for Ministers of the Crown to be absent from the House when the Estimates are under discussion. The Prime Minister should be here because he is in charge of these votes and it is his job to be here. I know when I was Finance Minister I was always there in my place. I object to the fact that the House is being asked to vote for the salaries for lighthouses in bulk covering \$82,575. I have a fairly good idea of the disbursement of that money, but the House does not know. In former years every individual salary was stated definitely in the Estimates and voted upon separately. Why is that procedure departed from now? I think I know the reason why we have it in this form. You got expert advice again, and because it would cost the putting in the book of a few extra sheets of printed paper, Mr. Penson puts it in block form. The point is that the House to-day, generally speaking, does not know where these lighthouses are. What is there to stop lighthouses being taken out of one place and put in others? They should be listed in tabulated form for the information of the House. This is the place for it. The principle is that if we vote this \$82,575 as it is to-day, that money is left to the Executive Government and the Department of Fisheries to do what they like with it, so to speak, and as far as we are concerned they could remove the lighthouses at Bay Bulls, Fortune, or Cape Spear and put them somewhere else for all we know. I notice the maintenance for the lighthouses is \$60,000. I quite agree with having that in lump sum, but not in the case of lighthouses, as the principle is wrong. The same applies to pensions here. We are asked to vote for pensions here and nobody here knows who are getting them, or who are getting their salaries increased or reduced. I say, Sir, this kind of thing is only delaying the business of the House, despite anything the experts may think about it. We do not know who is pensioned or who is not, and it should be stated here in the Estimates. More expert advice of course. Here again is my point. For instance, if we vote these pensions in globo some poor unfortunates who were voted pensions last year would be out of luck, and would perhaps be replaced by others who happen to be friendly disposed to the Prime Minister. I heard the Member for Bay de Verde asking this afternoon who were pensioned from the Lighthouse Department in his District. Now, he would not have to ask that question if the list was prepared, as it should be. Therefore, you cannot intelligently discuss these Estimates unless you have the salaries of the lightkeepers before you.

Mr. Puddester: If you will permit me, I will tell you the reason why these salaries are not listed. The Government did not want to let the country know how many people they pensioned since July last and how much money they gave them.

Mr. Cashin: The same applied to the post offices, we don't know which ones were shut down and which ones are going to be kept open. The Customs Department is different, I prepared the

Estimates before I left and I want to know, there is one item affecting my District, and it will show you how much these financial experts know about their jobs. Last year I put in a Customs officer at Bay Bulls and I notice here that it is cut out. I cut out Cape Broyle after the banking fishery, and this year I put in an allowance of \$150 for a Customs officer during the three months of the fishing season and that was cut out. I left out Renewals because there is not enough water in the harbour to float a dory, and now I find here that there is \$100 put in here and that spells incapability, and I notice here that my honourable friend Mr. Bindon has put in \$100 for St. Mary's and there was never more than \$20 paid in revenue, and then you come in here and tell us you are not playing politics. I move that the Committee rise, report progress and ask leave to sit again.

Hon. Minister of Marine and Fisheries: We are on the Lands and Fisheries now.

Mr. Cashin: We are on the Estimates in a general way and I want to know why that amount was put in there, and I also want to know where the Government is going to get the \$80,000 necessary to finish the Memorial School up there. Sir Percy Thompson is going around the town peddling the place for mortgage to trust companies etc. to advance \$70,000 or \$80,000 on the building to finish it. Where is this \$100,000 coming from? The contractor is going ahead with the work which he contracted for. We could clean all these things up in half an hour.

Mr. Emerson: None of the Ministers are in the House.

Mr. Cashin: That is why I move that the Committee rise and ask leave to sit again.

Hon. Minister of Marine and Fisheries: We could go ahead with Lands and Fisheries.

Mr. Cashin: It is incomplete, the whole thing is incomplete.

(Waits for the Prime Minister)

The next thing we will have to do will be to get Mr. Penson's permission to run a house-
house to complete the Estimates. As I was saying, the Prime Minister is here now, the Estimates are incomplete, that the Department of Marine and Fisheries Estimates are incomplete, they don't give the details of the lighthouses eliminated, we have just the bulk money for these services and this House doesn't know what lighthouses are reduced and which are left in. It would only take ten minutes on a typewriter to do that and make a few copies for the House. I would also like to ask the Prime Minister, is a Bill being introduced covering pensions?

Rt. Hon. Prime Minister: As I stated yesterday a Bill is being introduced revising the present Bill along the same lines, but with certain changes and alterations. As regards the question of these Estimates I am not familiar with the details, the Minister is, but if you like we can let it stand over and dispose of the remaining parts.

Mr. Puddester: We want some information regarding page 56, we want the details of the lighthouses and the pensioners.

Mr. Cashin: I would suggest to the Prime Minister that it would facilitate business if we had a list of civil service pensions covering approximately \$120,000, we only have the lump sum, we don't know who is going to get it. The same applies to the Postal Telegraph Department, we want to see who is left out and who stays in.

Rt. Hon. Prime Minister: All pensioners before 1926 and after 1926 each ...

Hon. the Prime Minister replied that if he wanted the information he must table a question. [Evening Telegram, March 11, 1932]

*Mr. Speaker resumed the Chair.*⁴⁶

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 motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Pursuant to notice, and on motion of the Minister of Public Works, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Highway Traffic Act 1925."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Mr. Winter felt that it was time that we introduced the system of driving to the right such as is in vogue in Canada and the United States. The fact that we are driving to the left is the cause of so many accidents because our cars are right hand drives and signals cannot be seen. [Daily News, March 11, 1932, p. 6]

Mr. Winter urged the favourable consideration of driving to the right as that which prevails in Canada and the United States. He cited the difficulties experienced by tourists who come here. [Evening Telegram, March 11, 1932, p. 3]

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 motion this report was received and adopted, and it was ordered that the Committee have

⁴⁶ "The Committee rose without passing any votes. Mr. Lake promising the detailed information at to-day's sitting." *Daily News*, March 11, 1932.

leave to sit again on to-morrow.

Mr. Emerson gave notice of question.

The House then adjourned accordingly.

Friday, March 11, 1932

*The House met at three of the clock in the afternoon, pursuant to adjournment.*⁴⁷

Rt. Hon. the Prime Minister gave notice that he would on to-morrow move the House into a Committee of the Whole to consider certain Resolutions relating to the Control of Petroleum Products.

Rt. Hon. the Prime Minister gave notice that he would on to-morrow move the House into a Committee of the Whole to consider certain Resolutions relating to the raising of a Loan on the Credit of the Dominion for certain purposes and to the issue of Savings Certificates.

Mr. Puddester gave notice of question.

Mr. Byrne gave notice of question.

The Resolutions from the Committee of the Whole on Supply having been read a first time, as follows:

<i>Bureau of Education</i>	<i>\$700,000</i>
<i>Department of Assessor</i>	<i>\$37,965</i>

The said Resolutions being read a second time, it was moved and seconded that the House concur with the Committee therein, and the said Resolutions were agreed to.

Hon. the Secretary of State tabled a Report of the Department of Weights and Measures, 1931.

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend Chapter 27 of the Consolidated Statutes (Third Series) entitled 'Of Death Duties.'"

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: Mr. Chairman, there is a general note of explanation attached to this Bill to show that there is no intention to have the Bill finalized at this moment. Under the Bill relating to the Control of the Treasury now before the Legislature, the administration of the Death Duties Act is committed to the Controller of the Treasury, and accordingly, as a matter of convenience, amendments have been made to several sections to avoid the necessity of calling upon the Minister in the matter. Action, however, is to be taken in the Minister's name as head of the Department, and similarly it is to him that payment of death duties is made. The main purpose of the amendment,

⁴⁷ There is no *Journal* account of March 11 in the file. Items usually dealt with in the *Journal* are instead transcribed in Hansard.

however, is to deal with a defect in the Act which has always caused inconvenience, and has in practice been got over only by departure from the strict terms of the Act. I, consequently, move that the Committee rise and report progress and ask leave to sit again on to-morrow.⁴⁸

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 motion this report was received and adopted and it was ordered that the Committee have leave to sit again on to-morrow.

The Act respecting the Export of Marine Shells being a Private Bill, on motion it was, with unanimous consent of the House, ordered that the Rules of the House respecting the Procedure on Private Bills be waived, it being understood that this order was not to be regarded as a precedent.

Thereupon, pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Act 22 Geo. V., Cap 25 entitled 'An Act Respecting the Export of Marine Shells from Labrador and the Islands adjacent thereto.'"

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: Mr. Chairman, with the unanimous consent of the House, I move that the rules with regard to private Bills, which must be given notice of, be waived. The Bill in the main merely asks for an extension of time in which shell may be exclusively shipped from the Labrador by this Company.

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.

This report was received and adopted, and it was ordered that the said Bill be read a third time on to-morrow.

Pursuant to Order, and on motion of the Minister of Public Works, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Highway Traffic

⁴⁸ "The [Death Duties] Act provides that there will be two classes of certificates, namely, a provisional one at the outset upon which probate or administration may be granted and a final one after administration of an estate has reached a sufficiently advanced stage upon which appeal to the Supreme Court may take place." *Evening Telegram*, March 12, 1932, p. 3.

Act, 1925."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Mr. Walsh: If the spotlights are on the driving side of a car, and there are right-hand drives and left-hand drives, the driver of a car coming toward that car would be in doubt as to which side the light was on, and I think that it would be the cause of many collisions. I think we should have one set side put in.

Mr. Emerson: I think that it should be on the left side, because the spotlight is used by the driver to mark the drain and to see how close he can drive to the drain to avoid another car.

Mr. Winter: I would suggest, as I suggested yesterday, that you change the rule of the road to drive right. In America the rule is drive right and their cars are made with a left-hand drive and I think the same should apply here. In England the rule is drive to the left, and the cars are made with a right-hand drive.

Mr. Emerson: I agree with my honourable friend Mr. Winter, but I am afraid that we lack the courage. The first Act did provide for that but it was sponsored by Mr. Morine, and that was enough to kill it. I think that if we took the plunge that we would be used to it in a week.

Mr. Puddester: I remember in 1925 when that Act was brought in, most Members were in favour of that change, but there was such a storm of opposition from outside that we had to drop it. Most of the opposition came from people who drove cars and sleighs, they said that they would have to discard all their sleighs, the truckmen objected, and we received numerous petitions and it was thought better to keep to the left-hand rule.

Mr. Bennett: In reference to that particular matter, that was tried in England once and it resulted in chaos. Driving is largely a matter of judgement, and when you suddenly change the rules, in an emergency a person usually acts automatically, and usually there is a crash.

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 with some amendment.

This report was received and adopted, and it was ordered that the said Bill be read a third time on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act for the Confirmation of a Certain Loan in Connection with the Western Marine Railway from the Bank of Montreal."

Mr. Speaker left the Chair.

Mr. Smith 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.

This report was received and adopted, and it was ordered that the said Bill be read a third time on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Mr. Puddester: I would like to ask the Secretary of State if the Economic Commission last Summer presented their report to the Government on their enquiry into the Agriculture and Mines Department. In the answer tabled I can't find any report. One of the Commissioners told me they had presented a report from the Agriculture and Mines Department.

Hon. Secretary of State: I will be glad to look it up.

(Re Estimates for Marine and Fisheries)

Mr. Puddester: Can the Prime Minister explain to the House the position that Mr. Downey occupies at the present time?

Rt. Hon. Prime Minister: He is Minister of Agriculture and Mines at the present time.

Mr. Puddester: He was given some leave of absence.

Rt. Hon. Prime Minister: About six weeks.

Mr. Puddester: He was; he is still under pay as Minister of Agriculture and Mines?

Rt. Hon. Prime Minister: Yes.

Mr. Puddester: How long is Mr. Downey to occupy that position as Minister of Agriculture and Mines when there is no Agriculture and Mines to be Minister of?

Mr. Emerson: He can only be paid to the 1st of July.⁴⁹

Mr. Bennett: Before going into this vote, I ask the indulgence of the House to make a few brief references on the Budget now tabled, and I ask you to accept my sincerity of purpose in any remarks I may make thereon.

It appears to me that the people of this country have always had a pride amounting to fanaticism with regard to our patriotism, or it may be called self-sacrifice to ideals, that at times has led us to assume burdens that we could ill afford to carry.

May I first bring our minds back to 1914 when we, with a national debt of about \$25,000,000 and a prosperous little country at the time, decided to help out the Mother Country. Here we first, to my knowledge, were carried away by an excess of patriotism, for not only did we provide a large number for the navy, but also provided a full regiment with reserves to hold our identity in the struggle. That, as I see it now, was a real patriotic sacrifice both in [the] maimed and an unforgettable death list. But our patriotism flamed beyond our means, and we promised to upkeep our regiment and pay all our expenses then and now. A beau geste by Newfoundland, which was as unnecessary as it was idealistic. That gift to the Mother Land cost us in the vicinity of \$40,000,000, which we had to borrow to expend, and that did more to precipitate the present crisis than anything else in our history. We could not afford it, and our children unborn then and now reap the questionable benefit. If England went to war to-morrow and said to us, "We are in trouble, will you fight for us?," I can tell you the answer; it would be, "Yes, but we are too poor to fight."

Then came a day of prosperity which we, in our blindness, thought might be everlasting. Governments borrowed in large sums and spent like drunken sailors with comparatively no remuneration, until we came to the brink of the chasm in 1929 when the economic structure of the world began to quiver and shake. Past governments have been much to blame, but just when things began to totter, the present Government entered into an orgy of expenditure never before witnessed in our history. Highroads were built where the rabbits now play; unused machinery costing fabulous amounts now rusting in specially constructed barns, some of which were never used and never will be. Commissions galore appointed at outrageous fees. The Gander project choked at its inception, the Gander project that would be to-day solving our unemployed problem, choked at large legal costs which were as outrageous as the results were nil. To add to our trouble, our credit on the money market stopped, and we had to call in experts to find a way out. Again Newfoundland was confronted with a national crisis, and again our pigheaded pride in our responsibility stepped in. We held our hands up in holy horror and said, "We must not default our bonded interest." The banks postponed the unhappy day once last year at the expense of certain promises made by the Government to retrench in certain directions and give the necessary protection, which the Government saw fit to ignore. At the end of the year experts were called in to try and fix things up. Apparently this is what happened. Sir Percy Thompson, Mr. Penson and Mr. Magor took things over and sized the position up. They found it was necessary to raise money to pay our interest due at the end of January. Mr. Magor steered Sir Percy through the banking interests of Canada until he

⁴⁹ "The Prime Minister stated that Mr. Downey is still the Minister of Agriculture and Mines, under full pay, and is still under leave of absence. He can only be paid until July 1st as there is no provision in the estimates for this office." *Evening Telegram*, March 12, 1932, p. 3.

met with the properly enraged syndicate who had helped us out before, and to whom we broke faith. To pay our interest at the time mentioned, Sir Percy had to give his word that the limit would be done by him to balance our Budget, and assure the banks' financial protection.

In my opinion we are faced in this House to-day with legislation framed along the lines of Sir Percy Thompson's promises to try and balance the Budget at the expense of the stability of local trade of the country, and [the] individual financial security of the people.⁵⁰

Not only that, but legislation is to be considered that the war pensions are to be curtailed, and I say this with premeditation, sacrilegiously curtailed. In spite of all we hope to bear, we must keep our promise to those who sacrificed. I would rather see our country default now and forever rather than break faith with those who suffered untold privations, or those who gave all that we might live. We gave them an unbreakable promise that we would sacrifice all for them, and they gave all. Members of this honourable House of Assembly, remember and consider their sacrifices and let us starve rather than break faith in that unforgettable promise.

In my opinion Sir Percy Thompson knows that that is true, and is apparently willing to stagnate the trade of Newfoundland to satisfy his word to the banks. He came to this country as an expert in finance and organization, and finding things beyond his ability to cope with, we are asked to sacrifice our present and future to bolster his reputation.

Members of the Opposition and Government, if we are bled white by taxation, it is your responsibility to the people, and not the financial experts, and think twice before you assume that responsibility.

We are passing through a time of national stress we have never faced before. Germany, France, Austria and other nations are working overtime trying to evade war debts. To them America gave a moratorium for one year. They did not think it unpatriotic to ask for an extension. Why should we be so stiff-necked with the independence of poverty?

We must now offer a moratorium on our debts. We do not wish to default, but we must have time to re-establish ourselves. I claim now that if we are taxed to the limit, we will not only eventually default on interest alone but on capital, because of local economic collapse. Newfoundlanders are the cheapest living people in the world and we cannot live cheaper. Holders of our bonds can and must wait while we earn enough to pay them. Kill now if you will, but the goose that lays the golden egg only has one life. A stricken people cry for an armistice. Let us put our pride away for a while and see what we can pay, and then work towards that end.

One hears all around, the banks demand this and the banks demand that. As I heard Hon. Sam Milley state once, the banks are too generous in times of prosperity, and too niggardly in times of depression. Truer words were never spoken, and if the banks have a duty to perform to their depositors, why didn't they remember that in good times?

May I voice an opinion with regard to the Labrador, the only asset we have? I am in favour of the sale of the Labrador, though not at any cost, but for a reasonable amount coupled with protection for our fishermen. But no, generally speaking, such a project is abhorrent to the minds of all Newfoundlanders, because it may contain something we will be sorry we sold. Suppose it does, remember our inheritance of to-day is the Labrador, to be passed on to our children's children. As we

⁵⁰ The rest of Mr. Bennett's speech is taken from *The Daily News*, March 12, 1932, p. 5.

know it to-day, a barren inheritance we pass on that they may live in land with a huge mortgage for posterity. I would rather die to-morrow leaving my children in an unencumbered, developed and happy Newfoundland, and see Labrador just starting its questionable existence as the property of another land. I am sincere in my purpose, Mr. Chairman, and I ask the Hon. Members of this House, as representatives of the people, to be sincere in theirs. Nobody who heard the Hon. Member for Ferryland in his references to a compromise on our floating debt could help but be impressed that a reduction on bonded interest is the keystone on which we must build our retrenchment.

As an alternative to a moratorium this is the one and only way we can relieve our burdens and survive. If that be so, then let us tackle it without political bias as a united body determined in a patriotic effort to save our country, but put politics for once in the background.

Mr. Cashin stated that as a question had been asked by a member of the House at a previous sitting as to how much interest on our bonds had to be paid outside the country, he could supply the answer which was as follows:

London	\$2,421,343.03
Canada	275,343.74
United States	1,289,109.36
Newfoundland	214,203.87

In addition to that, we have interest charges on a floating debt of \$5,600,000 at the present time. [*Daily News*, March 12, 1932]

Mr. Quinton: Mr. Chairman, with regard to the vote for herring protection service, I note that you have decreased your inspectors from eight to four. Whilst the herring inspectors at present are doing excellent and efficient [work], I contend that the Government is concentrating upon headquarters and not enough upon field work. My point is that it would be much better to have the major portion of the inspection done before the herring comes to the point of shipment for market, as is the case at the present time. If herring are inspected in St. John's now and found not to be up to requirements, it practically means condemnation, and that is not always justified because sometimes herring cannot be shipped only because they are packed wrong.

Several votes in this department were discussed and questions asked on them. Mr. Puddester referred to a man under the department who had been reported to him as not doing what he was paid to do, and he served notice that when the present opposition takes over the government they were not going to retain in the service officials who were appointed for political purposes or were not doing what they were supposed to do. That statement especially applied to those who will be appointed between now and the date of the election.⁵¹ [*Daily News*, March 12, 1932]

Mr. Byrne: Mr. Chairman, I would ask the privilege of the House to make a few remarks. There is one item in these which is of special interest to me and many others, and I refer, Sir, to the amount of \$175,695 being reduced from the Military Pensions estimate. I sincerely recommend to this House

⁵¹ According to *The Evening Telegram* (March 12, 1932), Puddester was referring to an employee of the Department of Lands and Fisheries "who was doing very little for the salary paid him, but was given his job as a reward for his services in the Lewisporte by-election. A good deal of his time was spent in running a motor car for hire."

that this matter of reducing the pensions of the returned men is one of particular interest to every man, woman, and child in Newfoundland. That \$175,695 represents a cut of approximately 36 per cent, and we are told by the Government that this cut of 36 per cent is necessary because the expenditure of the Government is \$12,000,000 and the revenue is going to be about \$9,000,000, and we have to get the money to cover the deficit somewhere. I would like to ask the Government what the poor crippled returned man has to do with the reckless, wanton extravagance of the Government. Is it because the Government has squandered every cent it could lay its hands on, that it should levy on the men who sacrificed themselves in the Great War that we might have a British country to live in?

Before I go any further, I think I should explain what is meant by a pension and to whom it applies. There are many people in this country who think that every man who served overseas is granted a pension, and I would like to correct that impression and inform the people of this country, through the medium of this House, that this is an erroneous idea. Taking every branch of the service, Naval, Army, and Forestry, there are some 1,700 pensioners altogether, that is, out of the 12,000 that enlisted, some 1,700 receive pensions. I am not one and have never been one.

Having explained this matter, I think I should enlighten Members as to what they are doing by cutting these men's salaries. I would like to give the Members another view of the situation than they now have; after all we all can't have the same view. On the left of the Speaker, there is not one man who offered his services to his country when it was needed, and I would like to give them the right view ...

Mr. Greene: I think you are quite wrong; you said that no one on this side of the House offered their services, I did personally.

Mr. Byrne: Well, Sir, I take that back, I certainly apologize to Mr. Greene and I'm sure that our comrade will do his best in the interests of the ex-service men.

When the Members of this House are considering this severe cut, I would like them to consider and appreciate what these men went through. The reason in most cases is broken health and suffering from diseases. It must be remembered that the men who enlisted in 1914 were used to a Northern climate, and after their training period in England they were sent to Egypt. To my mind this should never have been done, because when they were shipped to Egypt they suffered intensely from the heat, heat so terrible that you couldn't wear clothes on your back. That was followed by Gallipoli. The number of our men had already been reduced, and what was left had to stand the strain of terrific heat that was followed overnight by the worst storm that had been experienced in that part of the world in 40 years. They had to stand the strain of this terrible storm, terrific heat followed by snow and sleet and frost, for five days they were up to their necks in water and snow, water pouring into the trenches all the time, blinding hurricanes, but we stuck it for a whole week. Many of those who landed on the beach were carried back on stretchers. These are the effects from which these discharged men are now suffering, and it also accounts for the fact that we see so often the Union Jack being carried through the streets of the city followed by a funeral cortege.

From Egypt we were sent to France just in time for the rainy season, there again we spent our time wallowing in mud up to our waists and going through all the horrors of Winter all over again. Three times running we went through three extremes, and these hardships culminated in the

memorable July 1st. That is what I would like the Hon. Members to remember when they are going to vote to wipe out these men who went through it. As I said before, it is an outrage and what is more, it is a breach of [*omission*], and I want you to remember that we are here as representatives of 36 different sections of this country, and we must remember that we are talking for the people of this country, and personally, Sir, I don't think that the people of this country would stand for breaking the pledge we made to the boys who went overseas, the pledge we made to their dependents, and now because a Sir Percy Thompson can't find three or four hundred thousand to balance his Budget we must cut the pensioners' vote. I think that this will be a sorry place when a Sir Percy Thompson can come here to Newfoundland and levy his will and balance his Budget at the expense of the pensioners of Newfoundland, and, Sir, as I said before, I don't think that Newfoundlanders will stand for it.

Now, Sir, a short time ago Sir Richard Squires at the Rotary Club dinner said that the slogan we need now and that he intended to introduce was, "carry on." Well, I can tell Sir Richard Squires that that has been the slogan for years past, and that is the slogan that has kept himself and the rest of us from under the German flag, and that if "carry on" had not been the slogan with the Allies we would be to-day paying our quota of the funds in to the German Emperor, and I say that because we all but lost the War, and what happened – we were on very thin ice, and it was near finish, but "carry on" was the slogan and they "carried on," and we are going to "carry on" now, Mr. Chairman, and I say that even with the burdens we have in this country, that we are going to come through without robbing the men who helped us to be where we are to-day, and who are now not able to help themselves, and I am on my feet to speak about it because I would be nothing less than remiss in my duty if I did not stand as the others who stood here, and speak for the men who have not the privilege to come in here and speak for themselves. I say, Mr. Chairman, in all earnestness to the Members of this House, "Don't break faith with the widows and orphans; don't break faith with the men; don't break faith with the aged parents who lost their only help." I would ask you in the name of all returned men to remember that surely you are not going to take the stand that you are going to balance your Budget at the expense of these men. Surely after looking over the many sacrifices that these men have made you are going to say, "Well, we will raise our money in some other direction," and before I sit down I intend to make a suggestion as to how it can be raised – the Hon. Member for Ferryland and the Hon. Member for Bonavista South have already referred to it.

Another thing I am going to say is that this is the only part of the British Empire that has attempted to cut War Pensions. It is true that out in Australia, when she was bankrupt, that in her endeavour to raise money she considered that the allowances for the children and the wives should be reduced somewhat, but she never attempted to touch the man rated for his disability. Surely if there was any cause for it, it was in Australia, where she was on her beam ends. We are in a bad condition, it is true; but we can do what Australia could not do; we can find \$200,000 for this year and not cut the soldiers' pensions. I would ask Sir Percy Thompson, if he was in England would he do this. I am positive he would not. In the first place he would not be allowed. In the second place if he was in a position to do it, he would not dare attempt it, but he comes out to a little island in the North Atlantic with 240,000 people that sent 12,000 men into the Army and Navy and Forestry, and he thinks that all he has to do is to scratch his pen through the Estimates and reduce it. I will quote here an extract from the British Legion to show you why Sir Percy Thompson would not attempt any such thing over in England, and why I think he has his nerve to come out here and try to attempt it

on a small people like ours. This is an extract by A. G. Webb, of the Pension Department of the British Legion, in which he states: (*reads extract*).

Now, Sir, you can see that both in England and in France the one idea is for the care of the returned men, and that it is one that should not be left to charity. Now, Sir, in the matter of providing the necessary money to carry over the pensions for this year without a cut, without reduction, as has been stated in this House before, there is no reason whatever, except it is a reason I don't know, and there may be one, why the balance of this Reparations money now in the Newfoundland Savings Bank can't be placed into [the] Exchequer to offset the pensions for the coming year. That amount will just cover the amount, a little more than cover the amount that you now propose to take out of this Estimate. I understand in making this suggestion the returned men have been told that the outstanding claims prevented any such suggestion from being carried out, but, Mr. Chairman, these pensions have also a claim and they have a large claim and they have a claim that comes in under the Treaty of Versailles, and I will now quote to you the section under which it does come in. This is the extract: (*reads extract from the Treaty of Versailles*).

Therefore, Sir, a large proportion of the unexpended balance now lying down in the Savings Bank is available for the pensions, and it is quite permissible for the Government to pass it into the Exchequer, and put it at the disposal of the pensions. Then, as the Member for Bonavista South said yesterday in speaking of the bonds claim, the Government claim that the bonds are irreducible and an irreducible liability; well, so are the war pensions. Surely the bond with the pensions, the bond that was backed by the shattered and maimed surely is an irreducible liability. It is not a claim, Sir, surely to say that to pay the irreducible bond on the one hand must be paid by doing away with the bond on the other hand; failure in one to offset the other. Well, I am afraid I am with the others, if it has to come to be a failure, then I say let us fail in so far as to try and have the interest on those bonds reduced, even if only to the amount of not failing to make good the bond that we have with these poor broken maimed men. And then, Sir, on the Reparations, if there is the right as I have shown here under the Treaty, if there is nothing to block this money being passed into the Exchequer, why should the Government take the stand that "We refuse to put this in, but we will take from you by a cut." That Reparations money may not be available, as I said, I don't know, but I do know of something that happened in a debate here a few days ago, when a member addressing the Prime Minister asked him why these Reparations could not be paid in, if I remember rightly, why they were not available, he asked the Prime Minister if they were available, I did not hear the Prime Minister reply. So, I say they may not be available, I don't know, but if they are available, Mr. Chairman, then there is no reason why they cannot be passed in.

Last year I had occasion to refer to the disgraceful manner in which the Reparation funds had been handled, and this year I am again compelled to speak in the same strain. I say, Sir, it is an outrage for us to have the experience of having an ex-minister of the Crown come into this House and deliberately make the statement that the Prime Minister had obtained \$5,000 from the Reparations fund by a false Minute of Council. If this is true, I can only say, Sir, that it is a disgrace, and all the more so in view of the fact that this is the man who seconded the resolution to send the boys overseas.⁵² He has done nothing for them ever since, and now if this charge is true, [he is] too

⁵² "... the present Prime Minister was the man who in 1914 at the C.L.B. Armoury seconded the motion to send our men overseas." *Daily News*, March 12, 1932.

ashamed to let the other Members of the Cabinet know what he was doing, he has gone and surreptitiously taken \$5,000 out of the Reparations account.

I want to remind the Prime Minister too of his visit to Germany; this man who patriotically seconded the motion to send the men overseas was in Germany himself, but not when there was any danger. Sir Richard Squires, as he had now become, as a reward for his past patriotism, was in London a few years afterwards. At a time when England was endeavouring to show her appreciation to the Dominions overseas, and when the Prime Ministers of Canada, Australia, New Zealand and the Irish Free State were having conferred on them the freedom of the City of Manchester as a mark of appreciation of what the men of these countries had done in the war, our Prime Minister, instead of being honoured with these men, was over in Germany attending a so-called convention. This patriotic man was left out in the cold. *Punch* at the time showed a caricature of Sir Richard on the roof top of a hotel, looking away in the distance, and called "Out in the Cold." If he had acted rightly as Prime Minister of Newfoundland, it would not have been necessary for him to go away and hide himself on the continent.

Now, Sir, I don't want to detain the House, but before I sit down I want to refer to two pensioners, who deserve better from the gratitude of the country, and who were referred to by Mr. Quinton yesterday. These two men, Harvey McNeill and Eldred Crane of the Pensions Department, are two of the most seriously injured men in the Regiment. They have served in the Pensions Department for over twelve years, and now in addition to being discharged they have to suffer a 40 per cent cut in their pensions. I think, Sir, that matters could be so adjusted in this department so that these men could be kept on. Similarly [Lou Walker and Tom Morrissey] in the Post Office, and [John Squires] in another department are not only losing their jobs, but getting a 36 per cent cut as well. These men are all badly wounded. Surely this is not British fair play. To take away their jobs and cut their pension too is an outrage, and I sincerely hope that the cases of the whole five will be re-considered and that they will be left enough to support their wives and family.

There were other matters he intended to refer to but he would leave them over for the present. (Applause). [*Evening Telegram*, March 12, 1932, p. 3]

Mr. Winter: Mr. Chairman, before that vote for Agriculture passes, I would like to make a few observations. Last year this House was asked to vote \$15,000 for the encouragement of agriculture. I think at that time I characterized it as an encouragement for laziness. This is the vote out of which the five experts were paid, but apparently these experts have since faded out of the picture. Now I would like to know, what is the use of voting \$10,000 for the encouragement of agriculture for this year? I think this is a scandal of the first magnitude. I quite realize the necessity for cutting down expenditure to meet our income, but surely to pass such a vote for the encouragement of agriculture at this particular junction is nothing short of criminal. Our fisheries have failed us within the past three years, and despite the fact that the present Government was elected to power on a promise of agricultural and industrial development, all that has been done during that period was to spend over \$40,000 for salaries for five agricultural commissioners and with absolutely nothing to show for the money they received. Surely after their three years of toil, experience and practical knowledge on agriculture they have got some programme to lay before the House, or is it that their services were only worth \$10,000 and that they had made no returns for the \$40,000 they have received? There is

a hue and cry throughout the country to try and get people back to the land. We must have land production, and if the people don't know how, they must be taught, so that instead of cutting down that vote for agriculture it should be increased. We got the climate, we got the descendants of the stock of land producers and our people should be encouraged to get back to the land. I submit, Sir, it is a false economy to cut down the vote for the encouragement of agriculture to \$10,000, as with that sum nothing can be done, and it must be made possible to reduce somewhere else in order to make this vote an adequate one.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed certain Resolutions, and asked leave to sit again.

This report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Mr. Cashin gave notice of question.

It was moved and seconded that when the House rises it adjourn until Tuesday afternoon next, the 15th instant, at three of the clock.

The House then adjourned accordingly.

Tuesday, March 15, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Quinton: Mr. Speaker, I ask leave to present a petition on behalf of 120 ex-members of the Mercantile Marine of Newfoundland in connection with a sum of money which was supposed to be awarded at the conclusion of the war in the form of gratuity. These men are labouring under the impression that when they were awarded the British Empire and Board of Trade medals of service that the sum of £50 gratuity was supposed to have been passed to them. I am not sufficiently familiar with the circumstances under which they are supposed to have earned this money to speak with any degree of accuracy as to whether or not they are entitled to this money, but it appears that the then Deputy Minister of Marine and Fisheries, the late Mr. Goodridge, intimated to them that this sum was due to them. In presenting this petition, Sir, with a request that it be referred to the department to which it relates, I ask that it be given earnest and sympathetic consideration.

Rt. Hon. Prime Minister: Mr. Speaker, my information is that at the time that the late Mr. Goodridge, as Deputy Minister of Marine and Fisheries, presented certain war medals to members of the Mercantile Marine, a statement was made and which was construed to be that there would be a gratuity of 50 pounds. The matter was investigated by the late Government as well as by this Ministry, and it was found that there was no foundation in fact for the statement. The thing boils itself down to the supposition that the late Mr. Goodridge intimated that a 50 pound gratuity would be a great deal better for the men than medals. Now what the actual facts are, beyond that statement, it is impossible to ascertain.

Mr. Byrne: Mr. Speaker, I beg leave to present a petition from the Master and some of the crew of the S.S. *Eric*. The petitioners have all received bonuses, but the idea they have is that they are entitled to wounds gratuity. They are asking that men injured by shell fire should be dealt with on a similar basis as those receiving pensions. In presenting this petition I am sure that it will receive every consideration, and I refer it particularly to the Reparations Commissioner.⁵³

Rt. Hon. Prime Minister: I am very glad to receive petitions of this nature. Do I understand that this case does not come under the Pensions Board?

Mr. Byrne: Exactly. They are not enlisted men; they are of the Mercantile Marine.

Rt. Hon. Prime Minister gave notice that he would on to-morrow move the House into a Committee of the Whole on Ways and Means for the purpose of tabling amendments to certain Resolutions.

Rt. Hon. Prime Minister gave notice that he would on to-morrow move for the appointment

⁵³ *The Daily News* report of Mr. Byrne's speech (March 16, 1932) indicates that the *Eric* was torpedoed: "These men understood that ... the fact they were wounded entitles them to extra payments. The men were under shell fire and on this account should be entitled to extra gratuity and compensation."

of a Select Committee of this House, consisting of five members, to examine into and report to this House on the matter of the redistribution of seats with a view to reduction of the number of members of this House.

Rt. Hon. Prime Minister gave notice that he would on to-morrow move the House into a Committee of the Whole to consider certain Resolutions in relation to the Bonus on War Pensions.

Mr. Puddester gave notice of question.

Mr. Tobin gave notice of question.

Mr. Alderdice gave notice of question.

Mr. Winter gave notice of question.

Hon. Leader of the Opposition: May I ask, Mr. Speaker, if you have received any reply from His Excellency the Governor to the address presented to him by you and other members of the House in respect of the charges made by the late Minister of Finance and Customs?

Hon. the Speaker: I have received no communication whatsoever from His Excellency in respect of this address.

Pursuant to notice and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider certain Resolutions relating to the Control of Petroleum Products.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: I have moved the House into Committee so that the Bill can be distributed. This Bill is merely in draft form, and as this is an important matter, I would like to have the Bill distributed now, and I will move that the Committee rise and we can have the Bill before us for consideration and examination. I would like members to get it fixed in their minds that this is merely a draft form, and from this we may evolve some idea for the control of gasoline.

Hon. Leader of the Opposition: I understand that there are some figures supplied the Government that we have not got.

Rt. Hon. Prime Minister: As soon as they are definitely compiled you shall have them.

Mr. Emerson: I would ask the Prime Minister, is it his intention to set up a committee to take evidence?

Rt. Hon. Prime Minister: There is no such idea as yet, the whole idea is to get the Bill before the House and have the facts fully known, and see what the proposal amounts to.

Mr. Emerson: That was the object of my question. This Bill is not only commercial but it is also technical in character, and there is needed the advice of experts. This House is not informed on the matter, and we need some persons thoroughly familiar with the trade to give evidence that we can rely on. That is why I asked the question.

Rt. Hon. Prime Minister: It is not intended to set up a committee at this stage to take evidence, but the matter has however been discussed.

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 motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. Prime Minister, the House resolved itself into a Committee of the Whole to consider certain Resolutions relating to the raising of a Loan on the credit of the Dominion for certain public purposes and to the Issue of Savings Certificates.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: This is a motion so that the Bill may be distributed to take its regular place on the Order Paper.

Mr. Cashin: I would just like to ask the Prime Minister one question in connection with this Bill. The Estimates provide for the raising of a further loan of \$1,600,000. This Bill asks for \$2,500,000. I take it that this \$1,600,000 is an additional amount to this \$2,500,000.

Rt. Hon. Prime Minister: No. The \$2,500,000 is estimated to more than cover all the liabilities and responsibilities.

Mr. Cashin: There are two Bills here, one contingent on the other; one products and the other loan. The estimate of loan that is charged up in the interest expenditure should be taken out. If you look at the Estimates you will find that there is \$1,600,000 down there that should not be in there, unless [it is] an additional amount of loan, because it is a charge on the Exchequer for a certain amount of interest which is in the Estimates. This is an additional charge on some other accounts.

Rt. Hon. Prime Minister: It will finally resolve itself into the present Loan Bill of \$2,500,000.

Mr. Cashin: A withdrawal of the \$1,600,000 out of the Estimates.

Hon. Leader of the Opposition: Logically it should reduce the deficit.

Mr. Emerson: \$1,600,000 of which the voting interest will come out of the Estimates, because you are providing for the interest on our loan in the Petroleum Bill; then it won't come out of the Estimates.

Rt. Hon. Prime Minister: We don't want interest on both. These are the Estimates for next year. This is to close the situation as of the 30th June this year.

Mr. Emerson: It will be 1932-33 that we pay interest on.

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 motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

The Chairman from the Committee of the Whole on Supply reported certain Resolutions which were read a first time as follows:

Department of Lands and Fisheries..... \$320,915.94

The said Resolutions being read a second time, it was moved and seconded that the House concur with the Committee therein, and the said Resolutions were agreed to.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Amend the Act 22 Geo. V. Cap. 25, entitled 'An Act Respecting the Export of Marine Shells from Labrador and the Islands adjacent thereto,'" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to Order, and on motion of the Minister of Public Works, the Bill entitled "An Act to Amend the Highway Act, 1925," was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Hon. Leader of the Opposition: This Act contains provisions against the disfigurement of the highway so far as bill posting and general disfigurement of the highway and the cutting of trees ...

Hon. Minister of Public Works: The Act of 1925 provides for that.

Hon. Leader of the Opposition: I am afraid the law has not been observed. I am sure that the Hon. Member in his drives to Kelligrews must have seen a great many disfigurements. I think steps

should be taken immediately to stop that sort of thing.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act for the Confirmation of a Certain Loan in Connection with the Western Marine Railway from the Bank of Montreal" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole on Ways and Means.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Mr. Parsons: Mr. Chairman, a few days ago when I sent my resignation to the Prime Minister, I promised that I would take the first opportunity to give my reasons for that action, and to make my position clear, Mr. Chairman, I would like to refer back to some considerable time, as the subject that I intend to speak on is one of my particular reasons for resigning – the matter of how the fishermen in Conception Bay were treated last Spring.

A good many years ago, before the Bell Island mines were opened, practically all the inhabitants of Conception Bay were interested in the Labrador fishery. If I remember rightly, in 1905 there were between 3,500 and 4,000 on the Labrador scattered over a stretch of coast of between 400 and 500 miles from Red Bay to Cape [Harrison]. At that time we had between 500 and 800 fishing schooners operating in Conception Bay, and practically, as I said before, all the inhabitants of Conception Bay were making their living prosecuting the Labrador fishery. After the mines were opened on Bell Island, a good many of our men thought that they could do better by working in the mines and on the surface at Bell Island, and they abandoned the fishery; but although they went to work on Bell Island in the Summer months, they still maintained their rooms on the mainland and during the Winter months they would come back there and reside, and go back again when the mines were opened in the Spring. That went on for a time and it very much interfered with our fishery. The number of men who abandoned the fishery and went to work on Bell Island had a very bad effect on fishing operations in Conception Bay. Some time after that there was a labour boom and wages boom in the United States and Canada, and another large number of our men abandoned the fishery and went to work in the States and Canada, but would still come home in the Winter.

At that time or before those men abandoned the fishery on the Labrador, all the salt that was used on the Labrador was brought there in small vessels of from 200 to 300 tons. I can remember seeing from 25 to 30 vessels⁵⁴ waiting in the Spring of the year, in the latter part of May or the early part of June, in Bay Roberts, waiting for an opportunity to go to Labrador and land their cargoes of salt. But after the war broke out, for what reason I don't know, those vessels from English, Welsh, and Norwegian and other foreign markets discontinued coming to Newfoundland to go to Labrador

⁵⁴ As reported in *The Daily News* (March 16, 1932), "a fleet of two or three hundred."

with salt and take away fish, and [it was] at that time and after that the people of the country commenced to send their fish from Labrador in steamers. If I remember rightly, the first cargo of fish that was shipped from the Labrador in a steamer was in 1893, and there were only one or two steamers operating at that time, and between 70 and 80 of those small vessels were down there. Consequently, all those vessels would come with a load of salt and one could buy salt as cheaply on [the] Labrador as in St. John's.

After those vessels abandoned coming here from foreign ports, people fishing on the Labrador coast had to buy their salt in St. John's and freight it down to Labrador and, in consequence, pay excessive prices. In 1930 the price of fish dropped as low as \$2.70 a quintal, so that when the fishermen returned from the Labrador in the Fall of that year they found, on account of having to pay from \$3.70 to \$4.00 a hogshead for salt, they were unable to make both ends meet. Last Spring the whole country was faced with a serious situation in regard to the fishery, but Conception Bay was struck a lot harder than any other part of the country, because a great many of our men had gone to the United States and elsewhere and a great number of our fishermen were afraid to risk going to the Labrador, despite the fact that they were unable to earn a living at home. I waited on the Prime Minister and explained to him that the fishermen of Conception Bay were in a worse position than those in any other parts of the country, as with their schooners gone, they would have to pay their passages by steamer to Labrador as well as pay the extra charges for provisions, salt, etc. I had a number of interviews with the Prime Minister on this subject, without any means being devised to meet the situation; but at the suggestion of the Member for Placentia East, namely, that \$10,000 per district be allocated by the Government for the encouragement of the fishery, I got in touch with the Prime Minister and made certain suggestions to him along the lines suggested by Mr. Emerson. The Prime Minister advised me to get the Members of the different Districts in Conception Bay together, get their views and ideas in writing and send them to him, and that he would bring the matter before the Executive Government for consideration. The Member for Harbour Grace was in hospital at the time, and the Members for Carbonear and Port de Grave met in St. John's and drew up a Resolution asking that the Government grant a reduction of 50 per cent on the cost of freight and passage to Labrador – remember there was only one schooner sailing out of Bay Roberts – and to allow us members to set aside.⁵⁵

What we considered a sufficient sum out of the \$10,000 allocations, to refund to the fishermen the sum of \$1 per hogshead on salt used on the Labrador Coast. Subsequently he [Parsons] received a letter from the management of the Railway, acceding to the request re freight and passage money, and a day or so later he met the Prime Minister and Sir William Coaker, who stated it was perfectly alright to set aside the money for the salt. He then went back to his District and called a meeting of those who were supplying for the fishery. The price of salt was then in some places \$3.50 per hogshead and in others \$3.70 and he asked all to agree to a price of \$3.50 and he guaranteed that when the men returned he would refund the sum of \$1 for every hogshead used. On the strength of this promise many men went to the fishery that otherwise would have stayed home, and had they not gone they would have been an expense on the Government.

⁵⁵ There is a page missing from the transcript. The following two paragraphs are taken from *The Daily News*, March 16, 1932, p. 5.

Later, in a conversation with the Prime Minister he stated he would see that the arrangement was carried out, and when men came to him he repeated what the Prime Minister had promised. Later he wrote to the Prime Minister and received a letter of assurance. In December he called the Prime Minister on the telephone in reference to the matter, and he stated he would send the Minister of Marine and Fisheries to talk over the matter. The Minister visited him in his home and discussed the matter, and he asked for a list of the suppliers as well as all the men who had been on the Labrador. [*Daily News*, March 16, 1932, p. 5]

I said this is rather a big undertaking and that I could get a list for my own District but not for the whole country. The Minister stated that he would take the list from nobody else. However, I then set to work and got in touch with every businessman who supplied a hogshead of salt on the Labrador, and with every man who had been on the coast or in the Straits, and this list covered men not only from Conception Bay, but also from Trinity Bay, Bonavista Bay and the Straits and I found that the total amount of salt used was 13,000 hogsheads. As soon as I got this information I came to St. John's, and in company with the Minister of Marine and Fisheries interviewed the Secretary of State. The Secretary of State told me that he thought that if they paid \$1 per hogshead as refund on salt to the Labrador fishermen, it would cause turmoil throughout the rest of the country, as all the other fishermen of the country would want to be treated similarly. I pointed out to him that there was no similarity as between conditions applying to the Labrador fishery and conditions respecting the shore fishery, and to prove our sincerity in the matter I told him we had instructed the Minister of Public Works, upon the verbal authority of the Prime Minister and Sir William Coaker, to have the money withheld from our grants and placed to our credit for salt. I also pointed out to the Secretary of State, to show that conditions on the Labrador are so entirely different to what they are to shore fishing, that it takes one hogshead of salt on the Labrador for six quintals of fish; but for Newfoundland salt bulk fish a hogshead of salt will cure from fifteen to seventeen quintals of fish, and for ordinary Newfoundland cure a hogshead will salt 24 or 25 quintals. But to prove conclusively that conditions were not similar, I reiterated our sincerity of purpose to the Secretary of State by adding that our Labrador fishermen were prepared to have the amount deducted from the \$10,000 district allocation. As time went on I got in touch with the Prime Minister and the Secretary of State about this matter, and the invariable reply I got was that they were taking the matter up. Every day since, scores of fishermen have been asking me what they were going to get for their salt, and as far as I can gather they are not going to get paid at all. Now the net result of breaking that promise made to those fishermen is going to add to the large number of unemployed, and also is going to increase the dole list, as those men who fished on the Labrador last Summer can find no other work to go at in their own Districts. As far as I understand the situation, Sir, it seems that the Government can find no money to waste on the fisheries of this country. I might further add that I made an effort with the Secretary of State to try and get 50 cents per hogshead for these fishermen, and which would have meant an outlay of five or six thousand dollars, and from answers I have heard to questions put by the Opposition side of the House I do not think it was on account of shortage of money that the Government could not find money to reimburse those fishermen, and to redeem the promise they had made them. But, of course, after all, it is only the fishery – the mainstay of this country. It is considered not worthwhile for the Government of to-day with the present Prime Minister in charge to think or bother about doing anything for the fishery. Why, Sir,

there is more labour given through the fisheries than there is through any other source of employment in the country. Take conditions in St. John's to-day, bad enough as they are. How much worse would they be if there was no fish handled here? But our Government and our leader do not think it worthwhile to give any consideration to the bone and sinew and the backbone of this country, though they have thousands of dollars to give out as presents to their friends and in other ways.

There is another matter that I would like to refer to briefly this afternoon. You know that we have unfortunately between 60,000 and 70,000 people trying to exist on the dole. I have pointed out to the Prime Minister and the financial experts that these people could not possibly exist on \$1.80 per [month] which the Government allowed them. I pointed out that this would keep them not longer than three weeks, and that after that they would have to go from door to door begging for a crust to keep their families alive, and then have to go to the smaller business people for support, so that ultimately business and all would have to be on the dole. But the reply I received was that was all that the Government could afford to pay.

A few days ago the Budget was tabled here, and I was to vote for a tax of $\frac{1}{4}$ cent a pound on flour and 1 cent a pound on pork, beef, etc. You all know as well as I do that flour and salt meat are the two chief articles of diet that are consumed in this country. Now these taxes would mean a further reduction of 15 cents on the \$1.80 a month, bringing it down to \$1.65 per month, and we are asked to come in here and vote to increase a civil servant's salary by \$7.50 per day when he is already receiving \$10.00 per day. When you go back to your Districts, and when you look for election again and you are asked what the Government is going to do to offset this taxation, what are you going to say? I would like to hear your reply. You certainly can[']t say that the Government cannot afford any more when you come in here and vote \$17.50 a day for a civil servant's salary, all I can say is God pity this poor country.⁵⁶

Mr. Fudge: Mr. Speaker, I rise in support of all that my honourable friend Capt. Parsons just said, and I feel sure that he is sincere. I crave the pardon of the House if I refer to some notes in order not to delay this House any longer than necessary.

Mr. Speaker, on Friday, March 11th, I tendered my resignation to the Prime Minister, stating that because of the insincerity of his Government in the best interests of the country, I could no longer give him my support. I feel, however, that in justice to the country in general and particularly to my constituents I must endeavour to show wherein that insincerity exists.

First, I shall deal with the Budget now before this Honourable House. This was introduced without warning and without consideration by the party. We were more forcibly than politely asked to swallow it in a way as a mother would appeal to a sick child when ill to take a nauseating medicine. Members of this Honourable House of Assembly, the prescription has been compounded by gentlemen who have no practical experience of the conditions under which the fishermen and labourers of this country are striving to eke a miserable existence for their families. This Budget is

⁵⁶ The report in *The Daily News* (March 16, 1932) reads: "It could not be said that the Government cannot afford to do better by the people of the country when ... it was seen that thousands of dollars were squandered on matters of little importance and given to friends of the Government. To those men who could continue to support such a policy he could only say God forgive you and pity the poor country."

not only an iniquitous one, but is intolerable as well, and by placing greater burdens upon our people without any conscientious effort to restore increased earning power is ruinous indeed.

I have lived among fishermen the greater part of my life, and am fully convinced that the burden of taxation in Newfoundland is far too heavy as it is, and any further effort to place upon our people heavier burdens will have a strangulating effect, not only on the fishermen and labourers but on the supplying merchants as well, who are making strenuous efforts to do their best to bring this land we love to a state of prosperity once more.

Newfoundland has wonderful recuperative powers, this has been shown time and again in the history of our country, and I firmly believe had the country been provided with a breathing spell in the way of a moratorium on our interest payments, and an honest effort made to get the wheels of industry turning over again, the result would not have been the imposition of increased taxation, but commercial activities would be more pronounced and our people would be on the road to make an independent living, instead of being placed in the humiliating position of receiving dole.

I am forced to the conclusion that instead of an honest effort being made by the Government to solve the country's problem by a process of rehabilitation of industry and manhood, quite the reverse is being done, and industry is being choked, recuperation is being hampered and the brave spirit of our people is being broken by taxes, dismissals and the dole. The most charitable construction one can place on the actions of the Prime Minister is that he has not the initiative or the ability to do better, but some there are who give it a more sinister name.

The Prime Minister said in his famous record that "dole was degradation." If this be true, many of our honest toilers have been degraded, but they now realize that the gramophone record was the Prime Minister's political funeral dirge, Newfoundland was to be born anew, the fisheries were to be encouraged, mills were to be erected here and there; even in Bay d'Espoir a silk mill was to be established. After all these promises, and many others, not one constructive policy has been formulated whereby Newfoundlanders, I now speak of those brave boys who shed their blood on Flanders Field that others might live, and came home maimed, crippled and blind, were asked to accept a reduction in their pensions, while others who were not soldiers, sailors nor foresters, have been low enough to take money which rightly belonged to the soldiers' widows and orphans, and soldiers who have to make a struggle to obtain a half-decent livelihood.

Truly may it be said, "Bread was asked, but a stone was offered." Work was asked for but the chastisement of increased taxation was thrown in their faces. Hon. Members of this House of Assembly, I cannot support this Budget on general principle, and rather than be stripped of the decency of manhood I have taken the only course open.

Sir Percy Thompson hopes to balance the Budget, there are too many ifs in connection with this matter. It is all very well to anticipate, but realization is something different. I fear Sir Percy has seen a mirage.

The income tax is another abominable imposition, and I do not hesitate in saying that the amount collected will not come up to the expectations of our financial experts. Be that as it may, this tax will be passed along to the already overburdened consumer.

Widows and orphans, sick, poor, and the infirm have been deprived of their mite. During my tours of Hermitage District I have visited the homes of the sick and afflicted, and know just what the few dollars meant to those who were in need. Other Hon. Members have no doubt the same experience. Can we then conscientiously support a Budget that is to be balanced at the expense of

the widows and orphans? It were better to have a millstone cast around one's neck and to be thrown into the sea, than to deprive those who are in need, poverty and distress.

I cannot pass without expressing my sympathy with the teachers throughout the country. If practical ideas along practical lines had been faithfully considered there would have been no need of a further drastic cut in the Educational vote this year, resulting in pauperizing the noblest profession on God's earth. I admire the teachers' spirit in carrying on the good work under such odds. Even when conditions were normal teachers were called upon to exercise self-sacrifice. I speak from practical experience, being an ex-teacher myself. You Hon. Members of this House of Assembly who have passed through the trials and tribulations of a teacher in years gone by, are you going to stand by and see the children of this country, who will be the men and women of to-morrow, deprived of even an elementary education?

I submit, Sir, that many avenues of revenue have not been exploited which, if a set tax had been made, the people would never have had such an increased taxation slammed in their faces. A tax should have been placed on every bottle of liquor sold by the Board of Liquor Control, every local salmon rod should be taxed, and an increased tax placed on tourists' rods. Surely these taxes would not handicap our fishermen and all other hardy toilers, and the returns thus collected could be spent in helping to assist those who to-day are in dire distress.

The "Gang was not placed on the Gander," local industrial developments have not been encouraged, the sale of the Labrador, which could have been sold if the Prime Minister had been sincere in the interests of our country, was bungled. All this is responsible for our unfortunate financial condition.

In November last, I telegraphed the Hon. Secretary of State to the effect that I had received an order for a quantity of Christmas trees from the United States, and at the same time asked if it would be in order to export them. I received an acknowledgement of my telegram but nothing was done to foster this industry. However, I presume my proposition was turned down, and the Government thought it wiser to hand out dole. If this new venture had become effective, some \$10,000 or more would have been paid out to the people of Burgeo and Hermitage Districts. The total orders received amounted to 100,000 trees, which would have been shipped to Boston, New York and Philadelphia.

Sir, I have endeavoured to show why I say the Government has been anything but sincere in the best interests of the country.

The climax came when the Hon. Member for Ferryland made grave charges against the Prime Minister, and other members of this House. I say, Sir, that no further legislation should have been passed until these charges were cleared up.

Gentlemen of this Honourable House of Assembly, my decision is based entirely on the decent principles of manhood, to uphold honour, honesty and justice, in a spirit of loyalty to one's country which should be regarded as gems of priceless value. It is high time that we as Newfoundlanders awaken to the sense of duty, casting away party politics, and make a determined effort for closer cooperation for the advancement of our island home.⁵⁷

⁵⁷ Mr. Fudge's statement, as printed in the newspapers, was pasted into the transcript.

Dr. Mosdell: Mr. Chairman, as one of the members of the Government who saw fit to take issue with the policy of that Government, I beg your leave to present to this Committee a statement that I have prepared carefully with intent to set my ideas plainly before this Committee, and with the further idea of not wasting any more time than was necessary in the doing of it, so that I crave your indulgence if I keep fairly closely to that prepared statement which I ask leave to now present to the Committee.

Eight years ago I sat in another place, and heard the late Hon. Dr. Robinson enunciate as a self-evident fact that the absolute limit of taxation had been reached in Newfoundland. It was, he asserted correctly, felt at that time that the outstanding requirement of trade and industry was a lessening of the burden of taxes under which both were groaning. The cost of living was far too high. Newfoundland's staple products were handicapped in foreign markets because costs of production were far too great. Local trade and industry were carrying too much overhead. They were being discouraged and retarded, rather than encouraged and advanced.

The events of the last few weeks, and particularly the introduction of the Budget for 1932-33, have recalled vividly to my mind the arguments used by the late honourable gentleman against any undertaking involving expenditures that would necessitate the imposition of additional taxation. His was a stirring appeal for relief of the businessmen and wage-earners from some portion of the tax burdens that had tried their endurance beyond all reasonable limits. I would it were possible for me to repeat here in detail arguments which I am able to summarize only in the briefest form. For it is because I am conscientiously persuaded that the impossible is by it being demanded of local trade and industry, that I have taken issue with former colleagues over the present Budget. I regard the proposals embodied in that Budget as inimical in the highest degree to the vital interests of our country and to the well-being of every class represented in our population.

That Budget has been represented to us as a means of salvation for Newfoundland. With that contention I take issue. The tax proposals of the 1932-33 Budget appear to me to ensure destruction of everything on which we have to depend for the rehabilitation of our country and our people. I am firmly convinced that endorsement of these proposals will close to us the avenues of recovery and of progress. I fear the very worst for Newfoundland, unless the present and announced fiscal policy of the Government is either abandoned or drastically altered, and unless a truer conception is reached of what constitutes the real interests of the country and of how they may be best served.

The obsession of to-day in Newfoundland is the balancing of the Budget in a little more than a year, thereby achieving a near-miracle such as other, much greater and infinitely more prosperous countries do not, in their wildest dreams, hope to accomplish within the same period. The whole scheme is utterly unbalanced; the mentality that suggests or champions it is altogether unreasoning, and such claims as may be advanced for its justification are unreasonable beyond measure. I cannot conceive of any interests, local or foreign, possessing the slightest knowledge of the present state of affairs in Newfoundland, setting the people of this country to such an impossible task. It is to me past comprehending that anything but the most abysmal conditions of poverty and starvation in our midst would dare invite Newfoundlanders to legislate themselves into an abject state of financial serfdom. If deliberately made, and with a full knowledge of the conditions of the times and the consequences of agreement, then such demands merit prompt and indignant refusal.

How can we – how can this Honourable House calmly propose to agree to such a grinding of the faces of the poor that we have with us to-day in greater numbers than ever before in the whole

history of our country? Our people cry for bread, and another millstone of increased taxation is hung around their necks. The needy are hungry and the price of food is increased. They are ill-clad and unshod and the acquisition of clothing and of footwear is made utterly impossible to them. Men who have, of themselves and of their families for generations past, boasted of their independence, have been forced to accept of the dole at the hands of the Government. In their anxiety to ameliorate some of the suffering of their dependents, they have done this despite every consideration of self-respect. They hoped that the ordeal would be of short continuance. They anticipated with eagerness the return of another season wherein they and theirs would again earn a living by the sweat of their brows.

On that reasonable and creditable hope, I fear greatly, the tax proposals of the new Budget slams the door. Gentlemen of the Honourable House of Assembly, have a care, lest an effort to attain a false ideal does not bring down about our ears all that we have hitherto prized and cherished; lest the people in whose name this grim jest is perpetrated do not destroy the means and the institutions utilized to such an unholy end. Nothing is more pitiable than the failure of representative institutions. Nothing can be more terrible than the wrath of a people driven to conclude that their vital interests have been betrayed, have been ignored, have been treated as subservient to any other, and by those very men who have pledged themselves to treat the will and well-being of their constituents as the supreme law and the supreme consideration of their official careers. I beg and beseech of you, as patriotic Newfoundlanders, to rid yourselves of the terrible obsession that the proposals now before you in the 1932-33 Budget make for the recovery and the rehabilitation of our country. I solemnly urge you to weigh these proposals with me in the balances of consequences and to note well their inevitable, their terrible effects.

It is, say those responsible for this Budget, our bounden duty to submit to this appalling burden of additional taxation, in order that we may keep faith with the banks who advanced us the funds wherewith to meet the instalment of interest on the public debt when it became due at the end of the last calendar year. I submit that our first duty is to those who elected us as members of this Honourable House, and I confidently assert that by keeping faith with our own people and by setting the interests and advancement of our own country first, we shall best win to that happy position wherein we shall be able to discharge our obligations to all financiers soever, and that to the uttermost farthing. Such a desirable and entirely possible consummation lies not in the direction of such appalling tax impositions as will cripple trade and stagnate industry. Whatever slows down the wheels of commerce or stops them altogether; whatever discourages industry or limits employment or the returns therefrom, retards the recovery of the country, inhibits its progress and restricts its powers of prompt and complete discharge of its financial obligations.

Such I hold to be the effect of the present Budget proposals. They look well on paper. They figure out nicely to the desired result. They will most certainly defeat their own declared object. The taxation involved is nothing less than prohibitory in certain respects. The effects of that taxation are bound to be generally restrictive. Imports are certain to fall off in quantities and values; the number of consumers will be reduced; the cost to the few importing as usual will be greatly increased, with no outstanding advantage to the revenue. The cost of living will be materially increased for many of our people. The standard of living will be greatly reduced for even more of our fellow countrymen. The pinch of poverty will be felt even more keenly than before.

Who will benefit? Exactly nobody. Not the banks, because this immoderate taxation will

assuredly not pro rata bring in for the satisfaction of their demands anything like the percentage of increase of duties. Not the public treasury, because that must first, from its inadequate revenue, render tribute to our financial Caesars. Not the people of Newfoundland, because their dollar, now of low enough purchasing power, will be still capable of securing for them adequate returns when exchanged for the necessities of life. Immoderate, restrictive, prohibitive taxation is the very last resort of any Government which admits sanity to any of its counsels, and desires to proceed sanely, soberly and successfully to the balancing of its Budget. However insistent the demands of our creditors, we should not permit ourselves to be stampeded from a programme of moderate financial proposals, applied during a moderate period of time. Immoderation will, most certainly, destroy utterly the cause it is summoned to serve.

Under the direction of the financial experts who have for months past been engaged in the reorganization of our public services, Newfoundland has given abundant evidence of her sincere desire and practical determination to set her administrative house in order. Departmental staffs have been much reduced. Departments have been combined. Salaries have been cut down by large percentages. Many public services have been greatly curtailed, while others have been discontinued altogether. Only the skeleton is left of our transportation services and of postal, customs and other essential facilities. Economies effected by this retrenchment total in excess of \$1,000,000. There is indeed reason to fear that, in some connections, rather false economy has been practiced. It is doubtful wisdom to curtail facilities for the encouragement and the assistance of trade, or those which enable the people to earn their living and to market or exchange their products. Still, in the interest of reorganization, retrenchment and economy, our people have, on the whole, submitted with the utmost cheerfulness to the loss of services and of facilities which they had become accustomed to regard as indispensable to their personal comfort and their industrial undertakings and trade ventures.

That their country might be served and saved, Newfoundlanders have forgotten considerations of personal advantages, sectional claims, or even the bare essentials of civilized existence. They have, without objection, seen the hands of the clock of progress set back at least a generation. And, to show that they are in earnest about the matter of retrenchment and intend to live within theirs, as far as the public services of the future are concerned, they agree to have a business manager decide for them to what extent the financial circumstances of any particular time will permit of increased or amplified services or whether, indeed, any particular services or all of such services can be maintained at what has been stated to be the minimum of effectiveness or efficiency. No people could do more in the way of practical adoption or of permanent adherence to an ideal of sane, sober, and economical conduct of their public affairs.

To require more of Newfoundland at this present time and under existing circumstances is to be immoderate in demand. It is unreasonable and unjust to insist on such drastic deprivation and on overburdening tax impositions at one and the same time. Our people, our commerce, our industry should be afforded time to adjust themselves to the handicaps of the one before being required to face and assume the burdens of the other. If the attitude of the banks be to the contrary effect, I can only state that their tactics savour too much of the Shylock, and that at the expense of a country whose population may be small, but whose resources are great and whose record of recovery from periods of grave depression in the past, and whose prospects of complete rehabilitation in the near future, compare favourably with any other portion soever of the British Empire. If therefore, the

banks are not satisfied with the drastic economies already affected in our public services, but insist also on the drastic tax proposals of the 1932-33 Budget, they declare themselves active enemies of Newfoundland and foes to her recovery and advancement. Such an attitude and policy appeals to me as suppressive in the extreme of our vital interests, the present Budget is part and parcel thereof and I cannot condone, nor can I support, proposals that are subversive of everything that matters to us. If the banks are bent on being the instruments of the destruction of Newfoundland, I do not propose to be their colleague in accomplishing that destruction. They are represented as demanding that this Honourable House take in their interest extreme measures calculated to work great and lasting injury to the people of this country. I propose to resist such unreasonable demands to the utmost, and I invite every Hon. Member to cooperate in the formulation of a programme which will eventually ensure a full and honest, even if somewhat delayed settlement of our financial obligations, avoiding such extreme measures of taxation as are embodied in the Budget and which menace us with the complete destruction of our commercial and industrial fabric.

Hon. Members do not need to be reminded of the discouraging experience of our fishermen in connection with the voyage of last season. Even those who secured good catches of fish found it impossible to square accounts. The subsequent developments have been most unfortunate. The purchasing power of our fishing population was reduced by several millions of dollars. Earnings were insufficient to provide for family needs, poverty became rampant and about 70,000 of our people have had to be carried through the Winter on government relief account. The repercussions of this experience are bound to be felt strongly for many months to come, and are certain to have a strongly deterrent mental effect on men who went through the ordeal of last Summer's unprofitable fishing voyage, and the even worse resultant ordeal of poverty and the dole during the Winter. They will assuredly be strongly disinclined to resume fishing operations, even with the basis of costs constant at last year's level. I am afraid that if to the discouraging result of last year's voyage there be superadded this proposed new taxation, increasing costs and reducing prospective earnings from the coming voyage, a large percentage of our men will abandon the fishery. It is common knowledge that we are at a great disadvantage in the markets because of the relatively high cost of catching and marketing our fish. The present Budget proposals will materially increase that cost. They will add considerably to the burdens of the fishery at a time when that industry is much in need of relief. The problem of to-day is to attract our people to the fishery in increased numbers. Any undertaking calculated to repel them therefrom spells grave and material injury to the interests of our country. Additional taxation, applicable to fishery supplies and outfits, is certain to have just that effect. Whether that taxation is high, moderate, or low, the psychological effect on our people is bound to be far-reaching.

The taxation proposals in the new Budget are bound to react to the discouragement of the men who engaged in the fisheries last year. They are calculated to cause a reduction rather than an increase in the numbers of those resuming the fisheries this season. Moreover, the effect on the supplier must not be overlooked. In this respect the proposals in the new Budget have less than nothing to commend them. Should they be made effective, a curtailment of supplying for the fishery is bound to ensue, particularly on the part of the businessman of small capital and limited credit. If it is made increasingly difficult and expensive for our people to engage in the fisheries and if, as I seriously anticipate, a large percentage are discouraged from resorting to this avenue of employment and production, how can work and wages be provided for the thousands of unemployed and destitute

in the country to-day? How can our fishermen be transformed from burdens on the State to their accustomed role of producers who are the mainstay of the State?

It will not be sufficient in April or May next to put a period to the issue of food relief supplies on Government account. Some avenue of employment will have to be opened to render self-supporting once more the many thousands at present dependent on the Government for the maintenance of their families and themselves. The effect of the new taxation, representing an increase of from 10 to 15 per cent, is to close or at least partially to block our most important medium of employment. Surely it is obvious that by increasing the burden of taxation in this connection the Government is bound to fix more firmly on its own shoulders the burden of cost of maintenance of the destitute, with a perpetuation of the attendant evils of general and prolonged provision of the dole.

My objections to the proposed new taxes are not theoretical, nor are my anticipations of their ruinous effects merely imaginary. Developments of recent weeks persuade me that I am absolutely correct in representing the proposals of the new Budget as injurious in the extreme to our fishery interests. Day by day I note fresh evidence as to the inevitably discouraging effect on our staple industry. A few days ago I discussed with a businessman from an outport district the present position of the fishermen, and the outlook for that great body of wage earners in the immediate future. He expressed himself as gravely concerned over the outlook. Men who have hitherto been self-supporting and who at this time of year would ordinarily be anticipating next season's fishing by preparing therefore, or by seeking opportunities to fish as sharemen, are now displaying utter indifference. They look with disfavour on the fisheries. They are apathetic as to the future. My friend was much concerned over the growing resignation of many of the fishermen to a condition of self-dependence, and thought that the authorities should very soon definitely warn the people that the day of the dole was nearing an end; that Government support through work on the Highroads or other undertakings was a thing of the past; that they must get back to the land or to the fisheries or other wage-producing undertakings as best they found possible, and that henceforth the support of all able-bodied men must be their own responsibility. That spirit of independence and of self-support still leavens our working classes. That is evident from the tone of numerous letters reaching me from the District I have the honour to represent. Man after man writes me recounting his unfortunate experience with the fisheries, declaring his determination to abandon such an unpromising means of earning a livelihood, and asking me to secure for him an opportunity of work anywhere in any capacity on the land. Even those who, possessed of boats and gear, are prepared to go fishing again, find it impossible to do so, through lack of the necessary supplies. One correspondent writes: "I wish to say that so many of our men are not going to find places or get supplies for the fishery that I am at a loss to know what is going to be the end of it all. I am flooded with questions re the chances of labour on the land, but there appears to be no reasonable hope that I can hold out to them in that direction." That is the situation in a section of the country which has drawn its support practically entirely from the water. Conditions are even worse in sections which formerly followed the same avocation, but abandoned the fisheries for alternative means of earning a livelihood which have now utterly failed them.

The new Budget is not only ill-advised in its new tax proposals, as I have just endeavoured to show: it has also been ill-considered – or insufficiently considered – as I shall presently endeavour to establish. Whenever opportunity has been afforded me, I have voiced warning as to what I felt

would be the injurious effects of the proposed new taxes on the trade and industries of the country. Unfortunately, these opportunities have been very few and very restricted. There has not been that careful and intensive study of the subject necessary to produce the maximum of financial benefit with the minimum of economic injury. The most casual consideration was given by the Executive Council to a matter that called for weeks and months of investigation and deliberation. As a matter of fact, had the Prime Minister acted on the advice of his Ministers, the Budget would have been taken out of the sphere of party politics and been considered as a national policy at joint conferences of Government, Opposition and representatives of the trade of the country. Instead, the Budget was prepared under auspices that did not permit of Members of Council, even, having full opportunity of examining and discussing its provisions and the probable effects thereof before it was presented to this Honourable House. That being the case, I cannot conscientiously vote for its drastic provisions as unavoidable, or as representing the best that could have been done under all the circumstances. I am not satisfied that that is the case. I have not been afforded the opportunity to so satisfy myself. Apart from the Prime Minister, I am not aware that in this respect there is a single member of the Government who has been more advantageously situated. While I am fully aware of the gravity of the step I have taken in breaking with the Government over the Budget, and of the responsibility I have to assume for that action, I prefer to face that rather than the much graver responsibility of voting for a measure that imposes on our people burdens too grievous to be borne, when I am not persuaded that such an imposition is inevitable or inescapable. I cannot too strongly condemn the methods adopted in making ready this Budget, the failure to ensure the utmost of wisdom by using the multitude of counsellors available, and the attempt to ensure the passage through this House by sheer majority vote of a piece of legislation as revolutionary as it is ill-considered.

I take it for granted that the new tax proposals presented here by the Prime Minister were, in the first instance, formulated by the British financial experts. I am afraid that, as in the instance now under consideration, those experts have not, in many respects, had the full co-operation of the Leader of the Government in the reorganization and rehabilitation performance of their undertakings for our affairs. A mass of details have been thrust upon these gentlemen, many of them of purely local significance. Possessing but a meagre knowledge of local conditions they have had to make decisions of profound importance to the country as a whole. It is true that they have had the fullest possible co-operation from the heads of the various departments, but the Prime Minister failed to provide them with such an advisory Committee of Council as would have ensured the proper co-relation of their efforts in connection with the various branches of the public service.

Such an arrangement would have been of the utmost advantage both to these gentlemen and to the country they were called to serve. They would have been relieved of a mass of detail; the country would have been ensured a properly balanced scheme of reorganization, and the financial experts would have been set free to devote the greater part of their time to consideration of financial matters of major importance to Newfoundland.

Before the arrival here of the experts, a Committee of Council, of which I was a member, was appointed to confer with Ministers as to economies that could be effected in their various departments. We took up our tremendous task wholeheartedly and disinterestedly and were received in the same spirit wherever we conducted our investigation. We were enabled to file with the Executive Government after some weeks of work, reports recommending economies totalling in the neighbourhood of \$1,000,000. Some few of our recommendations were acted on. With the advent

of the experts on the scene we were superseded entirely. These gentlemen were, of themselves, total strangers to the country, invited to re-arrange the country's most intimate and intricate public affairs.

We were never, as a committee, in a position to cooperate with them. Personally, I believe we could have handled effectively the minor details of reorganization and retrenchment that we had willingly undertaken in the beginning.

That our services were not continued after the arrival of the experts, I can only explain as due to the desire of the Leader of the Government to avoid the political consequences of the programme of economy made necessary by the political stringency of the times. The fear of the Prime Minister, apparently, was that if any of his Ministers were actively associated with the necessary retrenchment measures, the fortunes of his political party would be adversely affected.

So, the policy of the Leader of the Government appears to be to throw the whole burden, onus and responsibility of general reorganization and drastic retrenchment on our financial advisors.

As a matter of fact, they are executors rather than advisors. They are carrying the whole burden under circumstances that render their allotted task difficult and almost impossible. Far too much is being demanded of them and far too little cooperation is being afforded them. So, when our chief financial expert was set the task of preparing the Budget, he was not provided with the counsel and support that could have been provided him from the ranks of Government, Opposition and the trade and industries of the country. Lacking intimate knowledge of the country, the people and its affairs, he was required to reorganize our finances, readjust our tariff and find additional sources of revenue. It is not at all surprising that such drastic taxation proposals should be made by this gentleman, who has not been in a position to appreciate the full effects thereof on the people of the country, and who has not been fortified with counsel and advice that should have been rendered available to him. If, as I suspect, it is the case that this gentleman is being used as a political stalking horse – though I am far from charging him with connivance in any such name – then we bid fair to pay an exceedingly high price for politics as played in Newfoundland to-day.

But I have additional reasons for dissatisfaction with the present Budget. I am persuaded that during recent months there have been afforded opportunities of improving the status of the country and of avoiding altogether our present position, now alleged as justification for the tax proposals before us. I shall deal now with two such outstanding opportunities as the Gander proposition and the Labrador sale proposals. It is my firm conviction that had either or both the opportunities mentioned been exploited assiduously and with an eye single to the welfare of our country, Newfoundland would not only have escaped her humiliating and crippling financial experiences, but would to-day be one of the most prosperous and progressive countries in the world. I will endeavour to explain to this Honourable House why I hold that view.

During the last session there was some discussion in this House as to the proposals by Reid and Hearst interests and others for a big pulp and paper development in the Gander Valley. The Leader of the Opposition expressed himself very strongly on the subject and declared that the failure of the Government to effect an agreement with the proponents of the scheme was either a gross blunder or something much worse. I am afraid that at the time I did not listen to his declaration with much sympathy. I was aware that the majority of the members of the Government were in sympathy with the general scheme and were criticizing it constructively. They were devoting themselves assiduously to an endeavour to reduce the demands of the promoters of the scheme to a basis which they could feel represented a fair and profitable bargain to the country. It was not with their

knowledge or consent that a score of writs were issued impugning the titles to the leasehold lands connected with the proposition.

As a matter of fact, none was more aghast than they when they learned of this development for the first time, and then through the columns of the daily newspapers. To their minds, this constituted an overt act of hostility to the proposition and those associated with it. They were assured by the Minister of Justice, by whose instructions the writs were issued, that the result of the action would be the recovery to Newfoundland of large tracts of exceedingly valuable timber lands. No such beneficial effect accrued to the country. The resultant actions at law were decided against us. We lost our case and we lost the chance of a great industrial development, which would have been for us a great rock in a weary land. Instead of securing a new industry as a result of negotiations, we have become involved in expensive and utterly unprofitable litigation, and are defendants in a \$10,000,000 suit for damages.

Having regard, therefore, to the fact that the action of the Prime Minister in connection with the writs was undertaken secretly and without reference to his executive colleagues; that subsequent and fairly recent events show this action was anything but justifiable or calculated to be of benefit to Newfoundland, and because I have knowledge [of how] the promoters of the scheme interpreted the issue of the writs and the clouding of their land titles as a declaration of war on their proposition by the Government of Newfoundland, I am now led to conclude that the Leader of the Opposition had a great deal of justification for the warmth of his condemnatory remarks in this connection. I must frankly state my present opinion that the proposition was doomed from the beginning – certainly from the time of the issue of writs on the sole authority of the Minister of Justice. I do not regard the promoters as having been paid the attention or afforded that encouragement that the magnitude and importance of the scheme merited.

Handled differently, I believe the negotiations would have rescued the country from industrial and commercial stagnation and would have averted the financial crisis we are now experiencing. We should have no poverty or distress in Newfoundland to-day. We should be on the peak of progress, rather than in the valley of humiliation. The Gander proposition provided the open sesame to general prosperity. It was treated despitefully rather than sympathetically and a great and golden opportunity was lost to our country. I cannot account for the motives that actuated the Prime Minister – I can only state the facts. Their due consideration can only convince the most casual and dispassionate observer that sympathetic and enthusiastic devotion to the discovery of a mutually satisfactory basis of agreement would have ensured the establishment of this new industry in Newfoundland. The attitude adopted of studied indifference or of active hostility led to failure of negotiations, and was in large part responsible for the present disastrous condition of our financial affairs, which is adduced as causative of the crushing tax proposals now before this House. Because I cannot persuade myself that the Gander proposition received its due share of sympathetic attention from the Leader of the Government, I cannot vote agreement with his Budget proposals: I cannot regard the present situation as unavoidable and I am persuaded that that situation has been created through his bungling or negligence or worse. To vote for that Budget would be to endorse his conduct in this connection and that I find it utterly impossible to do. I can come to no conclusion on this matter other than that the real interests of the country were betrayed, and that Newfoundlanders are suffering greatly in consequence. Scarcely anything more disastrous has been experienced in all the history of our own land.

Nor is the tale in connection with the Labrador sale negotiations any more creditable to the Leader of the Government. For many months Mr. Joseph Champlain has interested himself in creating in Canada a sentiment favourable to the purchase [of] our great northern territory, and in interesting Canadians in the project. Unfortunately he has experienced nothing but rebuffs and insults from the present Prime Minister. Mr. Champlain has proven his bona fides whenever challenged to do so. On one occasion, and that not so very many months ago, he brought to an interview with the Government representatives of the Furness Withy Co., the Anglo-Newfoundland Development Co., Price Bros. Ltd. of Quebec and T. B. Macaulay, of Montreal, substantial corporations and individuals who were anxious to ascertain the terms on which the Government of Newfoundland was prepared to dispose of its Labrador territory. They were treated with contumely, and it was only when the indignation of members threatened the disruption of the Government that a polite and official reply was sent to Mr. Champlain, whom they named as their agent and their associate in this matter.

Last autumn, when it became obvious that the Prime Minister's trip abroad in quest of financial assistance for the country had been a failure, the Government decided to explore fully the prospect of a sale of Labrador to Canada. The Prime Minister, it was felt, was not kindly disposed toward the project itself or the man who had played so persistent and so prominent a part in connection with it. It was, therefore, decided to send to Canada a delegation to join forces with the Prime Minister and to cooperate with him in the necessary informal and unofficial approaches to the proper authorities of the Dominion. That delegation consisted of Hon. P. J. Cashin and myself. We speedily discovered at Montreal that Mr. de Champlain had many powerful and influential associates who had no difficulty whatever in making on our behalf the requisite appointments with the Prime Minister of Canada, whom we at first approached in an entirely unofficial capacity. The story of our informal conversation with Mr. Bennett is told in the report already tabled in this House. It relates the course of events down to the time when, having consulted his Cabinet colleagues, the Canadian Prime Minister invited us to open formal negotiations with an official proposition on the subject. We took this communication promptly to Sir Richard Squires, then in Montreal, fully anticipating he would be eager to avail of and to exploit such an opportunity promptly and to the uttermost. To our astonishment and disappointment, the Prime Minister treated the official invitation of Mr. Bennett with the utmost indifference, neither displaying any disposition to proceed with negotiations nor instructing us to carry on with them in an official capacity. We did not, of course, regard his personal intervention as indispensable during the unofficial stage of proceedings: we did feel that, once the official phase was opened, for the Prime Minister, then in Canada, to refuse or to neglect to intervene was to discredit the whole undertaking in the eyes of the Canadian authorities.

Unfortunately, at no stage did Sir Richard Squires lend the undertaking for the disposal of Labrador to Canada his active support. On the contrary, his conduct could give those interested but one impression, and that was that he did not favour at all the proposition that Canada acquire from Newfoundland her Labrador territory for a net return of \$100,000,000 to our treasury. Although realising fully the handicap imposed by the Prime Minister's obvious hostility to our undertaking, we felt we were in duty bound to explore this avenue of financial relief to the utmost. We therefore cabled the Newfoundland authorities as to the Prime Minister's attitude, assured them of our faith in the Canadian Prime Minister's desire to acquire Labrador for his Dominion, suggested that Sir William Coaker and Dr. Barnes might join us to strengthen our hands and to restore confidence in

our mission, and asked that they bring a formal Minute of Council as authority for proceeding officially with the negotiations for the disposition of Labrador to Canada at the net price I have already mentioned. The Executive Council promptly concurred with our recommendations and notified Sir Richard Squires as well as Mr. Cashin and myself accordingly. An unfortunate delay in negotiations occurred while we were awaiting the arrival of the two additional delegates with official credentials and letter of authority. Had that delay been avoided, as would have been the case had Sir Richard Squires associated himself wholeheartedly with the negotiations immediately Premier Bennett invited us to do so officially, I am confident events would have taken a radically different course. There is no doubt whatever that the Canadian Prime Minister was at that time eminently desirous of acquiring the territory for Canada. Mr. Bennett is not the type of public man to waste time on propositions in which he has no practical interest.

While we were awaiting the arrival of our colleagues from Newfoundland, Sir Richard Squires left Montreal and proceeded east, meeting Sir William Coaker and Dr. Barnes at Halifax. Two developments occurred as a result of this extraordinary procedure on the part of the Prime Minister. Our mission was totally discredited in the eyes of the Canadian authorities, and as the days passed financial storm clouds gathered on the Canadian horizon. By the time our colleagues reached Montreal, Canada was struggling with major financial difficulties and was in no position to embark on the negotiations to which over a week previously her Prime Minister had lent such a willing ear.

To cap the climax of Sir Richard Squires' peculiar conduct in this connection, when we reached Ottawa to keep our official appointments with Mr. Bennett we were shown a cabled digest of a statement in the Liberal press here, attributed to our own Prime Minister and declaring Labrador was not for sale. That, of course, considered in connection with Canada's financial troubles and the impression we discovered prevalent at Ottawa that Canada would presently acquire Labrador by Confederation, rather than by purchase, absolutely wrote finis to the chapter of last Fall's negotiations. Studied indifference, persistent negligence and callous disregard had destroyed another golden opportunity of rehabilitating Newfoundland's financial position and of conferring major practical benefits on her people.

I am not now contending that a sale of Labrador was the best policy to adopt under any circumstances or for any particular price. Personally, I would prefer holding that great territory and its valuable natural resources in reserve to ensure the extension of existing local industries and the establishment of additional ones in the future. Under the circumstances then obtaining it did appear to me that a Labrador sale for \$100,000,000 net returns to our Treasury was the only way of meeting our obligations, of avoiding increased taxation, indeed of ensuring a reduction of taxes already imposed on our people. The Prime Minister had failed to secure finances in London and in New York. The Canadian banks had refused us additional temporary accommodation and a disposal of Labrador at the cash price mentioned appeared to me as the only means of averting a financial disaster to Newfoundland at the end of 1931 or a still worse experience in June of 1932. All the signs appeared to set fair for the deal. Financial interests in Montreal expected it to be consummated. Canadian official circles favoured it. Prompt and enthusiastic action, in my opinion, would have resulted in Canada's commitment to the undertaking to an extent sufficient to induce the banks to make without hesitation the advances required to see us through the financial crisis, and without the humiliating conditions such as have recently been imposed on us. The day would have

been saved for Newfoundland and the dignity of our country and her government would have been saved at the same time. But the Prime Minister neglected the opportunity and destroyed the chance of making the deal, and we now face a stringent financial crisis with the present Budget superimposed on it. Because I contend that a different line of conduct on his part – a better display of public spirit in this connection as in that of the Gander would have so advanced the interests and improved the position of this country as to avert the crisis, and so render such drastic tax proposals unnecessary. I am voting against that Budget and the gentleman who has fathered it in this House.

The criticism has been made and may be made again that on returning to Newfoundland after their humiliating and dispiriting experience in this Labrador connection, members of the delegation should have resigned in protest of the conduct of the Prime Minister. That was their personal inclination. But at that time the first interim report of Sir Percy Thompson was nearing completion. On the strength of its showing he hoped to be in a position to approach the banks with some chance of success in negotiating a temporary loan to meet our interest obligations at the beginning of 1932. We did not, therefore, feel justified in adding to the confusion and chaos already existing and decided that our country should be afforded every possible chance of recovery from her difficulties and of tiding over her period of stress. We did, however, strongly urge that an effort should be made by the Prime Minister to secure a union of political forces; that union accomplished under whatever auspices possible, a special session of the Legislature should be called immediately and that there should be enacted such emergency legislation as was likely to assist the Ship of State to weather the storm that was about to break. Had this advice been earnestly acted upon, I believe our present situation would bear a different and more hopeful complexion.

I am conscientiously persuaded that our unfortunate position to-day is due to the fact that during the last few years the country has seen political manipulation substituted entirely for statesmanlike leadership. Even down to recent weeks, the present Prime Minister has persisted in his selfish and self-seeking tactics. He plays his personal and political game as wholeheartedly as if the country were on the crest of a wave of prosperity, instead of being almost engulfed in the greatest financial tempest he has ever experienced. Instead of the self-devotion and self-sacrifice of true and public-spirited leadership, he has displayed an obsession with personal and political manipulations, a greed for personal and political gain that negatives everything that sane and sober members of the community regard as fair and seemly in these times. On more than one occasion has he opposed selfish political considerations to recommendations made by the experts for the betterment of general conditions. He fought bitterly the plan for saving thousands of dollars to the treasury by having public printing done by contract awarded [to] the lowest tenderer, instead of being done by his own plant at whatever price that outfit cared to charge. That at the very beginning of this present session.

And how can one fittingly or effectively denounce the greedy and unseemly conduct that inspired the withdrawal from the Savings Bank of \$5,000 of Reparations money for his own advantage in a time of financial stress, when the institution itself needed all its available cash, and he was indulging in loud strictures on others for taking their deposits out in the ordinary course of business? Or what condemnation to meet for the public man who, when his country was struggling to avoid bankruptcy, helped himself to \$5,000 of her public funds to pay himself for a rather remote share in an unfortunate lawsuit that had been provoked by his own ill-advised action? And does the Rt. Hon. gentleman, who is so wont to lecture others on playing the party game, consider he

practices what he preaches when he holds idle in a district trust account many thousands of dollars of public funds, at a time when the Exchequer is so depleted that the money cannot be found to pay the numerous fisherman who worked on the roads and marine works last Spring on the instruction of members, who were instructed thereto by his own Government?

That is not the spirit and that is not the example that Newfoundland requires of her leaders in her desperate fight for her very existence. Not thus can our people be inspired to suffer and to sacrifice for their country's salvation. She can hope for nothing, she can achieve nothing but fell disaster under such leadership.

While such a self-seeking politician holds the reins of power there can be no complete and wholehearted cooperation of parties and classes for the country's good.

While Newfoundland tolerates or condones such conduct, she cannot hope for approbation abroad or for the favour and the confidence of those with whom she must have financial relationships.

Under such administrative auspices we cannot hope for a fight to a finish on Newfoundland's behalf against financiers and all others soever who may be prepared to pile their exactions upon her at a time when she is least able to bear them. We must expect the worst, even as we are experiencing it now.

Under such leadership a large and lifesaving industrial proposition is destroyed by tricks and wiles and subterfuges, and the country pays in unemployment and poverty, in destitution and want.

In the train of such leadership follow the woes attendant on neglect of and indifference to an opportunity to realize on one of our assets for a price ensuring immeasurable benefits to Newfoundland through reduced taxation, maintained prosperity and steady progress in our country.

I hope I have not tired the House by this lengthy discussion of the Budget, its antecedents, and my reasons for now opposing the new tax proposals and the gentleman who has introduced them here. It is only fair to the country and to myself as a Member of this House that they should be stated in some detail. I have moved the adjournment of the House to challenge every Member present to vote in effect whether these things shall continue to be; whether the majority here present is prepared to condone such conduct, or whether honourable gentlemen to the right and left of His Honour will by vote and voice call a halt, inaugurate a change and unite to set their country once more on the highway to recovery at home and restored confidence in her abroad.⁵⁸

Rt. Hon. Prime Minister: Mr. Chairman, so far as the Hon. Dr. Mosdell has discussed the Budget, that was the straight issue between us so far as I am concerned and my associates are concerned. It is a payment of 100 cents in the dollar with a balanced Budget; that is the programme which we undertook so far as the banks are concerned in the month of December. We propose to use our maximum efforts to carry it, to devote every effort and our very best ability. That is a straight business issue which we will be able to discuss as hour by hour we discuss the Budget, programme, policy and detail. With respect to the details of the Budget, the detailed items of taxation, that is a matter in which governments now and at all times have been interested in this House and have been delighted to have suggestions. We do not consider that all the wisdom on the entire world happens

⁵⁸ Dr. Mosdell's speech is taken from *The Evening Telegram*, March 16, 1932.

to be vested in one man or party. We do hope that as individual items arise in connection with that Budget in the course of the debates here and there, there will be improvements, as we have already some one or two improvements which we have seen this afternoon, and which will be introduced to-morrow. The general issue between Dr. Mosdell and myself has been the Budget; our undertaking is to pay 100 cents in the dollar and we are using our very best efforts so to do.

On the question of the Gander, I would like to make some observations. My honourable friend has been a member of the Executive Council; he has not been an habitual attendant of the Council, but he has attended very frequently at the meetings. In February 1931, a very special effort was made by the Newfoundland Government to secure a Gander development. In 1930 the programme, the Hearst programme had been laid on the table of this House, not in its absolute detail, as I understood the Reid Newfoundland Company at that time objected to the tabling of that document. Since that date that document has become a matter of public record, and I am having it typed at the present moment so that on to-morrow it will be possible for that document to be tabled. At that time it was private; that proposition came before the Executive Government and was rejected. I agree, I personally agreed with the idea of rejecting that programme. I myself telegraphed to Mr. Butler in July asking him if he would take the trouble to come to Newfoundland so that he might sit down and see whether there was any possibility of working out the Gander development scheme. Mr. Butler came; the first interview in connection with the matter occurred on the afternoon of Wednesday, February 4, 1931. I prepared for Council a memorandum covering all the conversations which had taken place, the programme which had been advanced, the suggestions made, etc., which memorandum I submitted to Mr. Butler for his examination. He made some verbal alterations in the individual wording and then approved of the document. A full meeting of Council was called with the Secretary of State and Mr. Butler present, and the memorandum was read to them. The debate of Council in connection with the matter, either before or after Mr. Butler came to town, is not a matter which I can discuss, but what happened during Mr. Butler's presence is a public matter. The position as stated by Mr. Butler is as follows; this memorandum was approved of by Mr. Butler and by me in the presence of Mr. Butler and my colleagues and approved expressly by him at the time: "Amount due him in respect of property \$1,725,000 ..."⁵⁹

Mr. Moore: The Gander was dead in 1931. Why read about it now? Tell us what Mr. Halfyard and Dr. Barnes went to New York for in 1930.⁶⁰

Rt. Hon. Prime Minister: That is the situation as it deals with the Hearst people, and that is the point blank attitude of Mr. Butler to myself and to individual members of Council.

⁵⁹ The memorandum is neither in the transcript nor the newspaper reports. The report in *The Daily News* (March 16, 1932) reads: "[Squires] gave a long statement dealing with the negotiations in February, 1931, with Mr. Alan Butler in which he stated that Mr. Butler after consideration of various matters felt that at the time it would be impractical to have a Gander proposition put through on account of the financial depression. As far as the Hearst people were concerned they were only using the matter as a means to force better contracts with people whom they were already dealing with, and never had any intention of going into any contract. As far as the Canada Power and Paper Co. were concerned they were not in a position to enter into any contract."

⁶⁰"Tell us about what happened in 1930. There is no use talking about what happened in 1931, when the whole matter was finished with. What happened in 1930, when Mr. Halfyard was in New York." *Daily News* March 16, 1932.

Hon. Leader of the Opposition: That is untrue. I am more in Mr. Butler's counsel than you are.

Rt. Hon. Prime Minister: I have been interrupted most discourteously. Both gentlemen will have observed that I did not attempt to interrupt any of the other three gentlemen when they were speaking. As far as the Hearst people are concerned, there never was an opinion at any time that they had any bona fides.

Hon. Leader of the Opposition: That is not true.

Rt. Hon. Prime Minister: Sit down, I have the floor.

Hon. Leader of the Opposition: Well, you may lie again.

Rt. Hon. Prime Minister: The practice of the House is that the words be taken down and reported to the Speaker afterwards.

Hon. Leader of the Opposition: The whole thing is a tissue of falsehoods and you are only flogging a dead horse. You have killed the Gander, and killed it before this thing you are reading about came up. It's no joke, and the day is coming when you will find it is no joke.

Rt. Hon. Prime Minister: This is a written memorandum that was checked by Mr. Butler personally and by a Committee of Council, and my honourable friend opposite says that it is a tissue of falsehoods and then says "lie again."

Mr. Emerson: Is that memorandum signed by Mr. Butler?

Rt. Hon. Prime Minister: The original is.

Mr. Emerson: Where is the original? Have you got it?

Rt. Hon. Prime Minister: Probably Mr. Butler has it.

Mr. Emerson: So that Mr. Butler signed the one he put in his own pocket.

Rt. Hon. Prime Minister: We have a sufficient number of Members in this House now who were in Committee of Council when Mr. Butler agreed to this memorandum. The memorandum says: (*reads memorandum*).

Hon. Leader of the Opposition: Mr. Speaker, I rise to a point of order. Is the Prime Minister reading the whole thing all over again?

Rt. Hon. Prime Minister: I am sorry my honourable friend has not been following it. I will table

that memorandum to-morrow. I will also table to-morrow the Hearst agreement as it was before the Government.

Hon. Leader of the Opposition: Will the Prime Minister table [a] report of the conversation he had with Mr. Graustein of the International?

Rt. Hon. Prime Minister: There was no conversation with Mr. Graustein in that connection at that time.

Mr. Moore: In the Fall of 1929, table the correspondence that took place in New York.

Rt. Hon. Prime Minister: It will be on the table to-morrow.

Mr. Moore: We know why it was prevented, if the Reids had the money to pay certain people it would have gone through.⁶¹

Rt. Hon. Prime Minister: I take objection to that and I am sure Mr. Powell would take objection to that too.

As far as the Labrador is concerned, I would say that there was never any block thrown in the way of Dr. Mosdell, Mr. Cashin and the other members of the Executive in their efforts to exploit the sale of the Labrador in Canada. I suggested in New York that we explore the matter as fully as possible. I am censored for coming back to Newfoundland in the middle of the negotiations. I may say that the programme of my movements was fixed well in advance. I came to Halifax and joined Sir Percy Thompson⁶² on the boat there. Mr. Penson was at Sydney and was coming to St. John's at the same time. There was nothing I could do to assist the honourable gentlemen at Ottawa or anywhere else. There were no conversations between myself and Mr. Champlain or anybody else. I was asked to meet Mr. Champlain and I said yes, but as this was official I said I would meet him in the presence of the two honourable gentlemen, and I was told that Mr. Champlain declined. I never discussed this matter with Mr. Bennett except once when Sir Percy Thompson was present, and that was at the Chateau [Laurier] Hotel. I repeat that there was no block thrown in the way of the sale of Labrador. I fully agreed with Dr. Mosdell that we should sell Labrador, and Sir Percy Thompson was present at the only interview I ever had with anyone in connection with the sale of the Labrador. My return to Newfoundland was carried out as arranged by my previous programme. I had the pleasure of meeting Mr. Coaker and Dr. Barnes at Halifax and I had some conversations with them regarding this matter, and as to that Dr. Barnes can inform the House.

⁶¹ "The country knows why the Gander was prevented. If the Reids had money to pay certain people it would have gone through. Will the Prime Minister say who were in negotiation in connection with the matter in the Fall of 1929 or early part of 1930, when Mr. Halfyard and others went to New York and afterwards it was said that Mr. Halfyard had gone for his health. He had his information from the gentleman with whom the matter was discussed." *Daily News*, March 16, 1932.

⁶² And Mr. Magor as well, according to *The Daily News* (March 16, 1932).

Mr. Halfyard: Mr. Moore mentioned my name in connection with conferences at New York, and I would like to say to him that he is misinformed, and I know that you will accept my explanation. In the first place, the Prime Minister did not know that I was in New York until after I arrived there. The purpose of my visit was purely private, and if I had gone to Corner Brook or any place like that nobody would have said anything about it. I was only gone about a fortnight and it was one trip that did not cost the country a cent, and if anybody gave the Hon. Member the information that I went there at the request of the Prime Minister, he was wrong.

Mr. Moore: Did you discuss the Gander at New York?

Mr. Halfyard: All my time was taken up with the [omission] Institute. I remember that Mr. Powell phoned me and asked me to call and see him, and I went, and Mr. Powell was very interested in it and talked about it. He came down on the train with me, and he talked about [it] during the course of our journey.

Mr. Moore: Did you happen to talk about it while Sir Richard was there?

Mr. Halfyard: I had no conversation with the Prime Minister about the Gander proposition. I had a conversation with Mr. Powell. He asked me to meet him because I happened to be a member of the Executive and was there. He was very keen on this project, and was trying to enlighten me as to what it all meant. We had a talk; that is all we knew about it. There was no conference by the members of the Executive with the Prime Minister on the Gander proposition while I was in New York, absolutely none. I had something else to trouble about.

Hon. Leader of the Opposition: I desire to congratulate the Honourable Members who have spoken this afternoon on the patriotic stand they have taken. They have not joined our party; they have maintained a neutral attitude. They found they could not stay on the other side of the House and have an easy conscience, at least that is how I figured out the thing must be. Four of the gentlemen now sitting in an independent position had come to the conclusion where they were firmly convinced that the present Executive were incapable of solving our present economic troubles, and I believe that great majority of the honourable gentlemen on the other side of the House are convinced of that. The Hon. Member for Fortune, in the way he criticized our actions – for the moment I am coupling myself with the Prime Minister; we don't want to be coupled very often, either – when we signed that agreement my position was this: I had either to sign it, or according to the terms of the agreement I could refuse. There would be no loan, we would default, and the whole country would be handed over to the tender mercies of the Prime Minister, and I chose the lesser of the two evils. Would not we have been in a great deal worse position if we were – I won't say at the tender mercies – but under the heel of the present Prime Minister and those who are so subservient to him? I think every Member of this House will agree that I should never have been asked to take that position, but I was not afraid of it. I am willing to take the consequences of that action. I feel to-day that I did it in the best interests of Newfoundland to try and save this country for the benefit of the people of Newfoundland, and I want to tell you something, and I believe it as firmly as I can see you, Mr.

Chairman, and that is if the present Government were out of power, you would see a different aspect of affairs of this country within 24 hours. I would not worry about defaulting on the 30th of June, if the banks knew that we had a government in power that wanted to play right by the banks and the country, we won't default. We were treated on the 1st January no better than a fraudulent bankrupt, and so we were. We got money under false pretences; we borrowed money and then misapplied it; devoted it to personal purposes when there was no right to do it; it was diverted in every shape and form and I don't blame the banks. And now we have to bear that cross that has been put on our shoulders. That cross has been put there by the Rt. Hon. Prime Minister. If we are going to get this country to come back we must be honest in high places. We must give the country a lead, and the Prime Minister must be the man who will give the lead. I don't care who he is; we can't expect the rank and file to play the game unless the Prime Minister and his Executive are prepared to play the same game in a comparative sense. Are they – I put it to you – are they playing the game by this country in any form or means? Have they shown any self-denial in any condition? I am not going to repeat what the Hon. Member for Fortune said about the misapplication of funds in connection with Reparations, or the holding of money there to the credit of the Humber Constituency. I can assure you that the man who will do that is not patriotic. He is not the man who will sacrifice himself for the benefit of his country. If ever we needed a crowd of men in power to bring the country back to prosperity, it is now. If they are going to bring the country back to prosperity they must be prepared to efface themselves. Until we get that amendment this country is doomed to failure and to go into the valley of humiliation. There is nothing else for us; there is no hope for us. We have a Budget that I don't approve of, but we have to go through with it. I honestly believe that when the Prime Minister went to the door of every financial institution of the United States, Canada and London, and failed to get a loan, if he had the manliness to come back here and say to His Excellency the Governor, "I can't get the money; try somebody else," this country would be in a better situation to-day.

Talking about the Gander, we listened this afternoon to a lot of polite nothings from the Prime Minister, all after the unfortunate bird was dead. What happened was that during 1930, I want to tell the honourable gentleman that, as an instance of good faith, the Hearst group put up a certified cheque for \$1,000,000 with a trust fund as an indication of their good faith in the negotiations. Perhaps the honourable gentleman does not know that, but the day will come, when they are suing for damages, he will know it. We had a chance of a newsprint [mill] that would have brought \$3,000,000 into the Exchequer, not to speak of the earning power it would have given to the people of this country. In addition to that we had a solution, to my mind, of the Labrador problem, because I am against the sale of the Labrador. I don't believe we have any right to sell Labrador to get us out of our present difficulties, and take away the birthright of those who are coming after us. I don't believe we know Labrador sufficiently to sell it to pay off our debts. The Gander timber areas would have been developed and the Labrador areas could have been developed; that would be a nucleus of [omission] but the Gander – what have we got for it? It must have cost \$50,000 in lawsuits, and we have a \$10,000,000 damage suit hanging over our heads. Is not there a very great reflection of the man – I want to say two men because last year I said there were two men in this House who would regret the day they were born and they will do it yet. There is one man in particular, the Prime Minister, and God won't be in His heaven if he is not properly punished for this action, and you, gentlemen, many of you, have never touched one cent of graft. There is a saying that the receiver is

as bad as the thief. The man who acquiesces in graft is just as bad as the man who benefits by graft, and a great many of you have acquiesced, and there is a tremendous responsibility resting on your shoulders. I wish you could get in your minds how the country feels about it. It will be a terrible reflection in years to come to feel that you helped to drag Newfoundland down. So long as you remain where you are, you are helping to pull Newfoundland down; there will be no chance for us; we want \$300,000 to dabble in gasoline. If we had \$300,000 for the fisheries, what would we not do for it? When we get into power, we will get a great deal more. We are not going to save this country by saving; we are going to save it by industrial development, by the creation of new avenues of employment. We cannot expect anything from the present Prime Minister in that direction, whose greatest idea of industrial development is a rock shed. I am not going to say any more, because when the Budget comes up, I will have a chance to go into details.

I want to congratulate the gentlemen who put country before party, before themselves, who have taken an independent attitude in this House. If we are wrong or unfair, I believe they would criticise us just as quickly as they criticize the Government, if they considered us wrong. I ask you, gentlemen, who are the rank and file of the Government to consider well what action you are taking in the support of the present Government. We are headed for ruination at the present moment. I can see nothing ahead of us. I don't see how we are going to balance the Budget, but we have got to carry on. The only way we can do anything is to face the music. If we can get the present Prime Minister out of power within three weeks or a month, I will guarantee you will see a tremendous change in this country.

If I used the word [*omission*] to the Prime Minister, if it was unparliamentary, it was in heat, and I will take it back now, and when the Speaker gets in the Chair I will take it back again. I don't want to do anything unparliamentary.

The Prime Minister was telling us a lot about Mr. Butler. I believe I am in Mr. Butler's confidence a great deal more than the Prime Minister. I think there is every reason why he should not be in his confidence from the way he treated him. The last night Mr. Butler was in this country, he came to see me to say "Goodbye." He said, "Alderdice, hurry up and get into power; we will put a Gander on the map in two years," and I said, "A square deal for Newfoundland?" He said, "A square deal for Newfoundland and a square deal for Butler." "But," he said, "I am not going to touch Squires."

Rt. Hon. Prime Minister: I entirely accept the observations with respect to the unparliamentary words. I have had sufficiently long parliamentary experience to remain in my seat without interrupting my learned friend. The observations concerning myself were very unfair. I would not expect in the circumstances ...

Hon. Leader of the Opposition: I am afraid the honourable gentleman is never provoked as much as we are.

Mr. Cashin: May I ask the Prime Minister if it is his intention to continue this debate tonight?

Rt. Hon. Prime Minister: If it is the pleasure of the House.

Mr. Cashin: I want to take this opportunity of welcoming into the centre of the House my former colleague Hon. Dr. Mosdell, and my other colleagues associated in the Government with me, Captain Parsons and Mr. Fudge. I felt, while I never discussed it with any member of the Government since I broke from them, that sooner or later, this strain could not stand, and people who had a certain amount of decency in them had to sever their connection with the present administration. I want to particularly congratulate Dr. Mosdell on that wonderful address that he gave this afternoon commenting on the Budget in an entirely different manner, in so far as the figures are accurate or inaccurate, and before I start at all I want to say that, in my opinion, a great many of the figures contained in the Budget Speech have been made deliberately inaccurate, and I challenge contradiction from any member of the Government from the Prime Minister down. We have heard of deliberately cloaking up the truth in the days when it was no trouble to get money, but now, in view of the fact that we have experts in our midst the least we might have is the whole truth, and I want to tell this House, Mr. Chairman, in view of the fact that this document I have before me contains a mass of figures, may I crave the indulgence of the House to read it? (*Reads speech*)

I move that the Committee rise until 8 o'clock.⁶³

Rt. Hon. Prime Minister: I have just been called outside, and I notice that a blizzard is raging, and it will be quite impossible for Members to get back here again in their cars, and I think we might either carry on or adjourn until to-morrow.

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 motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Mr. Quinton: Mr. Speaker, I would like to read a telegram I just received from my District regarding a matter which is of great urgency to me and my District.

Mr. Quinton read a message he had received from Rev. Ed. Wills of Lethbridge which read as follows: "Number serious cases requiring doctor, Cannings Cove, Jamestown and Winter Brook. Relieving Officer unable to obtain services of doctors. Please take up matter with Dr. Brehm and ask question in the House whether something cannot be done. Reply immediately."

Hon. Secretary of State replied that he would immediately take up the matter with Dr. Brehm. [*Daily News*, March 16, 1932]

Rt. Hon. Prime Minister: I have just received a telegram from Mr. K. Goodyear of Grand Falls, saying he is donating his pension cheque to the Finance Department.

⁶³ According to *The Daily News* (March 16, 1932), Cashin only began his speech, and at 6:30 p.m. moved that the Committee rise.

Hon. Minister of Marine and Fisheries: I have just received a telegram from Fogo from the S.S. *Neptune* (*reads*). I got in communication with Messrs. Job Bros., and they said the main bearing was broken and that they were trying to get in touch with the ship.

It was moved and seconded that when the House rises it adjourn until to-morrow, Wednesday afternoon at three of the clock.

The House then adjourned accordingly.

Wednesday, March 16, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Alderdice: Mr. Speaker, might I ask if any reply has yet been received from His Excellency relative to the Address presented by the House?

Hon. the Speaker: No, I have received no reply as yet. The House has a right to be informed of the matter, and as soon as I get a reply I shall acquaint the House at once.

Mr. Emerson gave notice of question.

Mr. Alderdice gave notice of question.

Mr. Tobin gave notice of question.

Reply tabled to Question 10 by Prime Minister.

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole on Ways and Means for the purpose of tabling amendments to certain Resolutions.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: I ask leave to move the House into a Committee of the Whole on Ways and Means to deal with the amendments to the Resolutions already before the House. As was explained by the House when the Budget was originally presented, certain items were not fully covered. Sacramental wines were on the free list, and it is now the intention to add Bibles, prayer books, and hymn books. A change is made with regard to candy so that the chocolate bar may still be able to be retailed at 5 cents. Butterine is increased from 5 to 8 cents a pound. School books and technical books not exceeding \$5 in value are free.

Mr. Cashin, who adjourned the House on Tuesday whilst in Committee on Ways and Means after speaking for fifteen minutes, intimated his intention of again referring to what he had said the previous day, and the following is an account of his address:

He surveyed the Budget speech from a purely impartial financial standpoint, taking the fiscal year 1930-31. The present Budget says that the figures which were budgeted for the year 1931-32 dealt with the revenue as follows:

Estimated revenue \$11,280,500. Actual revenue obtained \$9,665,640, or a difference in this respect of \$1,724,859.

The figures estimated in the Budget Speech of April 22nd, 1931 were:

Customs	\$7,650,000
Postal	400,000
Telegraphs	200,000

Inland Revenue Stamps	72,500
Crown Lands	110,000
Liquor	400,000
Fines and Forfeitures	5,000
Interest Guaranteed Loan.....	76,000
Broom Department.....	2,000
Taxes and Assessments.....	66,000
Death Duties	30,000
Income on Taxes.....	650,000
Miscellaneous	200,000

These figures total \$9,920,500 for revenue. The figures for the estimated expenditure under similar headings, submitted in my last year's Budget, are as follows:

Finance.....	\$4,973,300
Colonial Secretary.....	234,900
Public Charities.....	325,900
Public Health.....	341,000
Justice.....	406,000
Education	1,425,500
Marine and Fisheries.....	504,100
Agriculture and Mines	197,300
Public Works.....	1,030,500
Posts	1,536,500
Customs.....	664,500
Assessors.....	15,100
Pension Commissioners.....	640,500

This shows a total expenditure of \$11,895,100. Now, what are the exact facts? Last year's Budget estimated revenue for the year 1930-31 at \$9,920,500. The actual amount received was \$9,655,640.71, or a deficit under the estimate of \$264,859.29 and not, as stated by Mr. Penson, a deficit of \$1,724.859. The estimated expenditure in last year's Budget, as previously pointed out, was \$11,895,100. What was the actual expenditure? The actual expenditure was \$12,898,933.45, or in round figures \$1,000,000 in excess of the estimated amount stated in my Budget Speech of April 22nd, 1931.

The following is the exact statement of revenue and expenditure, under the various headings for 1930-31:

<u>Revenue</u>	
Customs.....	\$7,465,356.08
Postal.....	585,320.26
Telegraphs.....	178,836.24
Inland Revenue Stamps.....	62,712.20
Crown Lands.....	95,131.18
Liquor Profits	429,000.00

Fines and Forfeitures	5,287.59
Interest Guaranteed Loan.....	38,363.54
Broom Department.....	1,304.28
Taxes and Assessments.....	68,367.17
Fees Public Institutions.....	51,966.79
Death Duties	20,592.87
Income and other taxes	662,875.27
Miscellaneous	100,526.94

	\$9,655,640.71

Expenditure

Finance.....	\$4,862,915.62
Colonial Secretary.....	244,971.62
Justice	404,189.66
Marine and Fisheries.....	503,912.33
Agriculture and Mines	194,148.63
Public Works.....	952,991.34
Customs.....	663,711.90
Assessors.....	14,877.60
Pension Commissioners	644,841.36
Education	1,025,157.33
Public Charities.....	321,476.24
Public Health.....	344,409.74
Posts and Telegraphs	1,536,510.31
Audit Act.....	1,184,919.75

	\$12,898,933.45

He turned to the fiscal year 1931-32, or as we may say the present fiscal year, and let us review the situation again from a purely impartial economic standpoint. I may say that I shall leave any remarks I have to make with reference to the Railway until the close of the speech.

The Prime Minister in presenting [the] Estimates of revenue and expenditure for the existing fiscal year 1931-32 does so in the following manner by saying "The last Finance Minister had with regard to the present year estimated as follows:

Estimated revenue.....	\$10,010,391
Estimated expenditure.....	11,467,146
Estimated deficit	1,456,754"

He omitted to give the revenue which he estimates will be received under the various headings. If we refer to my Budget speech of one year ago, it will be seen that a forecast of revenue for the fiscal year 1931-32 was made as follows:

Customs.....	\$7,750,000
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Posts and Telegraphs	650,000
Crown Lands	115,000
Fines and Forfeitures	6,000
Inland Revenue Stamps.....	65,000
Interest Guaranteed Loan.....	76,891.08
Brooms Penitentiary	2,500
Taxes and Assessments.....	65,000
Fees Institutions	60,000
Estate Duties	50,000
Liquor Sales	300,000
Income and other Taxes.....	600,000
Miscellaneous	300,000

	\$10,010,391.08

At the same time a forecast of expenditure was made as follows:

Finance.....	\$5,202,431.08
Colonial Secretary.....	124,412.50
Public Charities.....	311,537.05
Public Health.....	325,674.00
Justice.....	387,857.75
Education	1,013,065.08
Marine and Fisheries.....	410,697.09
Agriculture and Mines	102,450.66
Public Works.....	943,675.50
Posts and Telegraphs	1,445,585.90
Customs.....	549,869.50
Assessor	15,840.00
Pension Commissioners	634,050.00

He estimated that the earning power of our people from all industries during the year 1931 would be as follows:

Fisheries (all branches).....	\$4,000,000
Mining.....	1,500,000
Paper Manufacturing.....	4,000,000
Other Industries (approx).....	1,000,000

Total	\$10,500,000

In other words, the total earning power of the people of Newfoundland amounted to, in round figures, approximately \$11,000,000, or \$4 per head or \$220 per family. These figures are on the optimistic side. I have mentioned the conditions under which my estimates in last year's Budget were made, and I have now got to draw a conclusion as to the actual amount that will be received on

June 30th, 1932, when the accounts for the present fiscal year will be closed. In order to do that it will be necessary for me to give under the various headings the total amount of revenue received up to December, 1931:

Customs.....	\$3,033,092.86
Postal.....	170,405.32
Telegraphs.....	64,250.30
Crown Lands.....	37,579.32
Revenue Stamps.....	27,389.65
Liquor.....	130,000.00
Fines and Forfeitures	8,528.36
Broom Department.....	437.92
Fees Public Institutions.....	19,000.00
Income Tax	69,041.27
Death Duties	8,758.66
Insurance Assessments	1,657.41
Insurance Licences.....	650,000.00
Miscellaneous	84,438.55

Total for six months.....	\$3,655,299.62

Whilst I am on the matter I think it is just as well to tell the House [and] the country what happened last year in connection with the Government's attempt to dispose of the Labrador territory to the Dominion of Canada. You will all remember that the Prime Minister left for England in early August last, and consulted with the British Government authorities on the selection of Sir Percy Thompson and Mr. Penson. When he left for England, his idea was to be back in the country again around the end of August. During his absence the Executive Government realised the serious[ness] of the financial situation here. Consequently, the Prime Minister was communicated with, and it was suggested to him that a delegation from the Executive should meet him in Montreal to let him know the exact financial condition of the country, as the Executive thought it would be a good idea to try and find out whether or not the Canadian Government would be interested in the acquisition of the Labrador territory. In addition to this, it was the idea of the Executive Government to send a delegation, which was composed of Sir Richard Squires, Dr. Mosdell, and myself, to interview the syndicate of banks regarding the obtaining of further funds.

We met the Prime Minister in New York on or about the 15th day of September. Both Dr. Mosdell and myself told him the ideas of the Executive Government. He agreed with our views and advised us to see what we could do. The Hon. Dr. Mosdell and myself went to Ottawa. The correspondence relative to negotiations in connection with the sale of the Labrador territory to the Canadian Government has already appeared in the columns of the press. I want to go further now and say that in my opinion at any rate, and in the opinion of the other individual members of the delegation at that time, the Prime Minister during our negotiations did everything he possibly could to block any progress being made by us towards the disposing of the Labrador territory in Canada. He failed to head the delegation to Ottawa, as requested by the members of his own Executive, and we were forced to proceed on our own, but, at all times we communicated our negotiations and the

results of them to the Prime Minister whilst he was in Canada. During the first part of our stay in Canada, the Prime Minister and Sir Percy Thompson visited Ottawa without our knowledge, and we understood that the Prime Minister had a conference with Mr. Cahan, K.C., Secretary of State in Canada. Information given to us afterwards, through various sources, was to the effect that Mr. Cahan had intimated that the Newfoundland Government were not desirous of disposing of the Labrador, and that they were prepared to talk Confederation with the Dominion of Canada.

I regret to say that I have come to the conclusion, after seeing the tactics of the Prime Minister, Sir Richard Squires, during these negotiations, that he was attempting privately in some form or another to put this Newfoundland of ours into Confederation with the Dominion of Canada. Furthermore, after Sir William Coaker and Dr. Barnes arrived to reinforce the official delegation to Canada, and at the time the delegates were discussing the situation with the Hon. R. B. Bennett, Prime Minister of Canada, our own Prime Minister, Sir Richard Squires, arrived in Newfoundland. On the day of his arrival he stated, through the columns of his own official organ, "The Liberal Press," that the Labrador was not for sale, this despite the fact that he had told all of us delegates to do what we possibly could to sell this territory, whilst behind our backs he was doing everything he could to block our progress. On arrival at Moncton, after negotiating with the Canadian Government, the present Secretary of State, Dr. Barnes, received a personal telegram from a legal gentleman in Montreal to the effect that the failure of our mission to Canada was brought about by the actions of our Prime Minister. As I have said, Dr. Barnes received this message there at Moncton. I do not know whether or not he has it in his possession at the present time, but he can corroborate my statement if he wants to do so. So much for the proposed sale of the Labrador.

In speaking in a general way on the Estimates a few days ago in this House, particularly on the Estimate of Expenditure for the Justice Department, I pointed out that I considered the Justice Department during the past three years, through inefficiency and dishonesty, one or the other, has cost the Dominion two or three millions of dollars. Now, why do I make this statement? During the year 1930, the Government were negotiating with the Reid interests, with the Canada Power and with Hearst's interests for the development of a pulp and paper mill on the Gander.

I cannot say whether or not negotiations would have been brought to a successful issue, but this much I will say, that the Department of Justice, presided over by the Prime Minister, who is also Attorney General, issued writs on these properties without the knowledge of the Executive Government officially. These writs were issued at a time when the Government was negotiating with various interests trying to bring about the development of the Gander territory. After the writs were issued, we were told by the Prime Minister as Minister of Justice, that this was done to save the property from being sold to the International Power and Paper Co. Ltd., and that the Department of Justice felt, under the law, that the areas in question, which had been held under lease and were not freehold, would be returned to the Crown. The solicitors who advised the Government to this effect were Sir Richard Squires, Prime Minister and Minister of Justice; Hon. F. G. Bradley, Solicitor General; and Mr. Dunfield, Deputy Minister of Justice. Negotiations went on for some time after that, but the writs seemed to block progress, private members of the Executive Government consulted independent solicitors, and three members of the Executive had opinions from outside lawyers that the Government could not win their cases. At this time the Prime Minister was in London. We wanted to have the writs withdrawn. The Department of Justice, which was practically in charge of Mr. Dunfield and Mr. Bradley, consulted with the Prime Minister in London, and later

informed the Executive that opinions were given by solicitors in London to the effect that the Government would win their cases, therefore, the writs remained on the properties and we all know the results.

Now, Mr. Chairman, the point I want to make is this: supposing that negotiations had been successful in the development of this territory; supposing work had started on the property for the construction of a mill, what effect would it have had on the revenue of the Colony? I claim that if negotiations had to be successful in connection with the development of the Gander property, as already outlined for a 1,000 ton mill, that the revenue of Newfoundland would have been supplemented by an extra \$2,000,000 annually. One may say how do you arrive at these figures? If this mill had been constructed a great amount of money per annum would be spent in the country. The mill would take five years to complete. It would cost in the vicinity of \$60,000,000. Approximately \$30,000,000 of this money would go for labour to our people. This would mean an expenditure per annum for five years of \$6,000,000. A conservative estimate of revenue received would be one-third of this amount spent; therefore, the country would receive approximately \$2,000,000 per year extra revenue, which it will not now receive because of the fact that no Gander proposition was developed. Supposing the mill had been constructed and supposing it had run to capacity of 1,000 tons per day (if the Hearsts' estimates were financially interested in this proposition it would run to capacity, because the Hearsts' publications and newspapers require between 600,000 and 700,000 tons of newsprint per annum, therefore the mill would manufacture 310,000 tons of paper). A conservative estimate given me by officials of the paper mills now in operation in this country shows the amount of money per ton of paper paid to the working men of this country as \$20, therefore the working people of this country would have received per annum over \$6,000,000 in wages, consequently the revenue would continue to receive per annum an extra \$2,000,000 that it is not receiving at the present time. This is the reason that I stated that the Justice Department, presided over by Mr. Dunfield (as the Prime Minister is acting in name only, and is drawing a salary as Minister, but does not work except when it affects his own personal interests), is responsible for the carrying out of the law. I may say again that Mr. Dunfield, as acting Deputy Minister of Justice, advised the Executive Government personally that the Crown would win these cases against the Reids, and that the Crown would, therefore, own the property. His opinions on the matter were confirmed by the Prime Minister and Mr. Bradley.

I have therefore come to the conclusion that I can lay the responsibility on the Prime Minister, Sir Richard Squires, who is also Minister of Justice; Mr. Dunfield the Acting Deputy Minister of Justice; and Mr. Bradley, the Solicitor General, for failure in connection with the Gander litigations. I cannot say definitely whether or whether not the Gander property would have been developed if there had been no writs on the property. But I do say this, that the Justice Department is entirely responsible for his failure of the proposition, if there was the slightest chance in the world of it being successful. In other words, if the Justice Department and the three individuals connected with it had given proper and impartial advice, no writs would have been issued and the country would have had an opportunity, at least, of having the Gander property developed, but the Justice Department left no stone unturned to block the possibility of the proposition being made a successful issue.

During the course of the preparation of these remarks two proposed Bills have been handed me. One for the purpose of raising a loan on the credit of the country for an amount of \$2,500,000,

the other an entirely new proposition entitled a "Bill for the Control of Petroleum Products." These two Bills are closely identified in as much as the profits accruing from the conduct of business of petroleum will have to be given as security as to interest and principal on the \$2,500,000 loan bill. The proceeds of the loan, which is to be raised according to the Loan Act to be passed during the present session of the Legislature, are to be devoted as follows:

1. Payment of interest due on June 30th, 1932.
2. Cost of raising the loan.
3. Completion of Memorial College extension.
4. Proposition for either the construction of or acquisition of stock, the necessary plant, etc., and capital for the conduct of the proposed petroleum business.
5. For the purchase by the people of Newfoundland in the open market of stocks and bonds for sale bearing interest at the rate of not less than 5 per cent.

Now, let us see first of all what amount of money we shall require for our interest charges on June 30th, 1932. According to the statement I have made in these remarks, which statement is approximately correct, we shall require \$2,500,000 to pay the country's bills on June 30th, 1932, therefore, there will be no money left to pay the balance due in connection with the construction of the extension to the Memorial College. Neither will there be any left for the acquisition of plant or machinery for the conduct of the petroleum business, and most assuredly there will be no money left out of this proposed loan to purchase Government bonds in the open market.

When the Loan Bill is up for discussion in committee, separate and apart from either the Estimates of expenditure or revenue, I shall have further remarks to make. Before I come to the conclusion of this speech I would like to say that the Petroleum Products Bill, which it is proposed to pass in this Legislature, is one of the most outrageous pieces of legislation conceived by any individual in this country. I have it on fair authority that this piece of legislation is the brain wave of Sir Percy Thompson. To my mind, this Bill is an admission of the incompetence of Sir Percy to handle the present financial situation of Newfoundland. This piece of legislation has established a precedent without parallel in our history, I think I may go so far as to say without parallel in the history of the British Empire. It is the establishment of the principle that no successful business is safe from the grasp of an outraged, incompetent Government; it is the establishment of a precedent both vicious and evil, and one, if adopted by the Legislature, [that] will spell ultimate ruin in Newfoundland. Let us review the principal facts. On perusal of this Bill one sees that a further imposition of tax on petroleum is proposed for a definite period. The Government takes upon itself the handling of a commercial business, which at the present time is handled by the Imperial Oil, Ltd., one of the largest corporations in British North America. In addition to this company, another local oil company, the Great Eastern Oil Company whose capital has been drawn from the people of Newfoundland, mostly fishermen, who have invested somewhere in the vicinity of \$200,000 and which company will now have to go out of business and the shareholders will be filched of their money, because it will be impossible for the shareholders to realise the value of their shares in this organization. Is this British justice? Or is it the kind of justice we expect from individuals of the type of Sir Percy Thompson and Mr. Penson and Sir Richard Squires?

I make the statement now that if this legislation passes this House, that the taxpayers of Newfoundland, particularly the fishermen, in addition to the 5 cents tax already imposed on this commodity, which amounts to \$200,000 already, will have to pay a further tax of \$450,000 in order

to prove the inefficiency of Sir Percy Thompson. It is seen from the contents of this proposed Bill that the Government will either acquire or construct the necessary plant to conduct the oil business, and they feel that a capital of \$300,000 is sufficient to run it. At the present time the Imperial Oil Co. which is, as I have already said, one of the largest corporations in North America, must be tied up in property and equipment in this country to the extent of nearly \$1,000,000. Now, can Sir Percy Thompson or the Prime Minister, who are evidently all-powerful and egotistical, tell us that a similar business can be conducted on a capital of at least 50 per cent less?

What does this Bill mean? It means that the Government are starting in trade. It means that they intend to give out credit to the people all over the country. It means that if this legislation is adopted, that in addition to the extra tax of approximately \$450,000 annually, that the Government will also be carrying on their books an additional \$100,000 in book debts. It means the prostitution of public positions for political exigencies. As a matter of fact, this Bill is so outrageous that I cannot conceive of any half intelligent individual coming into this Legislature and voting for such an outrageous proposition. Let us survey the whole situation from a purely economical standpoint. There is no information in this House assuring the purchase by the Government of petroleum oils at a lower price than our local dealers are purchasing it for at the present time, and the plan under the present proposition is to the effect that the fishermen of Newfoundland will be paying at least 50 cents per gallon retail for kerosene and gasoline, and my figures are based on the following undeniable facts. Now, what are these facts? Has the Government got them at their disposal? I know they have not. Sir Percy Thompson thinks he has them. He has been canvassing members of this House advocating the support of this proposition. Here are the facts. Kerosene and gasoline cost per gallon c.i.f. St. John's approximately 15 cents; add to this 5 cents Customs Tax, recently imposed, and we get 20 cents per gallon. It is sold wholesale by the oil companies to the various merchants and distributed for about 26 cents per gallon. The wholesaler retails it to the consumer for 32 cents per gallon here in St. John's. Now, what will have to happen if the present Bill, now under discussion passes the Legislature? The import price cannot be any cheaper than 15 cents; the Customs rate of duty will have to be paid by the petroleum board, that makes it 20 cents. The Government requires 10 cents net, which means that overhead expenses in connection with the operation of this business have got to be met. This amounts to around 3 cents per gallon, therefore the price of oil to wholesalers who retail it to the consumer would be approximately 35 cents in the city of St. John's, and the fishermen of the country will have to pay 50 cents per gallon.

These are the facts and Sir Percy Thompson cannot deny them. I am given to believe that this is Sir Percy's last idea to balance the Budget, and I regret to have to say that if this is his last idea, that the Government of Newfoundland and the people of Newfoundland should see to it that Sir Percy is dismissed from his job. I have already told the people that this brain wave of Sir Percy's is an additional taxation on our people of approximately \$450,000 annually. His amendments to income tax, particularly on insurance and commercial enterprises, is an increase of 100 per cent over last year. His increase on the Customs tariff is approximately \$1,250,000 per year. Then taking all the increases into account, the total increase on taxes will be \$2,000,000 per annum or an all round increase of 25 per cent. These conditions cannot continue, and the sooner the members of the House and the people of the country begin to realise this, the better it will be for all concerned. If Newfoundland is to survive we have got to have men of courage and tact to tackle the situation, not men composed of mottoes who have emblazoned on their countenances the line of least resistance. I

have already stated in this House that no attempt was made by Sir Percy Thompson to cut down our interest charges, and I have come to the conclusion that he did not take the matter seriously.

In conclusion, let us sum up the whole Budget speech as briefly as possible. Its contents will prove conclusively that:

1. The Government with the assistance of the so-called experts are incapable of handling the situation.
2. That on June 30th, 1932, Newfoundland will be faced with a deficit of \$4,500,000 plus \$500,000 Railway deficit, or a total in round figures of \$5,000,000.
3. The Government are side-stepping the main issues, and party politics is creeping in to destroy any semblance of sincerity.
4. In order to meet obligations, an additional \$2,700,000 must be found.

The Loan Bill calls for \$2,500,000, all of which will be absorbed in paying deficits which will be outstanding as of June 30th, 1932. Finally, the Revenue Act, as proposed in this Budget, plus the proposed tax on petroleum business adds to the taxpayers of the country an extra taxation of \$2,000,000, or an all-round tax of 25 per cent. These are facts which cannot be contradicted. The only hope of straightening out financial affairs is to reduce our interest charges in some form. I claim this despite the fact that such an outstanding individual as Sir Percy Thompson disagrees with me. He has not furnished us with any facts that we did not already know before he left London. In conclusion, Mr. Chairman, I wish to say that before the House meets again in twelve months time, I feel that my forecasts will be unfortunately accomplished facts.

He [Mr. Cashin] did not want his statements to be correct in as much as that he hoped Newfoundland would have a prosperous year, but he feared the consequences. He was sorry that his figures were correct in every detail, but we must face the issue, and his predictions he felt sure would become an accomplished fact by June 30th, 1932. He wished it to be understood that in his remarks on a previous occasion he suggested the reduction of interest charges because if we do not, we shall default. In other words, by accepting the recommendation to reduce interest charges we would pay our creditors a reasonable amount, but if we do not we will pay them nothing – we would default. [*Evening Telegram*, March 18, 1932]⁶⁴

Mr. Chairman, before I conclude I want to say that I don't want this gloomy outlook that I have painted to come true, I want my statements to be incorrect. I want this country to enter a prosperous era by next year, but the point I make is that the methods that the Government are adopting are certainly not by any means conducive to achieving that end. I say that the original part of this Budget was drafted to throw dust into my eyes, drafted to belittle the one I made last year, and I have shown here to-day that the figures I have produced are correct, and if you don't believe it you can go to the Department of Finance or the Auditor General's Department and see for yourselves. This Loan Bill for \$2,500,000 and this other piece of legislation, I hope Mr. Lake has better sense than to be a party to that. I'm sorry that you thought that I was referring to you.

I think that I have given this House fair information in connection with the Budget that is now before it for consideration. During my association with the Government on these matters, I got

⁶⁴ Mr. Cashin's speech to this point is taken from *The Evening Telegram*, March 18, 1932: "Mr. Cashin concluded his impressive speech amidst much applause from sitting members as well as strangers in the House."

considerable information which was due this House and which was deliberately kept from it. Consequently I felt that, knowing these facts, the proper place to thrash them out was before the Members of this House. I know that the rank and file of the present Government does not know the facts that I have revealed here. I question if 20 per cent of the Executive Government knows it, because going back to the two or three years that I was associated with the Government, I regret to say that very few members of the Government ever displayed great interest in financial matters; never took them seriously from beginning to end, with the result that we have arrived at a position for which I have to say that there is only one solution left that is not a default. Sir Percy Thompson said in his interview that if we reduced the interest charges it would be tantamount to a default. I say that if we reduced the interest we would [be] making a compromise; if we default we would be paying nothing; if we compromise we would be paying something. The position now is that in my opinion we are going to pay nothing. What is it going to be? That is up to the Members of this House and the Government to solve the situation.

Rt. Hon. Prime Minister: We are now in Committee of the Whole on Ways and Means. My learned friend has just finished his speech.

Hon. Leader of the Opposition: These amendments are now in effect so far as the Customs are concerned.

Rt. Hon. Prime Minister: They go into effect immediately except the one item which means an increased tax on butterine. That goes into effect to-morrow morning; the others are actually in effect; that means that taxes are being collected.

Hon. Leader of the Opposition: What is the idea of increasing the tax on butterine?

Rt. Hon. Prime Minister: That was an adjustment made in connection with the protection of local products. It does not affect the Budget from the standpoint of balancing. If there is any less imported, it means that there is more local product sold.

Mr. Puddester: What is the effect of Schedule A in the second resolution of the Budget?

Rt. Hon. Prime Minister: After item 30 in this, this is the free tariff.

Mr. Emerson: Was this additional protection existing before to-day?

Rt. Hon. Prime Minister: Butterine is 2 cents excise and 2 cents additional duty, so that it balances; this here is on certain foreign butterine which comes in contact with our own local butterine, and it gives local butterine a slight preference.

Mr. Emerson: Have they asked for this extra protection?

Rt. Hon. Prime Minister: Yes. At the present moment a considerable quantity of foreign butterine is dumped into the local market. It is not a very large quantity, but constitutes a dumping process.

Hon. Leader of the Opposition: I think it is entirely wrong; that 2 cents won't prevent dumping. You have an Act that will take care of it. I am delighted to see the honourable gentleman giving consideration to any local industry, but it just happens that of all local industries in this country, butterine factories are paying the handsomest dividends. It is like bringing coals to Newcastle.

I don't know if the honourable gentleman knows that there is not a shoe concern in this country that is making money, and there is no protection given. I am sure that the member for Harbour Grace will corroborate every word I say. It was a toss-up that the Newfoundland factories did not close down. I think if the Prime Minister is going to consider protection for local industries he should at least be fair and begin with those who need it most, and I do think shoe factories are most in need of protection. I am able to speak because I have no money invested in any of them. I know it is just a question of another year and the Newfoundland Boot and Shoe Factory will close down, never to start again until there is a government in power who will consider local industries. It is bringing coals to Newcastle – this protection. I like to see them getting it, but I think you should start first with where it is needed worst.

Mr. Emerson: I would like to add a remark to that, in the hope that the Prime Minister, before the Budget goes through, will give consideration to all factories. At the present time the shoe factory and the tobacco factory are only working when they require supplies. One clothing factory is closed, the Newfoundland is not working at all, and one factory is working part-time. In St. John's alone, there could be 1,000 people employed if those factories were going. I think that unless the Government is prepared to consider giving some protection to those factories so that work may be given, then they ought to explain the reasons why that protection is not given at the present time, when they are paying dole to the families of those people who would be employed in those factories, in addition to the revenue-losing duties which it could collect if they were earning. Unless the demands made by these factories are excessive, then I think it is the duty of the Government to do its best to get them on their feet. I hope that the Prime Minister will take into consideration that position before the Budget goes through, and bring down some amendments which will ensure that they will be ready to start work in the near future.

Hon. Leader of the Opposition: I feel that the Prime Minister should be very ready to do this. At the last session of the House we were asked to enact a certain legislation that would have given a net protection of 60 per cent to outside capital. Here our Newfoundland people with Newfoundland money in these factories can get no protection. The Prime Minister in November of 1928 stated that he was going to wipe them out of existence and he did his best. The Minister of Finance could not have done it without the consent of the Prime Minister. You talked about the profiteering of the St. John's manufacturers.

Rt. Hon. Prime Minister: My honourable friend made a mis-statement, and he ought to be straight and frank.

Hon. Leader of the Opposition: Name the statement.

Rt. Hon. Prime Minister: You said I made a certain statement which I did not make.

Mr. Archibald thought perhaps the statement was not made seriously.

Mr. Puddester: Did you repudiate the statement when it was made? It was not made last year but was made in 1930.

Mr. Archibald: I am not playing to the gallery; there are a number of people in this House who are not representing the outports of this country.

I have sat here in my chair this year and every Member in this House knows what happened last year, what happened to me. I was not in this House when the statement was made.

Had I been in my seat last year, which unfortunately I did not get in at all. I have had some very nasty insinuations made with reference to this which I want to try to forget, if I can, but I do say this, and if it was made before that, I was not present last year. I absolutely agree with the Leader of the Opposition, and I say to my own Government, that I hope that ways and means will be devised that factories in this country may start to work. I have said a lot in party meetings with a view of trying to remedy certain things happening in this country to get local factories to work. I understand a serious effort is being made to get them to work. We have had a left boot coming in this country and the next month the boot for the other foot came in here. I have fought my own Government in party meetings; not fought them, but put the question up to them, and I am very pleased to know that an effort is being made, which I think is the right effort to put back the manufacturers to work. If I find that that effort is not going to be carried out, then I will have something to say about it. I agree with what has happened there; I can only give the Government credit so far.

Reference has been made to the efforts being made to see that duty was more efficiently collected at the Customs House. [*Daily News*, March 18, 1932]

Mr. Archibald: [*continued*] I sincerely [hope] that more efficiency will be shown and more duties collected, if not I shall have something to say. I only arose to speak on this matter at all with the greatest reluctance as I am personally interested in the shoe business, but I would like to see local industries encouraged. I think also that something constructive should be done to prevent dumping. I want to say to Mr. Puddester, with regard to the statement made by Mr. Cashin, that my money is invested in the shoe business, and it would be a peculiar thing if I agreed with him. I feel it is too bad, in a time like this, when the country is in a mess and on her beam ends, that so many statements are made as have been in recent days, and I hope that before anybody else moves out something constructive will be done. I don't believe in criticism alone without anything constructive being offered, and I think it is silly for Members to stand up in their places and get the applause of the gallery by remarks which are not calculated to get us anywhere. If the people of the country don't want Sir Richard Squires they will know what to do in the Fall. I do say that in the present state of our finances it is really too bad that such things should be said even if they are true. They have a very detrimental effect, and they are no sooner said than they are telegraphed out of the country. I want to say further, that in my opinion if we default it will be a black day for us all. I have heard the statements about repudiation made by certain Members of the Opposition, and in this connection I want to compliment Mr. Emerson on his remarks which I think ought to have a far-reaching effect. A lot of people who talk about repudiating our debts do not know what they are talking about. I

hope the Hon. Members will try to be consistent, to forget about personalities and try and get the country back on its feet.

Mr. Puddester: I think it is a remarkable fact that when the [ex-]Minister of Finance made that statement [in regard to local factories] nobody in the Government saw fit to repudiate it. That statement was made in 1930, and not a member of the Government said anything about it. Why should it take two years to repudiate that statement unless you agreed with it at the time? With regard to protection, my opinion is that some protection is necessary, but I am against high protection. My slogan has always been the greatest good for the greatest number, and if over 220,000 poor people can benefit by cheap boots, I don't see why we should put on prohibitive duties in order to keep 20 people in employment. I don't agree with the 6 cents a pound duty on butterine. If people here can buy Killarney butter for 3 cents a pound cheaper than the local, I think it is my duty as the representative of an outport constituency to do all in my power to let these people have the cheaper rate. The Hon. Member for Harbour Grace has just mentioned about playing politics. I have a message before me now in which the Hon. Member expresses his dissatisfaction with the Government, and in which he says he considers certain things an insult.⁶⁵

Mr. Archibald: This message was sent me by the relief committee of Harbour Grace asking me to try and raise the amount of \$1.80 a month. I sent back a reply saying I would take the matter up and interviewed the Department. I got little satisfaction. I know the country has at present very little money to give, but I sympathize heartily with those people and I still think \$1.80 a month is an insult. By that I didn't mean to say that the Government could afford to pay more.

Mr. Puddester: I would like to know what is being done in regard to the wholesale smuggling of cigarettes. You know that there has been excessive smuggling of cigarettes going on for years.

Rt. Hon. Prime Minister: They are under very careful observation and surveillance at the present time.

Mr. Puddester: How is it that cigarettes are being and have been smuggled openly and defiantly and offered for sale and smoked openly in St. John's? If we had an active preventative service I do not think it could be done. We have heard of a new system at the Customs to prevent people from getting clear with goods at the examining warehouse. I would like to know why it was necessary to bring about that new reorganization there.

Rt. Hon. Prime Minister: Efforts have been made to improve the situation generally.

Mr. Puddester: And that is all you have to say about it?

Rt. Hon. Prime Minister: Yes, a real effort has been made to improve the situation generally.

⁶⁵ "The telegram stated that he could get little satisfaction from the Department and that he considered \$1.80 a month for poor relief an insult to the people." *Daily News*, March 18, 1932.

Mr. Quinton: Mr. Chairman, I would like to make a few observations on the subject of Ways and Means, as contained in the Budget speech, and preliminary thereto, I would like, on behalf of the residents of certain settlements in my District, to take this opportunity to acknowledge the information given me by the Hon. Secretary of State, to the effect that in response to my request in the House the day previous, the Department of Health has instructed Dr. Cross of Clarenville to proceed to the relief of the serious cases of illness in Canning's Cove, Jamestown and Winterbrook. This action was taken that forenoon, and I deplore the fact that the Secretary of State did not make a special effort to have medical attendance carried to those who needed it, particularly since telegraphic instructions could have been passed through both Clarenville and Lethbridge Railway offices.

Now, Sir, I think the Budget speech, and the proposals to obtain additional revenue, is another attempt on the part of the present Government to grind the faces of the poor into the dust. It is significant to observe that such prominent members of the Executive Government, Mr. Cashin and Dr. Mosdell, together with Captain Parsons and Mr. Fudge, refused to be party to such a measure of political iniquity. How could men uphold or defend something in which they had lost faith, or for which they had lost even sympathetic consideration, and, if there is any regret which these Hon. Members have, it must be that they did not sever their connection sooner.

This Budget speech, as well as the Speech from the Throne, show that the Squires administration, since they were unfortunately entrusted with the confidence of a majority of voters, is devoid of any honest-to-goodness action. Their policy is corrupt and merits the fullest condemnation of all citizens of the country. A policy can only be as useful as its originators are capable, and through sheer incapacity, the country has been placed in a most undignified and humiliating position. If I had been in active public life and power and place as some politicians, and had been as unfruitful in the public welfare as some have been, I would be ashamed to look at people straight in the face.

The difference between a corrupt politician and an honest statesman to-day can best be demonstrated by the extent of his worldly possessions as these increase or decrease after his entry into public life, and here in Newfoundland we have ample opportunity for observation. Our chief cause of economic sorrow to-day in state financial circles is because it has been self first, and the country to the bow-wows. We have, apparently, been suffering from the calamitous complaint, a cancerous growth, the poison of which seems to have saturated the whole bloodstream of our public life. A condition of affairs exists which many men would shrink from as they would leprosy, and, unfortunately, too many of our public men have become tainted with the germ and disease of political leprosy. Being new to that type of the political game, I can speak without reserve, and while I hold a seat in this chamber, my determination is to handle matters fearlessly and with a single eye to the public welfare, having, of course, at all times, regard and "conscious recollection" for the feelings and the minds of other men in this House.

Many times within the past three years I have almost come to regret having entered the political field, but now that I am into it with clean hands I intend to keep them clean and to stand up with my colleagues for a complete cleansing of our public life. Now, despite the fact that governments have become corrupt, the people are desirous of having sound and clean administration, and are ready to rally to the defence of ideals, even though they may be clinging to

the wreck of our public morality. Some members on the Government side of the House have gone out of their way to ask Opposition members to drop the party side of political discussions. I want to point out to these gentlemen that time after time during the past three years in this House, valuable advice was tendered unselfishly by the Alderdice party, only to be scorned, ridiculed, and despised. It is too late in the game to repent now. The willful public damage has been done, and the Government can only look back with regret, if they are so capable, at the trail of oppression, wrongdoing, scandal, and poverty along which they have ridden to self-glory.

I feel, Sir, that the Government has acted with some discretion in their decision not to interfere with the pensions of soldiers and sailors. The expectancy of life of these men is all too short, as practically every day the ensign is at half-mast on the roof of G.W.V.A. Headquarters as a signal that a comrade has passed on. [If] the Honourable Members knew the number of these men who are dying out at ages of from 35 to 40, they would not require more conclusive proof that the disabled man is entitled to a full measure of practical and sympathetic consideration. With regard to Reparations, I would like to know if some decisive action could not be taken in respect to the balance remaining in [the] Reparations Account, namely \$183,000. If there are claims, why not pay these claims and have the matter cleaned up once and for all, and if they are not going to be dealt with, why not have this amount passed over to [the] Exchequer Account? There is no need to have this money held over year after year to provide [a] happy hunting ground for those who are least entitled to share in it. I have here a clipping from the *Toronto Globe* wherein the Canadian ex-prisoners of war claim they got a dirty deal (*reads extract from paper*).

I do not say that these conditions exist in Newfoundland, but I do suggest to the Prime Minister that this matter be disposed of, that the money be either paid out to those bona fide claims or else passed into [the] Exchequer Account to the credit of the Colony to help pay our bills. Ex-servicemen here in Newfoundland realize the large sum of money that is paid out as pensions, and I am not convinced but that there could be a better distribution of funds made. In my opinion, the man with plenty of this world's goods who is in receipt of a pension and who does not pass it into the Treasury is not loyal to the spirit of those men who so willingly made the supreme sacrifice when their country needed them. I commend again to the Prime Minister the names of the two men who are ex-servicemen who were dismissed, they have no means absolutely of eking out an existence and I think it is, to say the least, nothing short of calamitous to have these men dismissed ...

Rt. Hon. Prime Minister: Who are they?

Mr. Quinton: I shall pass over their names to the Prime Minister at the conclusion of my remarks. Our difficulties have not been solved by the experts who have been brought here, and further they are not going to be solved by them alone. They can only do the pruning. The plant must be fertilized and cultivated and generally looked after, and it is up to us to see that this is done, and despite the fact that we are leaving everything on the shoulders of these experts who are doing the work of the Government, they have to leave sometime, and it is up to us to look after our own country. They are not interested in this country, we own this country and we should see that we put this land of ours in a condition to live in, if not for our own sake, for the sake of those generations yet unborn.

In a sense I do not blame these experts, they were unfortunate in tackling a job brought about

by the incapability of the Prime Minister and his Cabinet and by some governments of the past, they have tackled a job brought about by the incapability of the present administration and by some administrations of the past.

The Member for Harbour Grace speaks about the \$1.80 a month dole. I say that all this was brought about by the incapability of those in high places, and this resulted in a disordered public policy and a confused public mind. We have a lot of good citizens, too proud to beg, who are slowly slipping into economic oblivion. If the Government had played the game, the Gander would have been to-day our sheet anchor, if the Government had played the game our economic condition would have been a great deal better. We have been "looking through the keyhole with a glass eye," that is what we have been doing. Mr. Chairman, as far as the Gander is concerned, I think that references made by previous speakers have fairly well covered the ground, but I would like to point out that there are many many people who do not realize what this industry would have meant to the Northeast coast of Newfoundland. If you can imagine another industry the size of the one at Corner Brook within eight[y] miles of St. John's you can readily see what a wonderful benefit it would be. Fogo and Notre Dame Bay generally have been helped a great deal by the industry at Grand Falls, they have not felt the unemployment as we have done, if we had this industry on the Gander, Bonavista and Trinity Bays would have been greatly assisted, and would not have to have recess to the cocoa and molasses and the \$1.80 a [month] which is their lot to-day.

I am going to make another suggestion in connection with the Railway. I cannot conceive of how a railway policy can be anything but a policy of thrift, but here in this country our Railway has not been thoughtfully organized, if we had thoughtful men to guide the destinies of our Railway we would have had cold storage plants at every important junction along the railway line, instead of to-day having products coming in here from the outports in a bad and rotten condition. Instead of that, instead of facilities to help stimulate industry and trade throughout the districts of the country, we have more and more districts depending on the dole.

If a military engineer built the highroad like the Government here did, particularly like this one, he would be court-martialled, shot at dawn. \$6,000,000 that this country could well afford was thrown away on unproductive employment. Why is it that the men in power cannot think in bigger terms? Why must the money of the tax payers of this poverty-stricken Island of ours be scattered to the four winds? Are we going to go back to the people and talk to the public in the same old way, touched up with a few new promises, and then come in here and play ducks and drakes with the country's finances? I say here now, Sir, that to my way of thinking that the man who was responsible for blocking an industry on the Gander should go down to his grave "unwept, unhonoured, and unsung," my District feels it, every District throughout the country feels it. If we had a paper mill on [the] Gander in 1930 I say, Sir, that we would not be crushed under the iron heel of depression as we are to-day.

There has been a lot of discussion lately about the disposal of the Labrador. I have always held that the Labrador was the lever by which we hoped to get an industry on the Gander, and I ask the House in all sincerity if they are prepared to let that valuable territory pass from our hands in a moment of economic distress. I have always held that this very valuable [asset] should be our "crowning glory." This Mr. Champlain, whom we have heard so much about, should be told to go to some other country.

Although we consider the Gander industry a very useful adjunct to our people, we should not

forget that the mainspring of this country is its fisheries, we cannot get around the fact that the prosperity of this little country of ours rises and falls with our fisheries. Capt. John Parsons, this afternoon, made reference to the question of salt. This is to my mind a very important question and I think, Sir, that before the salt importations are made for this year, that we should take up this question of salt. It is up to us Members of this Honourable House of Assembly to see to it that our fishermen are protected.

Mr. Chairman, if it is fully the pleasure of the House, I move that the Chairman leave the Chair of the Committee until 8 o'clock.

The Chairman resumed the Chair at 8 o'clock.

Mr. Quinton: Mr. Chairman, when the House rose this afternoon, I had come to the stage which concerned the fisheries. I find the matter of talking these things over year after year wearisome business, but if there is one reason more than another why I do, it is because [I am] a Newfoundlander myself, and because my people lived here for 150 years before me, and have always been concerned with the most vital industry of our country. It is not as much for my own sake as for the sake of my children, and the children of each and every man in this country.

I find on page 12 of the Auditor General's report a statement which applies to all of us (*reads*). I think that that statement is very significant, and is one that this House should consider carefully and well, and as long as we do not tackle the fisheries in a thoughtful manner we shall always have these things all over again. Take the question of salt. Last Summer I had the opportunity of examining a shipment of fish from one of our outports which was shipped from that place as Number 1, and when it arrived at St. John's it passed as cullage. There was a crust over it like cement, and when the crust was broken the fish was rotten and for that I blame the salt. This I submit, Sir, is a very important question and is one that should be considered. I understand that the research bureau at Bay Bulls has analyzed some samples of salt that were used and have published the results, and I understand that certain firms have satisfied themselves that we have been using second hand salt. Now, Sir, there is a law to prohibit this, and it is up to this House to prevent this being done. I have some correspondence in regard to this matter here from the [*omission*] Secretary at Buenos Aires, and for the information of the House I will read it (*reads*).

The figures may be dry reading so I will pass on (*reads*).

I suggest that some sort of Bureau under the auspices of the Department of Lands and Fisheries be set up in order to try and devise some new methods. I say now there is deplorable neglect, not only in the protecting, but also in the marketing of our fish. I say the proper inspection of our herring is a thing of the most vital importance, and the Department of Fisheries should see to it that a proper system be inaugurated as soon as possible. We have the fattest fish in the world and the best fishermen, but our inspection system is antiquated and unreliable, and in consequence our markets have dwindled.

A survey of the country should have long ago been made with a view to selecting the most fertile places to which people should be attached for settlement. This survey should have been made from an economic angle, and people could have been transplanted from barren districts to the more fertile ones, and we would not have the spectacle we have to-day of seeing people starve in a country practically teeming with wealth. The first duty of the state is to provide means for the self-support

of its citizens, and out of this grouping would come an increased productivity and improved standard of living. Nature demands movement. It must be either backwards or forwards, and we are going backwards now.

Some time ago I referred here in the House to a certain consignment of lobster and asked the Minister if the packer's licence had been cancelled. I felt that even cancellation was not enough. People have been packing fish products which have been condemned in the United States, and only now they are beginning to realize that we are losing our markets. I don't blame the inspectors but the director of the inspectors.

Now, Sir, there is a section in the Budget speech dealing with the amalgamation of the Department of Fisheries with the Department of Agriculture and Mines (*reads*). Mr. Chairman, I question the wisdom of that merger as the Hon. Leader of the Opposition has done before me. I say, Sir, that the Department of [Marine] and Fisheries is a one-man job. Never before in the history of the country has it been so necessary that our natural resources be developed to their fullest extent. The fishery should be developed with the greatest possible vigour, and every available acre of land should be brought under cultivation. It is time this state of affairs was taken up in earnest and a serious effort made to get back to the sea for our sustenance, as did our forefathers who were not afraid of work and whose industry and toil we have disgracefully dissipated. I contend that this House of Assembly should appoint unpaid committees at once to consider with the trade the following matters:

1. The supplying of a proper grade of salt to shore, bank and Labrador fishermen for the coming season.
2. To examine the whole problem of curing and marketing codfish, particularly with a view to retaining markets we are apparently losing, and to locate and develop new ones.
3. To examine the whole system of canning and packing fishery products such as lobster, herring, etc., and place it on a reliable basis.
4. To examine into the question of shipping our fishery products to market in our own ships, or in ships that will employ our own seamen.

Mr. Chairman, in connection with this last I might say that we have permitted outsiders to do our work for too long. We have our own seamen as good as any in the world walking about, while foreigners are bringing our products away from our shores.

Mr. Chairman, I have previously referred to a communication sent out by the Minister of Fisheries to a gentleman who was enquiring for a recipe for herring and bloater packing, and in spite of the research department he got this letter (*reads*). I afterwards obtained this information myself from an inspector of large experience and sent it along, but if I had been as neglectful as the Minister this would not have been obtained.

Mr. Chairman, before I sit down I want to say a word in connection with the Petroleum Bill. I think myself that every governmentally controlled commercial proposition is doomed to failure. The price is driven up, the consumer does not benefit and it is usually found that the Treasury has to foot a bill. If the Posts and Telegraphs were under private control, I am convinced myself that we would not have a deficit year after year.

Nothing is possible of achievement unless it is tackled in a proper fashion and it is possible, perhaps, that in a moment of seeming economic defeat victory can be snatched, and to the Leader whom I have followed since October 1928 and who I believe is destined to lead this country and her

people out of the mire of stagnated business to progress and prosperity, I will take off my hat, and in pursuance of that object I will follow him to the end of the trail.⁶⁶

Rt. Hon. Prime Minister: Mr. Chairman, I am quite sure that the honourable gentleman will appreciate that, as Leader of the Government, I cannot agree in total with everything that he has said, but I do take this early opportunity to congratulate him on his well-considered, well-delivered and constructive speech.

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 motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider certain Resolutions in relation to the Bonus on War Pensions.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: Mr. Chairman, this is the annual Act passed year after year, and, with a recent understanding, is to be passed again this year. I have not actually examined into the Act myself, but there is no difference as to the wording this year from last year.

Mr. Emerson: It has been rumoured and stated in the press that the vote for war pensions, which was being cut, according to the Estimates as tabled, will not go back to its original figure. May I ask the Prime Minister if that is so?

Rt. Hon. Prime Minister: It does not necessarily follow that the vote for the Department will go back, but the amount of money the men will receive for 1932-33 will be the same as they received for 1931-32, and on the same basis and on the same lines these pensions will be in force. The additional amount required will be provided for in Additional Estimates, and Resolutions will be submitted to the House in Ways and Means and then certain changes and alterations will be observed in the Estimates.

Mr. Emerson: Do you think you will have the variations made before the next sitting of the House?

⁶⁶ The speech as printed in both *The Daily News* and *The Evening Telegram* differs from the transcript, although the content is generally the same.

Rt. Hon. Prime Minister: I expect so.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed the said Resolutions without amendment and recommended the introduction of a Bill to give effect to the same.

On motion this report was received and adopted, and the Bill entitled "An Act respecting a Bonus Addition to pensions under the War Pensions Act, 1922" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Hon. Minister of Public Works: Tables answers to Question No. 209.

Hon. Secretary of State: Tables answers to Questions No. 222, 95, 200, 210.

Mr. Puddester: I would like to ask the Minister of Public Works if there is to be a report of the Highroads Commission tabled here for the year 1931.

Hon. Minister of Public Works: It will be tabled here in the next two or three days, it is not printed but I will table it in typewritten form.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend Chapter 27 of the Consolidated Statutes (Third Series) entitled 'Of Death Duties.'"

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: This Bill has been distributed to members a week ago. Under the Treasury Control Bill there are certain charges which affect death duties, and this places a certain responsibility on the Controller of the Treasury. The explanatory note gives a general digest of the Bill which is purely technical in character (*reads explanatory note*). It is generally considered by those more acquainted with death duties than I that this is a positive improvement on the existing laws.

Hon. Leader of the Opposition: When a provisional certificate is issued you have to pay the estimated value of the estate, and when the final value is made and it is found that it has been over-estimated, I suppose you will return the amount by which it was over-valued?

Rt. Hon. Prime Minister: Yes.

Mr. Emerson: That is provided for in sub-section (4).

Hon. Leader of the Opposition: Is this retroactive?

Rt. Hon. Prime Minister: It will come into effect the day the Bill is passed.

(Clerks reads Bill.)

Mr. Winter: I would ask the Prime Minister is any provision made for interest charges?

Mr. Emerson: I think there is a provision in the Act for 6 per cent.

Mr. Cashin: What will be the duties of the Minister of Finance? Will he have any but to draw his salary?

Rt. Hon. Prime Minister: Under this Act it is clear that it is the Minister of Finance who collects the money. Sub-section (3), for instance, at the top of page 4 reads: (*reads*).

It is the Controller who decides on the valuation and not the Minister.

Mr. Cashin: The Minister of Finance in future is only a figurehead. The Minister of Finance in St. John's is no more. Possibly I was the last man who held it. This Bill here in the amendment to the Act simply wipes out the power, if he had any, of the Minister of Finance. Whether he thinks a thing is right or wrong, he has no more to say any more.

Rt. Hon. Prime Minister: In so far as relates to Death Duties.

Mr. Cashin: As I take it, in an interview that was given yesterday by Mr. Penson. Mr. Bindon went into office at the Finance Department. Mr. Penson says he has nothing to do down there. I would like to be in the position to have one whom he can suspend under the Act, control: it is just the same as having the messenger boy run the boss.

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 on to-morrow.

Pursuant to Order, and on motion of the Minister of Public Works, the House resolved itself into a Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

... the vote for the Public Works Department was taken up. The Minister explained the estimates at some length, showing where it was hoped to save money. In reply to a question from Mr. Puddester, he stated the estimates were not prepared by the experts but was the work of his own Department.

A general discussion on the estimates was then entered into. Mr. Puddester had before him a copy of the report, dated in July last, of the Economy Commission on the Department and a letter written by the Minister, and many questions arising out of this report were asked. Mr. Byrne asked how much was hoped to be saved by installing the "pulveriser" in the hospital and was told that one man less would be employed. He stated the machine had not been tried well yet, but it was guaranteed. Mr. Emerson thought it was a poor thing to experiment at an institution like the hospital. Mr. Puddester asked about the supplies at the Fever Hospital. It would appear that it takes the same amount of supplies for that institution no matter how many patients are in. In the months of October, November, December, with very few patients the supplies ran from \$600 to \$800 per month. The Minister stated he would enquire. In the course of another enquiry from Mr. Puddester, it was found that it is the intention of the Government to take from the city the \$8,250 for street lighting. The Minister stated that under the present Municipal Act the Government was supposed to contribute \$8,000 for city lighting and that under these provisions the only saving that could be effected was \$250. A new Act would be introduced to take the \$8,000 away from the city. In reply to Mr. Emerson, the Minister stated that the Council had not been informed of this beyond getting a copy of the Estimates. Mr. Alderdice did not think this was fair to the council. Already half the motor taxes had been taken from them, now the \$8,000 for lighting and no road grants were to be given. A lengthy discussion took place over the position of Mr. T. A. Hall. The Minister stated that Mr. Hall was to be pensioned and in addition to that he was going to be given the position of Consulting Engineer at a salary of \$1,000 a year. Mr. Puddester asked wasn't it true that at first Mr. Hall's pension was set at \$3,300 and then reduced to \$2,500. In his opinion the new position was only to atone for the loss in pension.

Capt. Parsons agreed that this was so. The Minister had told him that Mr. Hall was going to get a pension of \$3,300 and he went to see Mr. Penson about it and objected to it. He agreed that the extra \$1,000 was only to make up for the reduction in pension that had been decided on, or perhaps the \$3,300 was not enough.

Mr. Moore thought the idea of Mr. Hall being Inspector of Mines was only an excuse. To have a proper Inspector of Mines he would have to be on the spot and inspect the mines every day so as to be sure that everything was in proper order for the men to go into the mines. Having an inspector visit the mines two or three times a year would never prevent accidents. [*Daily News*, March 18, 1932]

Mr. Greene: Mr. Chairman, to clear up the point raised by the Hon. Members for Bay de Verde and Bay Roberts, I think I can claim full responsibility for this vote for Mr. Hall. At a meeting of the Government Party, I asked if it were possible to have the Government Engineer take part of his time examining the mines at Bell Island. You will remember that when the Bill respecting the combination of the Departments of the Board of Works and the Government Engineer came up for discussion, there were three or four lines stricken out of it because the Minister of Public Works pointed out that Mr. Robertson, the newly appointed Government Engineer, could not spare time to

inspect the mines as well as perform his other duties. I then asked to have Mr. Hall retained, and the Minister of Public Works promised me to take the matter up with the Executive Government, with the result that Mr. Hall was taken on as consulting engineer. I felt as the Minister of Mines felt, that an Inspector of Mines was absolutely necessary, and that Mr. Hall would be a good man to appoint for the job. The Member for Carbonear states that there should be a daily inspection of mines. That was thought to apply in the past, but I remember a man named Tucker of Broad Cove who had to make a daily inspection [and] only visited the mines three times a year and then never went down in the mines at all. The idea is to have Mr. Hall, who has very considerable experience in that line of work, make periodical visits to the mines and report back to the Minister of Mines. This would have a moral effect and would keep the Company up to the scratch and have proper safeguards provided against accidents, and I am assured that Mr. Hall will have to visit Bell Island and other mines once a fortnight or once a month, and before as well as after accidents occur.

Mr. Parsons: The Minister of Public Works told me that Mr. Hall was not satisfied with \$3,375 a year pension, that he wanted to be paid on a 30 years' basis and that is the reason why a vote is now being asked to pay him an extra \$1,000.

Hon. Minister of Public Works: That is not the reason. The reason has been explained by the Member for Bell Island.

Mr. Puddester: There is nobody disputing Mr. Greene's sincerity about getting a mining inspector. The point is that Mr. Robinson, who has an assistant, could do the work of mining inspector. At all events, do you think that Mr. Hall is going to do justice to Bell Island and other mines as consulting engineer at \$1,000 a year, and do you think he is going to visit these places any oftener than he did before? I suggest that Mr. Robinson be appointed to fill this job as Mr. Hall did for years, and save this expenditure of \$1,000, because when Mr. Robinson is out of town Mr. Udle, his assistant, could attend to his duties here. Furthermore, Mr. Hall objected to being pensioned and should never have been pensioned.

The Minister is taking credit for these reductions. Why did he not make them last year? Do you think that if you had got the \$8,000,000 and everything had been hunky-dory that you would not have had the same Estimates as last year?

Hon. Minister of Public Works: I admit that in a time of stress we have got to reduce, but I take credit for cutting down expenses in the Public Works Department more than anyone else in the last twenty years. We reduced the cost of provisions by \$21,000 in one year by the introduction of better systems, it might have been done before but it wasn't. We have been spending \$972,700 a year in coal for public buildings and I reduced that by \$25,000. If times were good we would not have to reduce the road grants. I am in favour of spending \$200,000 on the roads etc. because if we don't, in a few years we will have no roads. Our public buildings are growing older, and we could only afford to have them patched up. I don't think that was a fair way to put it, and only that I know the Hon. Member so well I would think that he is playing politics.

Mr. Cashin: How much money does your department owe for work done on the roads last year?

Hon. Minister of Public Works: I think it was about \$10,000.

Mr. Puddester: The Minister takes credit for making these reductions, but I tell him that it was because the Opposition were pounding at him since 1929.

Capt. Parsons pointed out that formerly the sum of \$300,000 a year was voted for roads and maintenance. Now only \$25,000 is being voted and it is going to cost the same in overhead at the Public Works to spend \$25,000 as it did to spend \$300,000.

The discussion went on and Mr. Puddester referred to the Poor House, to ferries and other services. He asked the Minister why these economies were not introduced before, if they were so necessary. Why were two men appointed at the Poor Asylum in 1929 drawing \$5,000 when now Mr. White can do the whole work at \$2,000? Mr. Hibbs wanted a job for his friend. [*Daily News*, March 18, 1932]

(Clerk reads.)

Mr. Puddester: As we go through the Estimates, we will see more points to raise which I am sure that the Minister will be glad to explain, and if there is any way we can reduce I am sure that the Minister will be glad to cooperate. It is now 11:10 and I think that we should rise the Committee.

Mr. Cashin: I have often asked to have the pensions lists tabled here. You laid off some men and kept on others and we don't know which ones are cut off and which ones are kept on, we don't know what they are going to receive and I think that we ought to know, and this pensions list has got to be tabled here. The Government is trying to avoid tabling it, they want to bale out this \$120,000 in a block and how they like. The Government has a list of these pensions submitted by the Finance Department and they are supposed to be tabled, and further this House is entitled to know who they are. The Government is trying to sneak out of giving information, and I say that there are no more Estimates going through here before St. Patrick's Day anyway. Every other year the Estimates showed the individual pensions and this House is entitled to it and the Government is trying to hide it, they are waiting for the last minute to bring them down here. I tell you that there are no more Estimates going through tonight unless you tell us whether we are going to get that list. The same applies to the Postal Telegraphs Department, we don't know which offices are cut out and which are left in, and I say that we should have this information. You know it but the House doesn't know it.

Mr. Lake: I must say that as far as I understand it, that the Finance Department is getting a list of pensions from every Department and that is being done now.

Mr. Cashin: Therefore the Estimates are incomplete. There is this amount of \$120,000 which you are going to bale out how you like. Here is the principle. The amount of \$120,000, which if we put through, the Government is going to allocate as it likes. That is not square. We haven't got this information. You are not able to say what Mr. Hall is getting, you don't know what you are voting on, it is the same in the Post and Telegraphs Department, we don't know what is going on and we

don't know which offices are cut out.

Mr. Hibbs: We could leave over that section and make some progress.

Mr. Cashin: We are not going to make any progress until I get that information.

Hon. Leader of the Opposition: Has the Minister got the list of pensions in his Department?

Hon. Minister of Public Works: Yes, I have got them.

Mr. Emerson: There is also the question of Mr. Hall's pension, his position is not defined and the vote should be in the Lands and Fisheries Department.

(Chairman puts motion, which is defeated.)

Mr. Cashin: Well, if that is the position, that you are going to try and put these through by brute force, I am going to fight them to a finish. I was there when these Estimates were drawn up and I knew about them before the members of the Government knew about them, and I am going to make a few remarks on them.

In connection with the Public Works Estimates, you have a vote there for a crusher of \$4,000 in the General Hospital which was imported without the knowledge of the Government. A contract was entered into with some persons and the saving on coal was supposed to pay for it. Mr. Hall's position is one that has arisen since I left the Government. Mr. Hall was pensioned at \$3,300 a year and I know that his pension was reduced to \$2,500 a year, and this looking after the mines is all bunk. All of a sudden the Government had the idea of looking after the miners on Bell Island, and in order to look after them they had to pay Mr. Hall an extra \$1,000. I don't know how long you want to keep this place open, but I suggest that we discuss the situation from page 6.

We were supposed to raise \$2,500,000, and we were giving the Petroleum Products Bill as security. There was no information given us, it was refused and I say that we are entitled to it. The Government is trying by brute force to ram this through the Legislature, and I consider that the Government, in justice to this House and the people of this country generally, should give the information asked for whether by Opposition or Independent. The Government has failed to do that, and they are deliberately making a slush fund out of this \$120,000 to dole out to their supporters as they like. This House got notice yesterday of a motion to move that a Select Committee be appointed re the redistribution of seats. I do not know if the Government has adopted a policy along these lines, but I do think that they are trying to pass the buck to a Committee. In the Estimates the sessional pay of members was reduced to \$750, and the vote was \$30,000, and there was no thought of redistribution. I tell you there is a certain gentleman of the Government, who is not in his seat now, who is a strong advocate of redistribution and this is thrown in as a bait lest he may kick up a row when he comes back. The Government has no idea of bringing in a Bill to that effect. I am a strong supporter of redistribution, and in my opinion the number of seats should be reduced to 24 and they should be paid the same as they were in 1919 when they got \$200 or \$300. The men that sat in this House in 1919 were just as good if not better than the men who are sitting in it to-day, at

least their records were not as tainted as is the Government's during the last six months. All I got to do is to look at these Estimates and anybody who is friendly towards the Government, his salary is not touched, and if he happened to be on the outs with the Government his salary was cut to pieces, in some cases salaries were reduced 50 per cent merely for spite and I can prove it in my Department. Take the Department of Customs, what happened? I call the attention of the House and the gentleman directing these Estimates through to the first page – outport collectors – he won't even listen to me: I compiled the Customs Estimates and they were good enough for the experts then and why are they not good enough for them now? The collector at Argentia was getting \$1,500 less 10 per cent last year and the Government reduced it to \$600. I would like the new Minister of Customs to tell me why this was done. The same thing happened in my District, everything was deliberately ripped out, it was not very material to me because I may not be in public life very much longer, but while I am representing my District I want to see them get fair play. At Cape Broyle there has always been a Customs officer for the past 30 years, there has been a lot of Lunenburg vessels calling there every year for bait and supplies, and I wiped out this port, but I put in \$150 for two or three months during the year because these vessels called there for their bait and ice ...

Mr. Murphy: I would like to point out to the Hon. Member that Argentia should be \$900.

Mr. Cashin: Why is it not in there?

Mr. Murphy: I think it is a misprint.

Mr. Cashin: I think it is deliberate. Why is the filing clerk in the Prime Minister's Department still left in? And they wipe out Collectors who are essential to the trade of the country, I say it is only spite on the part of the Prime Minister.

Mr. Murphy: I assure you that Argentia is \$900.

Mr. Cashin: Let us assume it was \$900, it should have been \$1,350, as I was just pointing out the whole thing was not a misprint but was done deliberately.

Mr. Emerson: If it was a misprint how is it that the addition at the bottom of the column is correct?

Mr. Murphy: I took a particular interest in the matter, and I was assured that \$900 was the amount. It was discussed at a party meeting and I thought it funny that the amount should be reduced from that compiled by the ex-Minister of Finance.

Hon. Leader of the Opposition: Why should salaries of this kind be subject to the whims of party politicians?

Rt. Hon. Prime Minister: They were graded by Mr. Cashin before his resignation. This particular office, not this particular individual, came in the \$900 class. Every one of these salaries was discussed at party meetings.

Mr. Cashin: I have a copy of the Estimates here. I was very careful to take a copy when I retired from office. The Prime Minister says I graded these positions. Then why are they changed? I know why they were changed. The Prime Minister sees fit to go out. I am not going ahead until the Prime Minister comes in again.

Hon. Leader of the Opposition: Mr. Chairman, perhaps I might appeal to the Minister in charge. To-morrow is St. Patrick's Day and as I am an Irishman, don't you think it would be as well to raise the Committee and ask leave to sit again on to-morrow?

Mr. Cashin: The gauntlet has been thrown. These Estimates are not going through tonight. I have as much right to ask for information in this House as any man in it. I fought my way to this House and helped to make you Prime Minister, and now because I have disagreed with the Government I am snubbed when I ask for information on behalf of the people of this country who sent all of us here. I am just as much entitled to get information as any other man in this House, and am quite satisfied to stay here until daylight too. I have been up until daylight before, going through this country helping to put the present Government in power. What right has the Government to withhold from the people's representatives in this House information they are justly entitled to have? Is it because the Government have brute force? Now I am taking back nothing I have said and I want to have a list of pensioners in this House before the vote for the Public Works Department goes through, because this is where the list should be, not hidden away in the Department of the Secretary of State. I regret to have to say that this information is withheld deliberately. We want that list here so as to make a check up because I happen to know something about these pensions. I [was there when] they were being made up. The Minister of Public Works can only tell me what he recommended for pensions; he cannot tell me what the Executive Government decided, that is, from the 1st July next onward.

Rt. Hon. Prime Minister: It is impossible to do this until the new Pension Bill, which we propose to bring in, is passed this House, because the pension list based upon the 1926 Pension Act is going to be scaled down considerably.

Mr. Cashin: I know it has to be scaled down, because the Government have not got the money to pay these pensions. You know I was associated with your Estimates, and I want to see the right and proper thing done.

Hon. Leader of the Opposition: Does the Hon. Prime Minister expect a considerable cut in the pensions?

Rt. Hon. Prime Minister: The total cut estimated altogether is approximately 40 per cent of what normally would be paid for pensions. Some pensions will be dropped altogether and others will be scaled down, in accordance with the 1926 Act. It ought [to] be possible for the Minister of Public Works in so far as his Department is concerned to furnish the ex-Minister of Finance with a list of the pensioners of his Department. But if the ex-Minister wants the entire pension list for all

Departments supplied that would be impossible at this juncture, because these pensions will be brought in by each individual head of each Department.

Mr. Cashin: The point is that the Government asks the House to vote \$120,000 for pensions. We don't know who are going to be reduced or dropped entirely or who are not. Now if, as the Prime Minister states, the Minister of Public Works can get his list of pensions, I do not see why the other heads of Department cannot get their lists also.

Hon. Leader of the Opposition: What amount do you expect to get under the proposed new pension scale?

Rt. Hon. Prime Minister: The proposed pension list is to be made up of three classes of pensions. There is one dealing with the older class of pensioners, and which is the result of miscellaneous arrangements of fifteen years ago. The second includes a class of people who, under normal circumstances, might not be pensioned at all, but who have received pension allowances, instead of technically legally correct pensions, during the past 25 years. It then includes a class of pensioners who were specifically pensioned under the 1926 Act. It means that each Minister of each Department has to take his own group of pensions dealing with his own Department and have them brought into harmony first with the 1926 Act, as all past pensions will have to be brought in harmony with the 1926 Act. We will then know exactly what the pension list will be on the application of the 1926 Act, which was so wisely passed by the Monroe Ministry. We also feel that the 1926 Act is to be brought within the scope of operation to apply to Newfoundland's present financial position. We, consequently, propose to bring in a new Act along the lines of the 1926 Act, but a little more rigorous in its terms. The result is that when we have scaled down all the pensions to the standard of the 1926 Act, the new Act will come in and make certain alterations and reductions so that the total vote for pensions as at the 1st of July next, and as at the 30th day of June 1933 will be approximately 40 per cent of what the vote would be had we been going on giving pensions on the old scale. For instance, some may get nothing, others may get 10 per cent of their salaries, some may get pensions based on salaries and emoluments, and there are a multitude of causes upon which pensions will be based. The Act is not as broad in its scope as under the old system, and it is to modify the old system that this new Act is being brought into law. So it is impossible to say that the pensions will be a certain amount. I can only say that they will be in accord with the 1926 Act and also with the new Bill under which the pensions will be scaled considerably. If the suggestion is that Mr. Hibbs bring in the pension list on the basis of the 1926 Act, it is satisfactory to me on the assurance of the Leader of the Opposition...

Hon. Leader of the Opposition: I can only promise for my party; I can't speak for the Hon. Member for Ferryland.

Mr. Moore: Under the 1926 Act, how long has a man to be in the employ of the Government as a civil servant?

Rt. Hon. Prime Minister: Under the 1926 Act, ten years.

Mr. Moore: What is it under the new Act?

Rt. Hon. Prime Minister: It is not yet tabled.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, has made some progress, and asked leave to sit again on to-morrow.

The remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises it adjourn until Friday, the 18th instant, at three of the clock in the afternoon.

The House then adjourned accordingly.

Friday, March 18, 1932

The House met at three o'clock in the afternoon, pursuant to adjournment.

Hon. Mr. Bindon presented a petition from Holyrood Pond Fisheries Limited praying for an extension of time for the completion of their fishery operations.

On motion this petition was received, and it was ordered that a Select Committee be appointed to enquire and report as to whether the Rules of the House respecting such petitions have been observed.

The said Select Committee was appointed as follows: Hon. the Speaker, Hon. Mr. Bradley, Hon. Mr. Lewis, Mr. Emerson, Mr. Winter.

Mr. Puddester presented a petition from residents of Conception Bay on behalf of a reduction of motor taxation.

Mr. Puddester: I beg to present a petition from the Motor Clubs of Conception Bay, which I am sorry I did not have when the Highroads Bill was going through recently. The petition reads as follows (*reads*). The petition is very largely signed. They submit it is a hardship to pay the same licence fee as cars in St. John's, who use their cars all year round while theirs are held up for four or five months a year. Some years ago, when taxes were collected by the Municipal Council I believe, this concession was granted, but since the Highroads Commission there has been no reduction, except in the case I believe of Twillingate and places of that nature. I ask leave to present this petition and beg that it be referred to the Department to which it relates.

Mr. Cashin gave notice of question.

Mr. Alderdice gave notice of question.

Mr. Tobin gave notice of question.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Amend Chapter 27 of the Consolidated Statutes (Third Series) entitled 'Of Death Duties,'" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole on Ways and Means.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Mr. Cashin: I would like to point out that it is very essential to have the Customs returns when

debating Ways and Means so that a comparison can be made as with this year and last year's returns.

Rt. Hon. Prime Minister: They are now in the hands of the printers.

Mr. Cashin: Yes, but I happen to know that Mr. Penson, the expert, does not want to have them printed, even though Members of the House are entitled to have information before them.

Hon. Leader of the Opposition: I think it is very necessary to have a copy of the Blue Book here to compare the different rates of duty. Here is a case in point. Under the Squires Tariff Commission in 1920, the duty on marmalade was reduced from 50 per cent to 20 per cent with the result that people took advantage of the reduced rate and a great deal more marmalade was imported and the revenues benefitted accordingly. In other words, the Government did better under the 20 per cent rate than they did under the 50 per cent rate. Now it is proposed to go back to the increased rate again, and that will defeat your object.

Mr. Puddester: Mr. Chairman, the Budget debate in this or in any other House in the British Dominions is always a very important affair. It has, in other Houses, to be debated with the Speaker in the Chair. After trying to get [that] rule established here for a number of years past, I was in a measure successful this session in having the Rt. Hon. the Prime Minister deliver the Budget Speech with the Speaker in the Chair. I think this practice should be carried on as it is in all the other Houses of Parliament throughout the British Empire; but, of course, with the Chairman presiding we have more freedom, perhaps, than we would have if the Speaker occupied the Chair, because we are generally permitted to wander a little bit more than we would under the other circumstance.

During the past three or four sessions of the House, the Opposition has tried to point out to the Government the sins of omission and commission that they have indulged in during their tenure in office. We have during that period made not very much headway. This year, however, we have been fortified by the crossing of the floors of four members who for three years previously sat in Government benches. We have been treated to the unique spectacle of two Ministers of the Crown corroborating from their new places on this side of the House what we were trying to tell the Government as best we could during the past three sessions. So our missionary work has not been in vain. We have penetrated the ranks of the Government, although only ten in number, one-third of the whole House. Sometimes we were misunderstood and sometimes we were criticized, in effect that we were not doing our duty. We have had a very small measure of encouragement and a very small meed of praise thrown at us from the outside sometimes because it was thought that we should 'bust' the Government anyhow. It is not the duty of the Opposition to 'bust' a Government. It is the duty of the Opposition to criticize the Government to show them where they have made mistakes and then trust to their own consciences to do the work in the inner man, and when the consciences began to work during the beginning of the session of 1932, it was only then that the efforts of the Opposition were shown to have been fruitful of results.

We had strong statements a day or two ago here from a late Minister of the Crown who claimed that the Government during the past six months was playing the game of politics. Even though the crisis came upon Newfoundland on May 23, 1931, a Minister of the Crown charged the Government, and especially the Prime Minister, with playing politics and during the months that

elapsed since that time. In referring to the Prime Minister he said, "He plays his political game as if the country was on the crest of prosperity etc. ..." He says further, "His unmanly conduct ... who played the double game as far as the Labrador was concerned and he played the double game as far as the Gander was concerned." Surely then it has been borne out from the statements that these four men made from this side of the House, that what the Opposition members were talking about during the last three sessions was correct.

Dr. Mosdell has accused the Government of several things which have been unanswered. He said that a Committee of Council recommended economy totalling \$1,000,000 before the arrival of the experts in Newfoundland, he stated that the writs which killed the Gander proposition were issued without the knowledge or consent of the Executive Government, and he accused the Prime Minister of indifference and studied neglect in connection with the Labrador programme, as the negotiations which were started at Ottawa were buried by a statement that appeared in the Prime Minister's paper in St. John's and through several other organizations of a more personal nature. Let me bring Honourable Members back to last year's session of the House, from the time of its opening until its closing we were talking about the Gander proposition, and some very pointed statements were made. It was charged then that the writs were issued for the purpose of killing the Gander proposition. That was denied; but now we have a Minister of the Crown coming out from the Government and making the very same charge across the floors of the House. Sir, I do not subscribe to the statement of the Prime Minister that there was no intention on the part of the Hearsts to enter into any negotiations with the Government for a Gander deal. I have sufficient knowledge of newsprint and newspapers to be able to judge whether a newspaper man would like to have a plant of his own or depend upon the International Power and Paper Company for a supply. The Hearsts used 2,000 tons of newsprint per day ever since they entered into a five-year contract with the I.P. and P. Company in 1928, and they have been trying their utmost to look out for some place they can have by 1933 wherein they can get their own supply. There was never any satisfaction as far as deliveries were concerned. It was a continuous fight for Hearst to get paper in New York without trouble, and they were most anxious to enter into a contract or build their own mill. The original intention was to build a 1,000 ton mill here in Newfoundland and to build a 1,000 ton mill in Finland. I think that there was not the least doubt but that they wanted to get their own paper. I remember in the Fall of 1929, in October, when men came here to enquire into the proposition, they were most anxious to get the support of the Opposition as well as the Government, and they also wanted to get the support of the press here in Newfoundland. They let the Opposition and the press into their secrets, so that there would be very little trouble in getting a contract through the House with the support of the press and the Opposition. Everybody was trying to do his best so that Newfoundland would not be trusting solely to the fisheries. Negotiations went on from October to January, and in December or January the contract between the Reids and the Hearsts became an accepted fact, and I understand, as the Leader of the Opposition said here a few days ago, that the Hearst people were prepared to put their cheque for \$1,000,000 to show that they meant business. In January a delegation from the Government went to New York to discuss business with the Hearst people; the delegates returned and a contract was submitted to the Government, and every member of the Government was furnished with a copy of the contract. Time went on, some members of the Government were opposed to the contract and some supported it. Time went on until this House opened in May, and whatever happened during that [time] culminated with the issuing of these writs

on the Gander properties [and] the killing of Gander.

Hearst was prepared to start operations in June 1930. They had to get deliveries to them in 1933, because their contract expired then and they had to have a mill operating by 1933. They did not want to renew their contract with the International Power and Paper Company, and it would take until 1933 to erect a mill and have it producing by 1933. When June passed and there was [a] contract, Hearst said that the Government did not mean business, they were stalling. They said that they had to have their mill completed by 1933, or they had got to make another contract before that date so as to get their supply of paper.

With regard to these writs, I don't know why they were issued, but if [*omission*] was the intention, all I can say is that they defeated their own object. We have lost a mill on the Gander and we have lost our timber area, and I say Sir, that there is a very heavy responsibility resting on the shoulders of those who were responsible for that state of affairs. The issuing of these writs stopped negotiations, first with Hearst and then with the Canada Power and Paper Company. The Canada Power and Paper Company plainly told the Reids that [they] had better go home and get a clear title to their areas before proceeding any further with the negotiations. Negotiations immediately stopped when Hearst and the Canada Power and Paper Company saw that they could not get a clear title. The memorandum that the Prime Minister read deals with negotiations in 1931, when Mr. Butler became frantic about the loss of his \$1,750,000 he had spent in the negotiations. Mr. Butler was like any other man when he saw that he had lost his money, he was frantic to save some of it. What happened then has nothing to do with negotiations between the Reids, Hearsts, and the Government in the Spring of 1930. There was reference made to one aspect, and that was Butler's opinion that the Hearsts were not serious. It is my firm conviction that the Hearsts were serious and meant business. What I already told you about their contracts made them serious, and anxious to have their own mills. They saw the success that the Harmsworth people had made of their mill at Grand Falls and they were anxious to have their own mills, one here in Newfoundland and one in Finland, and I say as a responsible Member of this House that the placing of these writs was most disastrous for Newfoundland. Hearst meant business, they were anxious to see this proposition go through, they had their capital subscribed to the extent of \$70,000,000.

It is true they wanted concessions on the Labrador, there was only enough wood in the Gander areas for a 400 ton mill, and they asked for 10,000 square miles on the Labrador, but they were prepared to pay \$230,000 a year stumpage and they were prepared to give Newfoundland other concessions, and in my opinion that is the only way of developing the Labrador. We have not yet made a success of it owing to the fact that shipping can only operate from there during the months between June and December, and it is useless to talk of building mills on the Labrador at the present juncture. If they were manufacturing all the year round they would have enough stuff stored up to cover Hamilton Inlet. Hearst had to have a weekly shipment to New York, and it was no good talking of a mill on the Labrador unless we could make shipments all the year round. There may be a chance that there may be a railway from the St. Lawrence River to Labrador but we have no chance unless we tunnel the Straits of Belle Isle. The development of Labrador can only be carried out by the erection of mills in Newfoundland and by giving concessions on the Labrador, so that they can bring their wood to Newfoundland. That is, however, something that we can't discuss with any degree of certainty of success because the newsprint market is in bad shape. The markets were in bad shape in 1931, but this opportunity was lost months and months before 1931.

We have heard from the delegation who went to Ottawa about how they were double crossed, as they say, or fooled, or some other expression in connection with the sale of Labrador. I need not recount what they said, but I would draw the attention of the House to the fact that the Prime Minister gave an interview when he reached Newfoundland, and in that interview he said that Labrador was not for sale. It is claimed by the delegation who went to Ottawa that that put the finishing touch on the negotiations as far as they were concerned, but, Mr. Chairman, that was not the policy of the Government. The policy of the Government was to sell the Labrador, and if it was the policy of the Government to sell the Labrador, surely it must have been the policy of the Prime Minister to sell the Labrador. I cannot understand, for the life of me, how the Leader of the Government can give an interview and say that the Labrador was not for sale in September or the first week in October, and on July 11th previous pass a Minute of Council and arm Mr. de Champlain with a letter to go to Canada and sell Labrador. I asked a question in the House the other day as to certain correspondence between Mr. de Champlain and the Government in connection with the sale of Labrador. That correspondence was tabled a few days ago. I shall read it to the House, although some of it is missing. I have only just three letters, and there should be half a dozen. On July 4, 1931, in connection with the sale of the Labrador Mr. de Champlain writes to the Government to this effect: (*reads letter of Mr. de Champlain*).

In reply there is an official letter from the Government of Newfoundland to the gentleman who was hawking around Labrador all over Canada during the last five or six years: (*reads letter from Secretary of State*).

I believe that was the letter of authority Mr. de Champlain received from the Government of Newfoundland authorizing him to proceed with the negotiations for the sale of Labrador, and the Newfoundland Government were prepared to submit to the Legislature of Newfoundland a Bill whereby the sovereignty of the Labrador would be transferred to the Dominion of Canada, providing the fishery rights were reserved, for \$100,000,000 for Newfoundland and \$10,000,000 commission. No wonder they would go around Canada and Newfoundland for three or four years looking for the commission of \$10,000,000. Who could not be anxious to make a deal when he could get \$10,000,000 out of it?

When we were here last year, Mr. Chairman, in April, trying to tell the Government that they were on the edge of a precipice as far as finances were concerned, we were paid little heed to, and the Government carried on. As a matter of fact, one day I was chastising the Government for certain things, notably the lack of funds in the Customs to look after interest charges and capital account of Newfoundland when these amounts come due, I was told I was a pessimist, that no such thing would happen to Newfoundland as to be embarrassed for money, but, Sir, the Legislature had only closed about a fortnight when we were right in the midst of a crisis. On May 23rd the crisis came upon us and we are told that we could get no loan. The banks were not blamed for it, the trust companies were not blamed for it, the governments of past years were not blamed for it, although there is an old expression which says that they acted like drunken sailors in throwing out the money, but the men who were blamed for Newfoundland not getting the loan were the fellows who sent away the public dispatches. The dispatches did not go from Newfoundland until the loan was refused, and then the dispatches went, and they went from Australia, and they went from every other country where the Governments were embarrassed as far as stringency of money was concerned, and we were no exception to the rule. I have no brief whatever in defence of the men who sent the dispatches from

Newfoundland. They erred in connection with the sensation they caused – it was a sensation – but they were no more responsible for Newfoundland not getting the money than the earth was when she fell away from the sun millions of years ago. They were refused the money, as I said, before anything was sent from Newfoundland, and then some dispatches were sent about Labrador, about negotiations between Newfoundland and some German interest in connection with Labrador. I did not believe it myself when I heard it, when I saw it published in the foreign papers, but lo and behold! We find out a month afterwards that it was true. We did have some German interests looking for Labrador, trying to get a lease for 99 years. That was what the dispatch said, that some German interests were looking for Labrador, trying to lease it for 99 years. We heard all about the stringency in Australia and New Zealand, and we might as well make up our minds that when it occurs in Newfoundland the world is going to hear about it. It's against all principle to make laws preventing news of our doings reaching the outside world. I believe in publicity, the more of it the better.

Now with regard to the Prime Minister's mission after the \$8,000,000 last year. After serious negotiations, \$2,000,000 were obtained, and then the Prime Minister came home and instead of opening the House at once in August, no word was heard about a session until the banks practically forced it on February 4th last. I say there should have been a session on the 1st of August last year to devise Ways and Means of paying back \$2,000,000 and interest in full and of averting the crisis in December. But instead of that, the Prime Minister came home and almost immediately starts off again for London and Paris to get the experts. That was a most unnecessary expense. The experts could have been obtained with[out] the Prime Minister having to go across personally. A cable would have been sufficient, and I say further that one expert would have been enough instead of three. I have yet to believe that we have not in this country men of sufficient integrity and ability to put our house in order. I believe that the Audit Act of 1898 is as good as anything Mr. Penson can evolve. No Controller of the Treasury would be necessary if the Audit Act were properly carried out. The trouble is that the Governor-in-Council have ridden roughshod over the Audit Act, have passed Minutes of Council under 33(b) and crowded them down the Auditor General's throat. I claim we would not be in the dire straits we are to-day if the Prime Minister had acted courageously. If he had opened the Legislature and taken the Opposition and the businessmen of the country into his confidence, it would be his sheet anchor to-day, but instead of that he goes along and plays his political game as if the country were on the top of the wave.

An Economic Commission was appointed and recommendations were [made]. Some were carried out and others were not, because the Prime Minister was afraid they would injure him politically. I say Magor did nothing in the Railway which the Economic Commission did not recommend, but they were not carried out because the Prime Minister needed a scapegoat. With regard to the Prime Minister's trip abroad, we find in answer to a question that \$5,000 was given the Prime Minister towards expenses when he went to look for an expert. This sum was supposed to cover everything, but instead of that we find his passage to and fro paid in addition.⁶⁷ Can we expect the expense accounts of [the] rank and file to be anything else but padded when we see the Leader of the Government piling on everything he can for expense? He had no more thought of cutting

⁶⁷ “Mr. Puddester dealt with the cost of this trip to England by the Prime Minister who besides bills for \$2,500 later brought in others for passage money and other incidentals.” *Evening Telegram*, March 19, 1932, p. 7.

expenses then than he had in 1930 when he first took office in the first flush of victory. Hostilities on the Treasury had no more ceased in 1931 than they had in 1930. When the House opened this year in February, everybody was looking to the Speech from the Throne to see what measures the Government were going to take with regard to the present crisis. The Speech came down and what did it contain? Nothing. Not a ray of hope for the Summer. There is not a single ray of hope in that Speech from the Throne so far as the fishermen of this [country are] concerned. I hold in my hand a copy of a letter, which was written to the Prime Minister by a businessman of Bay de Verde District, and who was one of the biggest supporters of the Prime Minister during the election of three and a half years ago. This man is anxious to know what is going to be done. His letter reads as follows: (*reads letter*).

That cry comes from not only the District I have the honour to represent, but it is the only cry from all over the country. The situation this Spring is serious, without doubt. What is going to happen to the people and what is going to be done to enable them to go fishing? I claim that the Government had ample time to work out a scheme since May 1st, but up to the time this House opened in February they could not tell us one thing in that Speech from the Throne that would benefit the common people of the country this coming season. They have done nothing, despite the fact that a crisis is upon us all the time. They have dismissed men from their jobs, they have made it impossible for men to get work, and so have increased the dole of St. John's. I remember talking here about relief last year, and the ex-Minister of Finance told me he estimated that dole would cost for the year 1930-31 \$250,000. Instead of that, it cost \$310,000 with numerous bills outstanding to be paid, and the Auditor General estimates in his report that the dole for the past year will cost \$430,000. Now what is the dole going to cost for 1932? It is just as well to face the situation. The dole is not going to cease on June 30th next, and I have yet to find out what provision you are making to relieve the destitution that will be in evidence in this country after July 1st next. There is not an item in the Estimates wherein you can get money to spend on relief, and we have passed an Act in this House that there will be no more money spent on Executive responsibility, and if that is so, where are you going to get the money that perforce you will have to use next Fall and next Winter to keep people from starving, and I claim that the people who made up these Estimates and the Budget made no provision to feed our people for the year 1932-33. Therefore, I maintain that they did not know conditions in Newfoundland. Now, are we to let the Government ride roughshod over the Audit Act and the Finance Bill, whereby Mr. Penson, the Controller, will be forced to give his signature to give the Government more money to spend to keep the people from starving during the year 1932-33, so it is just as well to make provision first as last. I must say that I should admire the optimism of the people responsible for this Budget, were it not for the fact that they know absolutely nothing of the living conditions of the people in Newfoundland at the present time.

We have a statement tabled here which shows that up to March 8th last – and I do not think the accounts up to then know what was spent in February month – \$183,265.20 owing on bills down in the Charities Department at present. In other words, this country on March 8th last owed to the businessmen of this country, for goods advanced on dole orders, \$300,000, and we are trusting to the Exchequer Account to pay all those bills. It cannot be done. Still, money can be found for everything else in the Government. I say, Sir, that this dole is the greatest curse ever struck Newfoundland, and yet I am free to admit that if the Government gave work it would cost more. Dole may be the cheapest way to handle the situation, but on the other hand dole is degradation and work is

independence. Dole began in the previous Squires administration in 1921 when money was plentiful and there was no trouble to go to the banks and get it. That was one of the worst things that happened to Newfoundland. For years money was spent on highroads that should never have been spent. The Hodgewater Line should never have been built, and a gentleman who is a member of the present Government is responsible for it, but nobody could stop him from having that line built. It continued when this Government came into power and \$1,874,000 was spent on it in 1930. The independence was taken out of the men who worked on the highroads. They were taken away from the fishery year in and year out, and now when a financial crisis is on they cannot go back fishing because their equipments are destroyed.

Members of the Government have been running a race as to who could get the most money outside and inside. We were never used to a salary of \$15,000 a year in this country, there was only one man who got a salary of \$15,000 and that was His Excellency, and now \$15,000 is almost the least one can expect, only a retaining fee. Now a doctor can come in here and get \$5 a day for visiting the General Hospital, \$5 for visiting the Fever Hospital, \$5 a day for visiting the Infirmary, he gets \$5 a day for visiting every patient from the Infirmary, \$5 a day for every ship that comes in and \$45 a month as Immigration Officer. In answer to a question asked here in this House some little while ago, we were told that he visited some 312 ships and the true answer was that he never visited one ship. There were 312 ships came here during the year at \$5 per ship, and he never visited one of them. Perhaps it would [be] the worst thing that happened if he did visit a ship. To use again another military term, "there was no cessation of hostilities"; the money had to come out no matter what happened.

Then came December 31st and also humiliation for Newfoundland having to agree with an agreement with the banks, it meant humiliation for Newfoundland but we had to do it or default the next morning. That was the worst thing Newfoundland was ever asked to sign, and then you tell us that you will balance your Budget in 1932-33. I will deal with that now. The Government won't balance its Budget this year, but the banks will see to it that you will. The banks after the first day of July will take every dollar that comes in through the Customs and put it in a separate account in the names of the experts, and on every Saturday night will take enough to pay for the interest charges, and whatever is left the Newfoundland Government can have to spend. But the only money they will get to spend will be over and above what is necessary to pay the interest charges. We can vote all the money we like in the Estimates, but under the agreement with the banks we will only get what we can collect over and above the \$5,000,000. That is the first thing to be taken care of in 1932-33, the money we owe as interest on our debts, and when that is paid we can have what is left over. Every Saturday night as next year goes by, the money collected through the Customs Department will be taken out, and what is left over will go into the Exchequer Account, that and nothing more. That is why we are going to balance our Budget.

Why, such restrictions were never put on this country since Responsible Government in the British Empire. Why is this? It is because the financiers of the world have no confidence in the Newfoundland Government, because they make verbal agreements one day and the next morning they will break them if it suits their purpose, it is because they don't know what restrictions are going to be put on, it is hard for them to do business when the financial people see that business is being strangled by excessive taxation. You can see how the money is going to be tight in Newfoundland and I say now that the financial men of the world have absolutely no confidence in

the bona fides of the present Government, and there is no hope for Newfoundland while the present Government remains in office.

After the present session was a few days old, lists were brought down here showing a cut of \$1,765,000. Some of it I agree with, but as the Leader of the Opposition said, you are not going to bring prosperity to Newfoundland by chopping \$2,000,000 off the Estimates and putting \$2,300,000 on. These very figures will reduce the Customs revenue by at least \$500,000. The people who were receiving this \$1,765,000 were spending it in Newfoundland, and you will lose on that alone approximately \$500,000. We will discuss the various phases of the Estimates as we go along. There are some things that will meet with the strongest opposition from this side of the House. There is one vote that I see is cut and I think that it is an absolute disgrace, and that is the Old Age Pensions vote; it was \$150,000, and now it is \$148,000. It is true that we only spent \$148,000 last year, but that was because some districts didn't have their full quota, some districts didn't have their full per capita allowance, but next year the reverse may be the case. I think that this vote should remain in the Estimates and we should trust to luck to have a drop balance, but in no circumstances should we cut it down to \$148,000 and have penniless old men and women. That is not justice, that is not the correct thing.

If we turn to another page of the Estimates, we find that salaries are increased, there is one gentleman in particular who is drawing money for every time he puts a pen to paper. We shall deal, however, with these Estimates when we go through them. The Estimates dealing with the expenditures of the Government and the Auditor General's report are very condemnatory of the expenditures of the Government for the year 1930-31. There are numerous extracts I could quote from that report to show that he does not give his approval to some of the expenditures undertaken by the Government last year. By Order-in-Council last year, the Government spent \$1,874,919 under Section 33(b) of the Audit Act ...

Mr. Cashin: That's the temporary loan.

Mr. Puddester: Well, here's some of it (*reads*). He is agreeable that the Treasury Control Act may cover the difficulty, but it will not cover all the difficulties, and as we pointed out, the way to cut down expenditure is to give it publicity. That is why we are publishing day after day some of the outrageous expenditures of the Government – to keep men from applying to the Government for everything they can think of. A Public Accounts Committee is the proper thing we want to see and check up on everything that is spent. We should have a Public Accounts Committee to check over everything that is spent. Let everyone know what has been done; that in my opinion would cure Orders-in-Council by the Government, more than anything else could.

Pauper relief was issued to the extent of \$310,000 with absolutely no authority for the same. I notice also, by the Auditor General's report, that there is \$72,000 owing to the Government, and he claims that most of that amount can be collected. Some of it is in dispute, but most of it he says is collectable. I can't see why, if it is collectable, that it should not be collected. I know the Government with which I was identified from 1924 to 1928 made a desperate effort to collect the amount owing for pit props, amounts owing for fishery supplies and others, but apparently they did not collect all. We are owed to-day \$72,000. Last year there was an amount of \$414,570 spent on highroads – no, \$397,000. I did not think there was as much as that. I thought very little money was

spent on highroads last year, but if we spent \$397,000 last year when we had no money, what would we have spent if we had all the money we wanted at our disposal? The Highroads Commission went out of existence some time during the Summer, but just before it went out of existence the Chief Commissioner of Highroads voted himself \$900. He had very little work to do afterwards. I shall not tire the House with reading extracts from this report, although I intended to do so. I may have to do it before we are finished with the Budget. It is very interesting reading, there is no question. The Budget itself has been criticized and ably criticized by a member of the Government who left it a few days ago. It abounds in extracts that we could criticize for [the] House if it was necessitous for us to do so.

The hardest part of it is the taxation. How are we going to get the money I am at a loss to understand. I do not believe that the money can be found to balance this Budget as at \$9,682,000 with the present purchasing power of the people. There is no use to put on taxation if the man has no money to buy the goods that are taxed. Mr. Cashin, the Member for Ferryland, in his remarks on the Budget two days ago, gave it as his opinion that the estimated revenue for 1932-33 could not be received. The Miscellaneous Revenue down here was \$270,000; well, the most they collected from Miscellaneous Revenue last year was \$135,000.

Mr. Cashin: It is filled in to bring it up.

Mr. Puddester: I don't know what is the reason for putting it in. It is no good to put it in and show a nice state of affairs now. It would be all right if the country was going along prosperous, trying to play politics, but we are down to the time now when the Finance Minister must come in and give absolutely correct figures. In 1931 the revenue was \$7,465,000, and he expects to get \$6,925,000; well, I would like to see him get it. The income tax last year was \$662,000, and he expects to get \$1,000,000. \$1,000,000 taken from the business people of this country to-day is nothing short of criminal. The business people cannot afford to pay any \$1,000,000 to the Government this year.

I can't see how they are going to get it; they have not made the money. Every man who made \$2,000 in wages last year from January 1, 1930 to December 1, 1931, if he got \$2,000 in wages, he spent \$2,000 as he went along. Why go back after that year and force the man to go to the bank and borrow money to pay to the Government for what he spent in 1931? That is a tax that is going to be an absolute hardship on the man who is earning from \$2,000 to \$3,000 in this city. A hardship of the worst kind. A man with a family generally spends what he gets in this country; that is so, and then to find that before the last of April of the next year that he has to go down and find an income tax on the money he spent last year. I don't think it is a square deal. It is all right to put an income tax on for the current year when a man knows what he has to face, but little did he think that he would have to find money in 1933 to pay as an income tax on what he earned in 1932 or 1931.

Liquor control is going to be increased \$30,000; fines and forfeitures, that is going to be increased from \$5,287 to \$25,000 – we will have to commit misdemeanours all during next year. Death Duties increased from [omission] to \$30,000. You certainly expect more people to die in this country next year than died last year. I don't know whether it is on account of the dole system. Crown lands \$85,000, next year it is going to be \$115,000. I can't understand it. Inland Revenue Stamps from \$62,000 to \$65,000; Cable Tax from \$68,000 to \$68,000, that is all right; Postal Telegraphs is going to be raised from \$664,000 to \$835,000; 4 cents on a letter instead of 3, in the

City 3 instead of 2; parcel post increased very considerably. That will come absolutely right out of the consumer. In Customs I suppose they are going to raise it on account of the 50 cents per barrel on flour and the \$1 per barrel on beef. This increased taxation amounts to \$1,750,000 on pork, flour, beef, kerosene and other commodities. Collections in the Customs House \$250,000; Post Office \$235,000; extra increase in taxation \$2,235,000.

We are going to balance the Budget on that. We are going to balance the Budget not because we are going to collect, not because we are going to save on the Estimates, but we are going to balance the Budget because we have signed an agreement with the banks. They are going to take whatever money comes in for interest and we can have the balance.

I have reviewed, Sir, since the House opened, the state of affairs, as far as I know it, from my point in Newfoundland as best I could. I have said what I had to say, and as the schedules come up and we have to vote on them I shall have more to say as we go along, and I trust that times will brighten; I trust that we shall have a better year than we look forward to; I trust that the price of fish will be higher than it was, and I trust, Sir, that when we meet again here we will have a new Government to present their Budget.⁶⁸

Mr. Cashin: I would ask the Prime Minister in connection with this Budget, if this sales tax is now in force.

Rt. Hon. Prime Minister: Yes.

Mr. Cashin: Is it incorporated in this Resolution?

Rt. Hon. Prime Minister: It is incorporated in this Resolution, and that will be amended in due course.

Mr. Cashin: There is another point; last year gasoline was 5 cents a gallon; there was a rebate to the fishermen. There is a tax of 5 cents a gallon on gasoline at the present time for anything but the fishery. Do I take it that the Revenue Act is now charging 5 cents a gallon without taking into consideration this new Bill; 5 cents a gallon; now that new Bill will be brought in not to allow any rebate? In other words to-day the fisherman's gas is free and it is going to continue to be free?

Hon. Minister of Marine and Fisheries: There will be a rebate.

Mr. Cashin: Kerosene is taxed to the fishermen; he can buy gasoline and escape the tax.

Mr. Emerson: I feel sure that members of the Committee [have] sympathies with us of the Opposition, because during the past week or ten days our ranks have been so carried by illness that

⁶⁸ “[Mr. Puddester] closed his address with a strong appeal to the individual members of the Government to realise the seriousness of the country's affairs. A new Government was necessary if confidence is to be restored. There was little or no hope if Sir Richard Squires, much against the will of the people, continued to hold on as Prime Minister. The country will not prosper whilst he is at the head of affairs.” *Evening Telegram*, March 19, 1932, p. 7, 8.

we have been unable to give the Budget the consideration which it deserves and which it is entitled to. It will be remembered that the House met February 4th, and during the month very few sessions were held, and of these the greater part of the time was taken up in discussion of the serious charges which had been made against certain Ministers of the Crown. In addition to this, no statements of policy had been issued by the Government until very recently, although it is true that on opening day the Prime Minister had given notice of a number of Bills, and a fortnight or so later had laid en masse on the table of the House a number of documents for consideration, but nothing had been done to give us a comprehensive and intelligent survey of the condition of the country. It was not until March 1st that the document we are now considering was read to the House and some idea was given us as to where we stood. It was ten days later before a printed copy was available, and for some time after we were busy with legislation which demanded immediate attention. When I repeat that during most of that time our ranks were serried by illness, I feel sure that I shall have the forgiveness of the House if my remarks are somewhat disjointed and not as carefully prepared as I should like to have them.

Now, ever since the House has opened we have heard a considerable amount about the experts. Time after time the Prime Minister has referred in the House to a "Bill prepared by Mr. Penson" or "I can't give that information until I have consulted the experts." That has been all during the session. To make the experts bear the burden of everything. Hitherto there has been much discussion about the responsibility of the experts, but nobody yet, unless perhaps Mr. Puddester, whose speech I was unable to hear, has dealt with the responsibility of the Government for the experts. We have been told that they are responsible for the preparation of the Estimates, for the Budget, for the dismissals from the Civil Service. But the responsibility is not theirs. The responsibility rests entirely on the Government Party, and principally on the Prime Minister. He is the one principally responsible, jointly with his Executive colleagues and jointly with the entire Party.

It is a well-known and well-studied practice of the Prime Minister to shift the responsibility from his own shoulders. A study of his career reveals throughout an aptness and a cunning ability to shirk responsibility. But he is the one now responsible for bringing the experts here, and he is now responsible for accepting their advice. It is useless and idle for anyone to try to put the blame on anybody except him and his supporters. Let us go further back, he is not only responsible for their acts, but he is also responsible for the condition of the country which makes their presence here necessary. The Government is now drawing to the close of its fourth year of life, and it is natural for us to look back and review the record of its actions. Can we picture to ourselves one single act of constructive effort for which they can claim credit? Can we even point to one single effort to stay the progress of the crisis which was seen to be impending last year? No, but we can point to numerous acts which constructively brought [about] the present condition of the country.

We will all of us remember to our dying day the proposals outlined in the Prime Minister's manifesto of 1928. I am free to admit that many manifestos in the past contained a considerable amount of bombast, but I think the climax was reached in the gramophone record to the tune of which the Government walked into office in 1928. In that manifesto there was held out an era of industrial development. The Humber industry was pointed and credit was given where it was not due to the Prime Minister for its initiation. It was held out that he would repeat the performance, and that a "gang would be put on the Gander." Other new industries, large and small, were to start up.

Excess profits on trade and commerce were to be controlled, taxation was to be reduced, the civil service was to be made efficient, and the people were gulled into a false feeling of hope that some real effect was going to be made by the man whose only boast at the present time is that he has had 25 years experience of parliamentary life. Take the Acts that have been passed during the last three sessions of this House, and look at those that are here facing us to-day. Now can you point to a single one of them that is in the nature of constructive work? Take the utterances of the Prime Minister or his Executive colleagues, and take the utterances of those who are in his parliamentary party, and can they point to a single effort that they have made towards a constructive policy for the country during the past three and a half years? There are two Acts upon the Statutes as a result of their endeavours, namely, one respecting a smelter on the Peninsula of Avalon, and the other respecting the Atlantic Telephone Service. Both of them are of very doubtful origin and utterly barren of result.

It was upon the reputation of the wily tongue and cunning and brazen effrontery of the Prime Minister that he elected his party. Now who is responsible for that? The experts, no. Those responsible for that I repeat again and again are the Prime Minister, his Executive colleagues and his government party. During each of the three Sessions of this Parliament, many discussions arose as to the financial condition of this country. We have had them on the Estimates, on the Budgets and incidentally on various other Bills, and through all these discussions it cannot be gainsaid that warning after warning was issued from this side of the House to the other that the country was facing economic ruin. Year after year the Budget showed a deficit. The first year, it is true, there was a prophecy that the Budget would balance. It never did, notwithstanding that the Government not only went on borrowing to balance the Budget, but they continued to borrow to build highroads from nowhere to nowhere. The civil service was over-expended in every direction. Year after year the Estimates were brought in showing increases in salaries and extra payments for higher-up officials. New jobs and new commissions were created, and there seemed to be no let up in throwing out the money. It simply was a case of let her go; and year after year you were warned and even begged to stop your crazy march and mad rush to ruin, and that was the answer given us, again "let her go." Now I ask, are the experts responsible for that? No, the persons responsible are the Prime Minister, his Executive colleagues and those who support him in this House; and let me say, Sir, that throughout the present Budget which was tabled here a few days ago, we have the Prime Minister harping upon prophecies of last year's Budget. There can be no doubt about his object for this. He is trying once more to shift the responsibility for that document. Now, I hold no brief for the ex-Minister of Finance now any more than I did last year. I criticized his Budget when it came down, as I knew he knew and the Prime Minister knew that it could never be balanced, despite the rosy picture painted in it. But the point is that every member of the Executive Government was as much responsible for that Budget as the Finance Minister was, but for the Prime Minister to shirk and shift responsibility is to make another step along the same road which the Prime Minister always has followed. I say, Sir, that the economic crisis, apart from depression, was deliberately accelerated by the misconduct of the present Government, because when it was pointed out to you no effort whatever was made to stave it off, or to make it less extensive than it became. I go further, and say that almost a deliberate attempt was made to create the conditions that now exist, and so great and so direct is the evidence that one is almost brought to the conclusion that the Prime Minister and his colleagues conspired to bring this about in a malevolent effort to kill the country.

Every time we have an election, every time we have a Speech from the Throne, and every time we have a Budget we hear of the fisheries, and governments, some led by lawyers and some by merchants, have spoken about the fisheries, but no solution to the difficulties that arose in connection therewith seemed to have been within the grasp of either. As I said before, it seemed as if the situation was utterly beyond solution. But, at least, two constructive efforts were made, and in both cases they have emanated from Sir William Coaker, who in 1920, within the memory of all of us, when he introduced the Standardization of Fish Act, and, unfortunately, an Act for the Regulation of Prices. I entirely disagreed with his effort to control the exportation of fish, but no one in his senses but will agree that some method should be devised whereby our codfish must be standardized. However, he tried it in that year, and because of the opposition of the merchants it was killed. Last year he brought in another Standardization of Fish Bill. Now what was the difference? The first Bill was a Government measure supported by the Government party as a policy of the Government, and it was a correct policy. That policy should have been followed to its logical conclusion, and we would not be where we are to-day in connection with our fisheries. But what happens with the present Squires Government when a Standardization Bill was brought in last year by Sir William Coaker as a private member's Bill? It was not Government policy, it was not a party measure and it was dealt with on the floors of the Assembly by all Members as a non-party matter. Why? Did not the Government agree with it? Was not the Government in favour of standardization of our products? If it was not, did it have no policy? It does not make any difference what the answer to my question is because if the Government was not in favour of it, why did it not say so? Surely there was nothing more important to the Government than a policy of the fisheries, and, if the Government did not agree with Coaker's Bill, it should have been defeated by the Government, and, if the Bill had been approved by the Government it should have been brought in by the Government. May I point out further, Sir, in connection with this important matter in the country, that one of the strongest opponents to Sir William Coaker's Bill in this House was the Minister of Marine and Fisheries (Mr. Lake), and the result was that the Bill, although it passed the Legislature, became valueless. Now, if there is one policy that should have been occupying the minds of the Executive Government and particularly the Minister of Marine and Fisheries it is that Standardization Bill. During the early part of the present session of the House, the Minister of Marine and Fisheries informed me, in answer to a question, that there would be legislation brought in this session for the benefit of the fisheries, but so far nothing has been done, and, I presume, nothing will be done.

The next and most important thing we have had to consider within recent years with a view to the salvation of this country is the Gander proposition. I feel sure that those who were not unfortunate enough to be members of the Executive Government and consequently not cognizant of the facts, must have staggered the other day when Dr. Mosdell made the exposure he did, but I ask them to take their minds back a bit further and view the Gander proposition in the light of the history of the present Squires Government, who deliberately killed the Gander. Negotiations began in 1929, and you will remember the session of 1930 when we asked the Prime Minister for the correspondence in connection with it. You will also remember that certain documents were not tabled here, and the excuse given for not tabling them was that the Reid Company's interests were unwilling to make them public. At that time we were assured that negotiations were progressing, and we left the House at the end of the Session with some slight hope that there would be a Gander proposal considered in the session of 1931.

What happened? Nothing. Not only that, but everything possible was done to hamper negotiations. You will remember that during the months of November and December Mr. Powell was here seeking to have his proposals considered. The Executive didn't meet and nothing was done until February, when the Reids were told that the scheme was thrown down. Then came the placing of writs. You heard the Hon. Member for Fortune say the other day that not a single member of the Executive knew about [it]. It came as a terrible shock to the whole country. Everybody wondered why it was done. The reason was sought for weeks and weeks, and it was found that it was done on the Prime Minister's instructions, and he has not yet explained why it was done. It may be said that the Minister of Justice, in order that the Department may carry out the law, should be practically under control but that is a different matter of high policy. The question before the Government was, can we get the Gander, and if there was one thing more than [an]other that makes it certain we would not get the Gander [it] was the placing of these writs. The legal aspect of the matter is beside the point. That the Government was strongly advised is evident from the conclusion of the Martin case and the withdrawal of the Government's appeals to the Privy Council. Who gave the advice to the Government? It is said that Mr. Dunfield did so and I presume that such is the case, but the responsibility for this advice lies with the Minister of Justice. The Attorney General is the chief law officer of the Crown, and he is responsible for his subordinates. The responsibility rests with Sir Richard Squires as Attorney General, and with Sir Richard Squires as the Prime Minister of this country, and he was wrong in both. I go further and say that even if he was right in law he was wrong in policy.

There has been a good [deal] heard of recent years of people making large sums of money in timber licenses, and [this] has been the subject of sound criticism. What was done was the policy of past governments. Anyone could take up a timber area under the Crown Lands Act, but the Act should have been changed to prevent these people from doing this. The Gander proposals were on an entirely different basis. The Reids' timber licences were acquired by paying large sums of money, with [the] fee simple areas, with the idea of making a magnificent development on the Gander. For a number of years it was the policy of the Government not to enforce the covenants with regard to the erecting of mills. The Hon. Member for St. George's, who knows a great deal about such licenses and who is the father of this House, can bear me out when I say that there is not one single instance of these lands being forfeited. I say that there is not in the memory of the oldest inhabitant outside this House one single instance of these areas being forfeited for non-performance of these covenants. The Reids were almost at the end of the negotiations when these writs were placed on the Gander areas. The Gander is gone. Why? It is because the International Power and Paper Company did not want the Gander, and Sir Richard Squires knew that and gave way to them. It is just as well to face the situation and that is why the Gander was killed, and that is why Sir Richard Squires killed the sale of the Labrador.

I will digress for a few moments and deal with the International Power and Paper Company, and I am glad to see that Mr. Godden, who is one of the Government directors of that Company, is in his seat. During the Session I asked a question as to whether there had been any complaints received about the amounts paid [to] labour by the International Power and Paper Company. I asked that question because I felt that the information would be easily available, and that the three gentlemen who knew anything about it would be delighted to furnish the House with the information. The answer was that there had been no complaints. It is a noticeable feature that for the past few years

the name of the International Power and Paper Company in this House has been conspicuous by its absence in debates and in Bills, particularly in debates. I asked this question to check up on information given me by men who were working there, and also some information of the Hon. Member for Port au Port, Mr. Abbott. The International Power and Paper Company is a very paying concern. You will remember last Fall a synopsis of its financial statement appeared in the *Evening Telegram*, and it showed that the Company was working at full capacity and is to-day one of the few doing so. Reserves piled, and profits increased, and the plant was working at over 100 per cent of capacity of the mill. No one can imagine, bearing in mind the price of foodstuffs has dropped very considerably during the past few years, and it was found that no effort was made to maintain some semblance of the wages paid in former years.

The International Power and Paper Company is the successor to the Newfoundland Power and Paper Company, which was under contract with the Government. When the Newfoundland Power and Paper Company first came here, they obtained these concessions because we wanted to get labour. That was one of these periods of depression which seem to run parallel with the Squires administrations. The argument put forward by the Company was that we needed this industry, and we were prepared to pay a high price for it. In 1925 to 1926, owing to mismanagement, the Company failed, and the Government was approached by the International Power and Paper Company who obtained a magnificent bargain. And here we were, with a town on the West Coast being shut down with 3,000 or 4,000 residents, several thousand employed from time to time, and the threat held over to the Government was, unless you accept our terms, that industry will shut down. I think that negotiations were badly handled. If the International had been held off, we need not have given way then. We did give way and made a bargain; we made a bargain only because we needed the labour. That is the history of these companies that come in, that we barter away large concessions because of our need; the poor man comes last.

But let us see what happens: they build up the industry; it becomes productive, and bad times strike the country. We need more labour; we have unemployed. Do they seek to help us? No! They cut wages right away, but they keep their concessions, the concessions which they got to give us labour, and the labour we are seeking they cut in price, and that is what they have done here. At the present time in the woods the International Power and Paper Company is paying \$1.75 per day or in the alternative, "If you don't want to take it we will pay you \$1.75 down to \$1.50 per cord of wood," and the average cut of an average man is about a cord a day. You can take it that the wage to-day is, at highest, \$1.75 in the woods. Now, out of that these men have to pay their board. The Company charges 60 cents per day; it charges also 40 cents per man per month for a doctor; that is another cent and a fraction off a day – 70 cents. They are responsible for any breakages of their saws or axes, so that you may take it if they clear \$1 a day they are doing well. Now, a great many of these men have to pay their railway fare in to get to the woods; they may get a couple of months labour, and during these couple of months they are not paid for Sundays or stormy days. How much money, when they have bought clothes, boots, the heavy clothes they have to wear in the woods, how much money are they going to have to send back to their wives and children? They have none. I have known a man, a really good man who went into the woods there and worked for two months. He had to pay his railway fare each way; the weather was fairly good; he did not have on an average 25 cents to send back to his wife owing to interference by storms and Sundays and so on. Last year the Company was paying \$47.50 a month and found the man; this year they are paying \$47.00 and

find yourself.

Now, I would like to know what has been done by the Member of the District in connection with these conditions. I would like to know why the Prime Minister permits these conditions to exist in the Humber area; and I would like to know why the Hon. Member for Trinity South, Mr. Godden, permits them to exist. What has been done? Has any representation been made? I cannot refrain from asking my honourable friend from Grand Falls what he has done about it. I remember when the Member first spoke in this House; he then spoke about the mill men and their troubles. He is a paper maker himself, but he spoke in general terms on that occasion about the conditions of labour. He claimed to be interested in the labouring man. There is no labouring man so near to the paper mill as the logger, and I submit that we ought to hear from the Prime Minister, from Mr. Godden and from Mr. Earle what they think of these conditions, and what they intend to do to remedy them. I diverted from my general remarks to deal with the question of the labour in the Humber area because I thought it was of sufficient importance to justify a little diversion.

I was, at that time, pointing out the active steps taken by the Squires Government in the past four years to kill a country, and I had just shown that they had successfully killed the Gander and had given the reasons why it had been killed. If we come just a little closer to our present surroundings and look around St. John's, and see the conditions referred to the other day by my Hon. Leader Mr. Alderdice in regard to factories, we see here the hand of the statesman.

It will be remembered that as soon as the Squires Government came in power, its first act was directed to kill the industries of St. John's. He has threatened to do it, and because of the fact that Mr. Alderdice was an investor in one or two of the enterprises, there is no need to seek the reason for it. On the one hand you have a Prime Minister who goes forth to the country and says, "We must start industries; we must put the gang on the Gander; we must have employment," and as a corollary to that in his public utterances he says, "I am going to kill the only industries that we have," and as soon as he gets into power he proceeds to do it. Now, what has been the result? Look around to-day and what do you find? Is there a single industry in this country that is flourishing? Are the Honourable Members of this House aware that in considering this Budget, representations were made to the Government by all these industries? Was that discussed at a party meeting? I wonder did Sir Richard Squires inform his party, when discussing the Budget, that proposals were put to him and to his experts in regard to protective tariffs in connection with these industries, and was the advice of the rank and file asked on that point. The other day we were told by Sir Richard Squires that these matters were discussed at party meetings and decisions arrived at. Was that discussed at a party meeting? Were you aware of the fact that representations were made with a view to opening factories in town, and giving employment to over 1,000 people, and that they were never even listened to, not alone discussed? Now, it may be argued that free trade is better than protection. It has been the source of argument for over a century, and I don't propose to argue it here, but I do say why cannot something be done so that every effort should be made commensurate with giving people reasonably priced goods to have as many industries in every country that you can, and that many industries to-day could be protected without injuring any purchaser of goods, and we would have these factories open to-day, if it were not for the deliberate and deceptive policy of the Prime Minister.

And finally, Sir, I can only deal with a few of these matters, because after all if I start in to tell you all the efforts to kill everything of which the Government has been guilty, I will be here till

Doomsday. Finally we heard that Sir Richard Squires killed the Gander. We heard that from Dr. Mosdell a few days ago, and apparently the guilty conscience of the Prime Minister in connection with that matter was causing him so much trouble that he felt satisfied that Dr. Mosdell would speak on it, because lo and behold! Dr. Mosdell had no sooner taken his seat than he whips out of his pockets a lengthy memorandum which he had prepared for the occasion. How was it that the Prime Minister was aware that Dr. Mosdell was going to speak on the Labrador?

(The Prime Minister laughs.)

Mr. Emerson: The Prime Minister may laugh. That is about all that is left for him to do because he will never speak; he will never argue; he will never dispute.

Now, what was the Prime Minister's answer? But before we come to that, let me deal with the sale of the Labrador. As I mentioned, I agree with the Leader of the Opposition, I think, as I do about repudiation, that it should be the very last thing that we should do. I think that every effort should be made to balance our Budget without doing away with our assets, and certainly without [omission] if at all possible. I say that the sale of the Labrador or repudiation are entirely repugnant except as a very last resort, but, Sir, that is beside the point. It was the considered policy of the Government that the Labrador should be sold for \$100,000,000 if at all possible. The Prime Minister and four of his colleagues were authorized by a special Minute of Council as plenipotentiaries to go to Ottawa to negotiate. What does the Prime Minister say when Dr. Mosdell informed the House that he had deliberately killed that prospect? He says, "I had only one meeting in Ottawa and that was with Mr. Bennett, and at that meeting was Sir Percy Thompson."

Rt. Hon. Prime Minister: With Mr. Cahan.

Mr. Emerson: I thought you said Mr. Bennett.

Rt. Hon. Prime Minister: I said I had a meeting with Mr. Bennett in which we discussed finances. The only conversation about Labrador was with Mr. Cahan.

Mr. Emerson: If my recollection serves me right, the Prime Minister did not mention Mr. Cahan in the House. I am perfectly certain he did not. You see the Prime Minister tells us that he had one meeting with Mr. Bennett in which he discussed only financial matters.

Rt. Hon. Prime Minister: Financial matters appertaining to our loan and not Labrador.

Mr. Emerson: I want to know why you did not. I want to know why the Prime Minister, instructed by his Government to lead a deputation to Ottawa to discuss affairs in connection with Labrador, did not discuss them with the Prime Minister of Canada, and the Prime Minister now tells us that he had a discussion with Mr. Cahan. He is Secretary of State in [the] Canadian Government, and he discussed Labrador with Mr. Cahan. Let the Prime Minister tell the House what he said to Mr. Cahan. Would you like to have an opportunity to do it now, Mr. Prime Minister?

Rt. Hon. Prime Minister: I would be delighted to listen to your speech.

Mr. Emerson: Delighted to evade, as usual. I will tell you what you said to him. You told him to kill Labrador.

[*The House adjourned at 6:30 p.m. until 8:30 p.m.*]

Mr. Lake: For the information of the House, I might say that from latest reports received, the *S.S. Kyle* is 10 miles away from the *Ranger*, and the *Sagona* is 10 miles away from the *Neptune*. A large number of seals have been sighted off [the] Horse Islands, which you will all remember from this time last year.

Mr. Emerson: When we took recess a couple of hours ago, I was dealing with the acts and the conduct of the present Government during the past four years for bringing about a downfall of the country, and for failing to do anything to steady the downward tendency during that period. I now wish to point out to the Committee that not only has the country suffered distinct material loss – loss which can be provided for in dollars and cents – but the loss to Newfoundland of her reputation. Now if there is one asset that a normal individual must value more highly than anything else it is his reputation. His money, his position, his social standing – nothing is of value unless his reputation is of the highest. When we come to the business end of it, it is the only asset worth having, and so far as this country is concerned, its reputation in the financial world is of far greater importance than all the other assets it possesses. For instance, no one to-day for a moment would suggest that the assets of Newfoundland, including the Labrador, are not worth treble, nay quadruple, the amount of our public debt; but when we go into financial markets abroad to try and seek money by loan you must, in addition to that, have a reputation as well. Now, Sir, the reputation of any country depends upon the reputation of its leaders. It is the leaders of [a] country who deal with the financial magnates, the sovereign powers and the plenipotentiaries with whom business is done, so that the reputation of a country, like the reputation of a business, depends upon the reputation of those whom we permit to go and transact our business. When we came into this House at the first session in 1929 it was the studied policy of the Opposition that bygones should be considered bygones, and it will be remembered that one of the strongest pleas put up to justify voting for a party led by the present Prime Minister was that, though he may have fallen by the wayside in the past, he was entitled to an opportunity to recoup himself. We decided that so far as we were concerned, he would have that chance, and to that decision we have held until it is impossible to hold [it] any longer.

I regret very much, Sir, that I have to call to your mind to-day what occurred in a previous administration led [by] Sir Richard Squires – a situation so similar to what has been occurring within recent months. In other words, “the leopard does not change his spots.” I do not intend, Sir, to go into the matter in detail, but just to remind you of the scandals in connection with the Liquor Control Board, the BESCO scandal, the pit props scandal, and other matters which were investigated here by Mr. Hollis Walker as a result of the disclosures that took place towards the end of the last administration of Sir Richard Squires. At that time, anybody who travelled outside of this country could [not] do anything else but hang his head in shame. If you went to the United States or Canada – and after all they are not unused to scandals there – or if you went over to England you would be

met with derisive sneers at your country, and this was not only the sneer of the man in high place, but it was the sneer from the man in the street as well. We were the by-word of the world; and we had hoped that after four years under a government – perhaps a government with which some of us were not in accord – which had given us an example of honesty, integrity, and decency, that the reputation of Newfoundland had come back. Unfortunately, however, that is not the case, and in addition to that we have had the greatest period of depression, of penury, of hardship, of bad times and misfortune that it is difficult, suffering as we are from similar conditions, to imagine, to realize, and to remember the conditions that existed at that time, and now we are faced with a repetition.

We have a position where the first Minister of the Crown and one of the principal Ministers of his Government have been charged with most flagrant abuses of their high offices – charges which were not made in the heat of debate; charges that were not made by some unknown and ignorant individual; but charges that were coldly, calmly and dispassionately disclosed in this House as one of the reasons why a Minister of the Crown could no longer remain in the Government. It may be a matter of comment as to why that Minister remained there so long, but that is quite beside the point. The fact is that charges were made as to what actually happened. Now, Sir, it was proposed that these charges should be examined by a Committee of this House. Then we had the sad spectacle of the second Minister of the Crown, who was accused of the second offence, seconding an amendment moved by the Prime Minister, who was the first charged, and choosing the trial which would suit them, and then they ask Honourable Members of this House to support them in appointing their own tribunal for the enquiry. Is it surprising then, Mr. Chairman, that we are once more the laughingstock of the world? Session after session of this House, we have had to read and listen to exposure after exposure until it becomes nauseating, and all this information goes forth to the world in the public dispatches. Blame the press agents as much as you like. Press agents look for news. They look for it the world over. Are we any different when we see startling and interesting information of events in foreign countries? At all events, is not that what newspapers are for, and if press agents are to be blamed and subjected to censure it makes no difference. We all know here that news will go forth anyhow, and in the principal cities of the world to-day Newfoundland is only known by the characters of its principal Ministers.

I feel satisfied that if the Secretary of State would take himself back into that position that he assumed when he entered this House, and if he would speak upon his word of honour, he would tell us that everywhere he travelled in Canada and the United States in the Fall of last year, he heard nothing but condemnation and sneers at the administration of government of this country. If he told the truth, he would tell you that in the financial markets of the world, it is impossible to secure assistance as long as this Government is constituted as it is at the present time. Not only that, but I feel sure that the Hon. Member for Harbour Main would tell you the same, as everywhere he visited on his recent trip to Canada and the States, he was subjected to ridicule and contumely because of the conduct of the Ministry he was a Member of. How long is this going to continue? How long are we as a House of Assembly going to make it impossible for this country to deal with that it must deal with? I say only so long as you leave the present Government in power and no longer. The responsibility rests with you gentlemen on the other side of the House, and that responsibility is a very serious one. For three sessions now and part of a fourth, members of the Opposition have spoken in this strain, criticizing the Government, and I am satisfied that you know that what we say is correct. The greatest difficulty which has faced members of the Opposition is that members

opposite will not rise and debate matters before the House. The Prime Minister will arise as he did the other day with his flippant sneer and say we will settle this in party meeting. The debate in this House has been absolutely one-sided, and it is not fair to this House, it is not fair to the Opposition, and it is not fair to this country. You are obliged not to sit in your seats and stay silent when matters pertaining to the welfare of this country and the Districts you represent are being discussed. It is your duty, you pledged yourselves when you were elected to this House to the best interests of this country. But what can I expect from the ordinary members of the Government when their leaders take no part in debate? There was not a Bill brought down here that was explained, and I stake my reputation that Members opposite had Bills better explained to them by the Opposition here in this House than they had in party meetings.

A few days ago, the ex-Minister of Finance and Customs said that there was no possibility of balancing our Budget, he said that there would be a deficit of \$1,400,000, in fact he exceeded that, he said that it would be over \$2,000,000, and he further said that the possibility of balancing our Budget in 1932-33 was so remote that he thinks that it is absurd. Now these are very serious statements. They cannot be passed over lightly. The Hon. Member for Ferryland had the figures at his disposal when he made those statements, he was familiar with the details of operation of the Government, and his statements were allowed to go broadcast throughout the world uncontradicted ...

Mr. Scammell: You may not know that Newfoundland bonds have decreased.

Mr. Emerson: How much?

Mr. Scammell: Six points. But Newfoundland bonds are nearer par than they have been for a good while.

Mr. Emerson: I think that I can let the statement that our bonds are approximately par go unchallenged. It will not disturb the minds of anybody.

Now to make a more direct approach to the Budget. We cannot pass over unnoticed the fact that we are suffering from the general depression. The depression has hit us as hard, but no harder than any other country in the world. We will be, perhaps for a year or two, faced with the greatest struggle that ever beset this country, and as this country is faced with this worldwide depression, the blame cannot be laid on anyone in this House, but blame can be laid on the members of the Government for making no effort to check it. Now there can be no doubt that there is only one way that this can be met, and that is by the honest and united efforts of the whole country, united behind an honest government. These three qualities, intelligence, activity and honesty, are absolutely necessary to get this country out of this morass. In other parts of the Empire, no matter what the government, they have tackled this situation honestly and with vigour. In England and New Zealand they had national governments with very strong national support behind them, in so far as they were making an effort to tide the country over this crisis, while here, the Government hasn't even got a policy. Is there any evidence of a policy in the present Government? I do not propose to reiterate the failure of the present administration in that respect. Also, in other governments there is a sincere and honest effort to bring about national economy, but that does not exist here.

Last Summer the Government appointed an Economic Committee. Their report was a very excellent and well conceived document. It showed intelligence and pointed out the way to economic stability, but there was nothing heard of it until experts came here in September last. Not one of this Commission's suggestions were carried out, no effort was made to economise, with the exception of the Minister of Marine and Fisheries who apparently made an early start in his Department in substantially reducing expenses in regard to lighthouses, and I wish him well of his endeavors. But elsewhere nothing was done. Again we have a case of the Prime Minister lacking the courage to shoulder responsibilities, and passing it over to someone else to shoulder the responsibility and the blame. In other countries there is no questioning the personal integrity of leading ministers, but let me pass that by with saying that such does not exist here. There have been united efforts in legislatures throughout the Empire to meet this situation. But what has been done here?

No notice was taken of the impending storm. In 1929 when we had that great financial collapse, we should have taken our first steps to avert this catastrophe. That should have served as a warning to anybody. We only had to read the newspapers and see what men of thought were doing to see that preparations should be made to meet the storm, but we carried gaily on, and only stopped because we had no more money. No advice was sought. Not even about the loan. The Finance Minister and the Prime Minister did not think it worth their while to seek advice from those who knew. No one would lend us money, and then we had the spectacle of the Finance Minister and the Prime Minister hawking Newfoundland around the world to anybody who would loan us a few dollars. Even then the seriousness of the situation was not realized. We went on our knees to the Bank of Montreal, and what they gave us was given grudgingly. Even then you would think that we would have learned a lesson, when we were told by the Bank of Montreal that the possibility of lending us further money in December was very remote. When the 15th of December came we had to go on our knees again. We were bound hand and foot, and even then the money was not lent willingly. It was lent almost at the dictation of the Prime Minister of Canada, and all during that period no effort was made to get assistance from any part of the country, although we all knew that as long as the present Government remained in power, those conditions would continue. Can it be said that any honest endeavor was made to economize when on the 5th of December, right in the middle of this terrible crisis, when we were seeking two loans from the Bank of Montreal, the Prime Minister took \$5,000 from Reparations Account, and then on the 22nd was trying to take another \$5,000? On the 22nd December he endeavors to take another \$5,000 from the Treasury. Is that honesty? Is that an effort at economy? Can you expect a country to have any financial reputation while that is going on? And as I said before everyone knows it; the world is talking about it.

Now, what is your policy? What is the policy that you outlined in the Budget? Drastic economies. In so far as a great many of them are concerned, I admit that they are justified. They would be justified in good times. There can be no doubt about it but that our civil service was over-manned; that our services were excessive; we could have got along with considerably less. There is no doubt about it that everybody realized; no government had the courage to face it. On the other hand one would have expected that governments would not have continued to make it worse. These economies, we are told, are the result of what the experts have done. Well, you heard the other day from the Hon. Member for Fortune what assistance had been obtained by these experts. As soon as they arrived, the Economic Committee of the Council was disbanded; they had been scouring our services with a view to advising the Government on economies; they were familiar with local

conditions; they were familiar with the Government, they were all men of experience. I will say that men like Dr. Mosdell, Mr. Cashin and Sir William Coaker, if they were on the Committee, knew by name 80 per cent of our civil servants. They could tell their names, ages, salaries and work, and those men should have been placed immediately for the whole of their time at the disposal of those experts, and that should have been done deliberately and formally, and everything else they had in hand they should have been told to abandon, so that the experts could have had the only assistance that they could have had in this country, and very good assistance, but not let loose in a strange country in a forest of offices and a bigger forest of servants and told "clear out." How could they possibly be expected to do better than they have done? They look at this thing coolly and dispassionately; they are not swayed by personal interest in so far as jobs or services are concerned; they look with an unbiased eye; but these men were not given every assistance that they should require, and we pay them these enormous salaries and cripple the rest. Is that an honest effort at economy?

One of the most important Bills that has been tabled which, however, we have not yet discussed, and which we will be able to discuss at more length when it is introduced to the Committee, is the Bill in connection with petroleum. I tabled a question at the last session asking the Prime Minister whose advice had been sought in this connection. I think everyone will agree with me that if we are going to embark upon a large enterprise of which we have had no experience before, that one would naturally seek the assistance and advice of those who have the most experience, and consequently I laid this question on the table of the House and asked the Prime Minister (*reads question as tabled*).

What is the answer? The answer is that this Bill is the creation of Sir Percy Thompson's mind. I cast no reflection upon Sir Percy Thompson in connection with it, but I do say that the internal trade of Newfoundland is unique, and that no one, no matter whether he is the Chairman of the biggest board of England, should dare to meddle in the internal trade of Newfoundland unless he has a considerable number of years of experience, and I feel satisfied that my honourable friend from Bonavista South, and my honourable friend from Burin West and my honourable friend from Placentia West will agree with me, that for any stranger to come to this country and to start to decide whether we should go into a specific internal trade in this country is playing with dynamite. It is ridiculous to suggest that any expert, no matter how great, is able to advise this Government whether they should meddle in the traffic of oil.

Mr. Scammell: That is not the point.

Mr. Emerson: What is the point?

Mr. Scammell: Proceed.

Mr. Emerson: Thank you; I will.

The Budget is shifted on to the shoulders of Mr. Penson and Sir Percy Thompson, and I feel satisfied in my own mind that it is the creature of their own minds. It is a well-written lecture on how a country should ideally be governed, and nothing else. It lays down on every page; that was all they could do. They had no assistance, they had no policy, they had nothing else to write. Had they

been informed that there had been any original thought on the part of the Prime Minister or his colleagues that should be included in the Budget, it would have been there. They were told nothing; they had to produce a document that would set forth figures upon which to base their argument that they were going to balance the Budget in the next year; they had to dress it up in nice language, and I don't think they did so badly. It gave the Prime Minister one of those opportunities he glories in, to vomit forth phrases, hardly understanding them himself, and having no intention of carrying them out. "It is the policy of the Government that the Budget of this Dominion should be balanced for the financial year 1932-33. The proposals I am about to lay before you, and the detailed Estimates which will follow, will show the manner in which the balance will be achieved. In the Estimate of Expenditure is included every charge falling on the Exchequer for the coming year. Sufficient provision has been made to render unnecessary any resort to expenditure under Section 33(b) of the Audit Act ..." It is to laugh. "Except in the cases of contingencies which cannot possibly be foreseen. At the present moment the cost will, in that case, have to be met from savings on other votes. We cannot afford to and do not intend to allow a deficit to arise in the coming financial year in Newfoundland."

Newfoundlanders are supposed to be too green to burn, but if the Rt. Hon. gentleman thinks for one moment that anybody believes, not even his own supporters, that he intends to make any effort to balance the Budget, then he is asking us to believe what we don't. He does not believe it himself, and he knows that we don't. Whatever chance there was to balance the Budget was in the years past. This is the very worst year to make this boast, and bearing in mind the efforts which were made in the past when budget after budget showed deficits, how can anybody believe in the bona fides of the Prime Minister when he utters that statement now?

When we come to look at the most important part of that, it has to do with expenditure under Section 33(b) of the Audit Act. Now, as I explained when we were discussing the Audit Act upon the Audit Bill, this Act is intended to enable the Governor-in-Council to make expenditures not authorized by the Legislature which it could not otherwise do. It is intended and laid down with accuracy what the conditions are under which those expenditures can be made, and these are the conditions, and any departure from those conditions is a breach of the Act.

"If when the Legislature is not in session any accident happens to any public work or building which requires an immediate outlay for the repair thereof or any other occasion arises when any expenditure not foreseen and provided for by the Legislature is urgently and immediately required for public good, then, upon the report of the Minister of Finance and Customs that there is no legislative provision and of the Minister having charge of the service in question that the necessity is urgent, the Governor-in-Council may order a special warrant to be prepared, to be signed by the Governor, for the issue of the amount estimated to be required, which shall be placed by the Minister of Finance and Customs to a special account, against which cheques may issue from time to time in the usual form as they are required."

Now then, in the first place it has to be urgent; it has to be accidental; something entirely unforeseen and it has to be urgent, and there has to be a report from the Minister in charge of the services that the matter is urgent. Those are the conditions, and the only conditions upon which expenditures by the Governor-in-Council under Section 33(b) can be made. Now, what has occurred? Last year the Auditor General reports that \$1,185,000 was expended by the Governor-in-

Council. \$1,185,000! Now, of that sum, so that we may be absolutely fair, \$500,000 was expended on relief; that was urgent. So, we will subtract that and we find that \$685,000 was expended otherwise than on relief. Now, what was it expended on? And, mind you, that has nothing to do with the interest on our public debt. That is entirely separate from the \$2,000,000 borrowed in June, and the \$2,220,000 borrowed in December. In the first place, every single Department over expended its votes, and the Auditor General says in an early part of his report – I will find it later; I have got it marked somewhere – that about \$4xxx expended by the Departments could easily have been done without. Perhaps the most scandalous episode in connection with this 33(b) is payment for extra services to permanent civil servants. Every single Department was guilty of it, every single Department to the tune of \$30,000 or \$40,000. In addition to that, by Order-in-Council 30 or 40 pensions were granted. Salaries have been increased, people in the prime of life have been pensioned, nine new positions have been created, under an Act which requires the certificate of the Minister that the matter is urgent, and still the Prime Minister says that there will be no further expenditure under 33(b) of the Audit Act. In the words of the Americans I would say “Sez You.”

I referred a moment ago to what the Auditor General had said with regard to over-expenditure (*reads*). In other words, over \$320,000 was expended over the head of the Auditor General under 33(b). In the face of this, is there any evidence of balancing a budget this year? In the Budget the Prime Minister refers to a revival of trade, which as every merchant knows is far from the facts (*reads from the Budget*). Once again I say “Sez You.” This is the merest claptrap. There is not the slightest evidence of a revival. Every merchant next year will try to give out as little as he possibly can, and if the merchants don’t supply, how can there be a revival? It’s nonsense to talk about it.

Now, Sir, before we talk of balancing the Budget in 1932-33, let us first look at this year. This year there will be a deficit of \$1,600,000. The Member for Ferryland says it will be \$440,000 more, or \$2,000,000. What is there to meet it? It’s laughable if it was not tragic. There’s nothing to meet it but petroleum, and that has got to be bought before we can balance our Budget. We must bear in mind that with our financial reputation what it is, we have got to borrow \$2,000,000 and I say, Sir, it can’t be done. There is only one way in which there is any hope for the future, and that is by variation of the terms with the banks and further financial assistance from them. And I say, Sir, that can never be done while Sir Richard Squires is in power, and I make no other exception. With anyone else except Squires I believe it can be done. That is the responsibility which my honourable friends opposite now have to face.

Facing the years 1932-33, no provision is made for able-bodied poor relief. Two years ago the Minister of Finance was warned that he was not providing enough. The same was done last year, and unfortunately these predictions have only proved too correct. In view of the immense amount that relief cost last year, is there the slightest possibility of getting through on the \$50,000 provided for it this year? Let us even accept the statement that there will be a revival in trade. Even if there is a very substantial revival, the country will still have to face a heavy bill for relief. Even with every attempt made to cut it down to the very lowest, it will still be at least \$100,000 in excess of the estimate.

Only the other day we passed the Estimate for the Department of Lands and Fisheries, and \$10,000 was passed for Agriculture. If an honest effort were being made this year, at least that amount would be expended on seed potatoes, but there is no evidence of anything of the kind being

done. Everything is being left entirely in the hands of the Almighty, forgetting that Heaven only helps those who help themselves. If an honest effort is being made to do away with unnecessaries, why not abolish the High Commissioner's Office? It costs \$12,000 a year, and the only good it does is to provide the Prime Minister with an additional aide de camp when he visits London. Three years ago, the Prime Minister said he was going to terminate the office. Sir John Bennett was disgracefully dismissed, and the pretext was that a trade commissioner was to be appointed. Instead of that, the Prime Minister has appointed a chemist on an increased salary. Perhaps the Prime Minister is contemplating another trip to England and desires to have Mr. Davies as his "Buddy."

"We propose to make a change as regards the Vote for General Contingencies ...," says the Prime Minister in his Budget. That is the fund an attempted raid was made on for \$15,000 on December 22nd last. The Prime Minister informs us that he is making a change in that. It is now to go to the Finance Department from which it was taken. Some years ago when Mr. Keating, who was watchdog of the Treasury, refused to be a party to that which occurred on December 22nd and he refused to sign cheques, which he knew to be an illegal practice, the fund was taken away from him and taken to the Colonial Secretary's Department and [was] hidden there, and as the Prime Minister says, "indefinitely." Now why is that change made? Is it because Mr. Penson says it has to be made, or is it because Mr. Penson is not going to have a loose fund at the disposal of the Prime Minister?

Next, Sir, we are told that there is going to be a cut in pensions. Some weeks ago we had a very disgraceful episode occur in this city and made more disgraceful by the subsequent conduct of the Prime Minister. I refer to the time when he said he was attacked during a meeting of his party by a number of unemployed. At that time you will remember he gave way to a show of force. He then proposed to cut the war pensions but when he was faced with a show of force he gave way to that. Apparently all that the Prime Minister seems to appreciate is a show of force. These war pensions should never be touched. Everybody knows that, and the Prime Minister admits that, but he tried to touch them. He then proposed to cut civil pensions, and we hear a plausible story that some of the pensions in the past were given on lines of doubtful origin. That, unfortunately, has been one of the curses of the country, and it looks as if "the sins of the fathers shall be visited upon us." But there are a great number of those pensioners who have received only their just due, and now it is proposed to cut these too. Now, it has to be borne in mind that the civil service is not unlike civil services the world over, and its members are poorly paid generally. All large business services are in the same position. In banks, railways, army and navy the pay is not great, but beyond it is a pension and with that in the minds of the servants, it helps them to bear with the economy they have to practice whereby they can live in comparative comfort when they reach the pension age. Now there are a number of men on our pension list who have not reached pension age. However, we have not yet got the new Pension Bill of the Prime Minister's before us, and I do not believe that you will ever see this Session a complete list of alterations we were told are going to take place, and that those who cannot hit back are the ones who were going to be hit the hardest.

Now in the midst of this condition I have described we have a new Budget, and in addition to that we have an Income Tax Act and one or [two] minor ones. The chief revenue producer from the Customs is the tax on flour, tea, pork, beef, and kerosene, not to mention a certain amount on coal. I might say that it has always been my opinion that there should be a small tax upon everything. If your main source of revenue is to be your Customs, and if the principle is admitted that everybody must bear his share of taxation, then everything on the Customs list should bear some small tax.

Bear in mind always that the smallest burden must be placed upon the common necessities of life. Consequently, had a Budget such as the present one been introduced at any other time in our history, [it] would have my heartiest support so far as taxes are concerned. But how can you justify it under present circumstances when people are poor and in penury, and you tax the small bit of bread that they eat? Nothing can justify that, Sir. In the first place, this tax should never have been taken off these commodities as it was when Sir Richard Squires was a member of the Morris Government between 1909 and 1913. That was when Sir Richard was a Tory. It had been put on and kept on by the Liberal Government of the late Sir Robert Bond, and when times were good and everybody could bear it. But the Tory Government of which our present Prime Minister was a prominent member took it off. It was a great mistake to take off that tax; but to place it now upon the shoulders of a starving people is a disgrace.

Next we have the Income Tax Act. Now it is well recognized that you can tax trade and commerce out of existence, and I do not think the Prime Minister could make an effort more direct than this to do it. We have not yet had time to give close examination as to what the actual results of these Resolutions will cause, but we know enough about them to deal intelligently with them. Take the case of a man whose company earns \$10,000 profit in a year. Under last year's Act, for the first \$5,000 he would be exempt, and he would have to pay 8 per cent, or \$400, on the next \$5,000. Under the present Resolutions, he is called upon to pay 12 per cent on the entire \$10,000, or a tax of \$1,200, which is three times what he was paying before, so that if a man was carrying on his business moderately last year, this year he is crippled completely.

I fear, Sir, that I have occupied the attention of the Committee longer than I should, and I am sorry that the opinions that I have been compelled to express have described such a gloomy picture, but I am convinced that the picture is not overdrawn and that the remedy rests with you. It rests with Honourable Members opposite to decide how long we are going to continue on the downward grade, and how soon a change can take place, so that we can go with our heads in the air and with an honest purpose to financial people outside to come to our assistance again, and until that change comes, I submit every right-thinking man will admit we will continue on the downward grade.

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.

This report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Mr. Speaker informed the House that he had received a message from the Legislative Council acquainting the House of Assembly that it had passed the Bills sent up entitled, respectively: "An Act to Amend Chapter 23 of the Consolidated Statutes (Third Series) entitled 'Of the Auditing of Public Accounts'"; "An Act to Amend Chapter 22 of the Consolidated Statutes (Third Series) entitled 'Of Customs'"; "An Act to Reorganize the Department of Public Works"; "An Act for the Amendment of Chapter 111 of the Consolidated Statutes (Third Series) entitled 'Of the Registration of Deeds and Other Documents'"; "An Act in Relation to the Amendment of the Loan Acts 1898, 1927, 1928, 1929"; and "An Act to Make Provision for Controlling the Export of Gold and for Regulating Currency," without amendment.

Mr. Speaker informed the House that he had received a message from the Legislative Council acquainting the House of Assembly that it had passed the Bills sent up entitled, respectively: "An Act to Combine the Departments of Agriculture and of Mines with the Department of Marine and Fisheries under the Title of The Department of Lands and Fisheries"; "An Act to Amend the Law with Respect to the Carriage of Goods by Sea," without amendment.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act Respecting a Bonus Addition to Pensions under the War Pensions Act 1922," 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 Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Hon. Minister of Public Works: Last evening there was some objection raised by Mr. Cashin re: pensions. I am only concerned with the pensions in my Department. It is understood that legislation is being introduced into this House with regard to these pensions generally, and all the information I can give to this House are my recommendations to the Executive Government, which are as follows:

T. A. Hall, Govt. Engineer	\$3,375
M. Bambrick, West End Road Inspector	654
Jas. Parsons, East End Road Inspector	989
James Croke, Superintendent Rolling Stock.....	744
S. A. Churchill, Superintendent Public Works	2,403
He also supplied the list of supplies to the Fever Hospital. ⁶⁹	

I am not in a position to say that these pensions will be paid, they may be reduced.

Hon. Leader of the Opposition: The Prime Minister said that the average reduction would be 40 per cent.

Rt. Hon. Prime Minister: That will be the average over the sum total in the new Bill.

Hon. Minister of Public Works: There was another matter which Mr. Puddester raised in regard to the Fever Hospital. He said that he was surprised to find so much money being spent on supplies and with such a small number of patients. I have got some information on the subject and I shall give him a copy (*reads*). The Committee can realize, however, that we have to keep on the staff in

⁶⁹Pension recommendations taken from *The Evening Telegram*, March 19, 1932, p. 8.

case of epidemics or anything of that sort. You cannot hire a nurse for one week and let her go for another like that.

Mr. Puddester: I have the information before me, and in July 1931, when there were five patients and the staff, the supplies amounted to \$78.19. In August, with nine patients and the staff, supplies amounted to \$10.80. Now in September, with eleven patients and the staff, the supplies amounted to \$881; in October with nine patients supplies were \$571; in November, \$495; in December, \$627; in January \$730. Did they do without supplies in July and August? Don't they eat there at all? There should have been a reduction after September (*reads*). You should have exercised better supervision. I think it was a great deal too much in all the months except in July and August and then it was too little.

Hon. Minister of Public Works: I want to assure my honourable friend that during the last three years we have been supplying that institution as cheaply as it was ever supplied before, and during the last twelve months it has been supplied more cheaply than ever before.

Mr. Cashin: I want to thank the Minister for getting me this information, and I may say this information he gives proves that the Estimates are wrong. You all heard about Mr. Hall getting a pension of \$2,500. You are not supposed to know anything about the new pensions and you are recommending another \$1,000 for him. He was 33 years in the service and he is entitled to \$3,300 and now you are asking \$4,300. You have got to knock out something.

Hon. Leader of the Opposition: Did Mr. Hall ask to be retired?

Hon. Minister of Public Works: No.

Hon. Leader of the Opposition: Wouldn't it be better to avail of his services and carry him on at his salary? He is a very capable and very active man.

Mr. Cashin: Evidently the House doesn't know anything about the new pensions. Would you like to hear them for your information?

Hon. Minister of Public Works: Certainly.

Mr. Cashin: These ones were approved by the Executive and they are too cowardly to bring them in. I do not want to delay the Estimates, but the Prime Minister has not the decency to stay in the House and he is conducting the Estimates through, we'll wait for him.

The Prime Minister is back in the House. This has been a sore point, as he knows, with me in connection with these pensions. I have contended from the very beginning that the pension list should be in this House. We are voting, to-morrow or the next day, if we do vote, \$120,000, giving the Government carte blanche to go ahead and spend on pensions as and how they like. That is not the proper procedure of this House; the Prime Minister knows it is not. I say that the Executive Government has approved of reductions in pensions for various positions some time ago, and that

the Department of Justice was instructed to draft a Bill to confirm these reductions. Is that the position?

Rt. Hon. Prime Minister: That is partly correct.

Mr. Cashin: I am wholly correct; that is when I was there. That Bill is not in here yet; another is the pension list. I say particularly now tonight; I have proven a point that you are giving a man more pension than according to the Estimates [*omission*]. I take it for granted that Mr. Hibbs' recommendation for Mr. Hall is gone through. In addition to that, you are voting an extra \$1,000, which gives him \$4,375 for a pension when he is entitled to \$3,375, and I know that members of the Executive Government partly know that Mr. Hall is not going to receive that pension. As far as Mr. Hibbs or this House is officially aware of they don't know that is going to happen; therefore they have to debate these Estimates tonight on what actual facts are before the House. The actual facts are that Mr. Hall is getting a pension of \$3,375 a year, and a retaining fee of \$1,000. Therefore his salary plus his pension is \$4,375. I know he is not going to get that. The House does not know it; Mr. Hibbs does not know it; therefore we are voting on something that is not going to happen.

Rt. Hon. Prime Minister: We are not voting on pensions.

Mr. Cashin: We are asked to vote a salary of \$1,000. When Mr. Hibbs was asked what pension he was to receive, the answer was \$3,375, and \$1,000 salary to that. Is it not just as well that we actually [vote] what he is going to receive?

Rt. Hon. Prime Minister: I can't bring down that until we are ready with the whole list. We are now dealing with individual Departments on the basis of the 1926 Act. The Act is to be revised along the lines of the 1926 Act but with greater stringency, and that Act will apply to all these pensions that we are now talking about. That is in process of being drafted, but is not completed, and will not be completed for some number of days.

Mr. Cashin: This Act is not going to be complete for many days?

Rt. Hon. Prime Minister: That does not affect the Board of Works Estimates.

Mr. Cashin: It does, because of the pensions out of that Department that are absorbed in the Board of Works.

Rt. Hon. Prime Minister: Mr. Hall and these others are on the pension list.

Mr. Cashin: Mr. Hall is in the Department of Public Works estimates. Mr. Hibbs tells the House that he is receiving \$3,375. Therefore the House have got to suppose that he is getting \$4,375 a year. The maximum is \$3,375. Mr. Emerson or Mr. Puddester asks you a question as to what pension you have recommended for Mr. Hall. You tell him \$3,375. I say you are going to give him \$1,000 a year salary; therefore Mr. Hall is receiving \$4,375. Mr. Hibbs' signature is to that;

therefore, Mr. Hall, according to the Estimates plus his salary, is getting \$4,375, and he is not going to get it. Here is the position; to-morrow or the next day the whole thing will be rushed through; in four or five days we will get this thing; various departments will be gone through and suddenly, the last minute, like some people are noted for bringing in bits of legislation in the dying hours of the House, in the dying hours of the House we will get this pension list. There will be no discussion on it; it will be railroaded through. The House doesn't know what they are voting for to-day; neither do you. You are prepared to come in and vote \$120,000, a lump sum. Mr. Chairman, the procedure that has been adopted this year with regard to the handling of the Estimates was never adopted before. You go over in the middle, pick out a bit and put it through to-day; then you go over in the other end and pick out another bit. Why not do it in a businesslike way, start at the beginning and go right through. I don't care what way you do it. I want you to understand you are putting nothing across. You are coming in here and making a joke of it.

Hon. Leader of the Opposition: Those now receiving pensions through the Colonial Secretary's contingencies, they will appear on the regular pension list from this on, I presume.

Rt. Hon. Prime Minister: Yes.

*(Reading estimates of the Board of Works Dept.)*⁷⁰

Mr. Cashin: Here is a man thrown out on his ear, and he is not getting a pension or anything. He came to me several times, and I took the matter up but I got no satisfaction. He is in the Department twenty years, and now he is allowed to starve.

Hon. Minister of Public Works: He is not, in the accepted sense of the word, a civil servant. His salary is not in the Estimates. I considered that as he was 25 years working he should get a pension, but he is not in the same category as the others.

Mr. Cashin: He was getting his salary every week, and morally at any rate he is entitled to a pension, and I want to know what you are going to do about it. He has been going now for six months with a family to support and no means of livelihood. You and I are well fed, we have our bellies full. No one on the Government [side] will say a word; can't I get any answer that this man will be looked after the same as Churchill, Hall and the rest?

Mr. Murphy: I particularly know this man Molloy, his father worked in the same Department before him, and I can assure you that he is in poor circumstances. His wife died recently, and I think that in view of the fact that he has been working here for 25 years he is entitled to a pension.

⁷⁰ "The position of Mr. Whelan was also discussed. In reply to a question by Mr. Tobin, it was stated that [if] outport road repairs are needed in future, Mr. Whelan will look after them." *Evening Telegram*, March 19, 1932, p. 8.

The Daily News adds: "Mr. Churchill's pension was discussed as well. The question was asked if he was seeking a pension and if he was not still able to carry out the duties of the office. A sum of \$1,300 for motor hire was severely criticised in view of the fact that the Highroads have three motor cars." *Daily News*, March 19, 1932.

Hon. Leader of the Opposition: Perhaps the Prime Minister will guarantee fair treatment.

Rt. Hon. Prime Minister: Certainly. He will be looked after on the same grade as the new Act.

Mr. Cashin: The position is that he is out for six months, and the recommendation for the pension has been in for six months, and Dr. Barnes is too lazy to bring it in.

Mr. Emerson: As people who are now being paid off are receiving pensions, for some reason Molloy is not. There must be some oversight, or else he is not entitled to it. Can we find out?

Rt. Hon. Prime Minister: We can discuss it when we are discussing the pension list.

Mr. Emerson: We can discuss it now, if you will get the information for us.

Mr. Cashin: If I am wrong correct me, like a good man. This piece of machinery was brought into the country about a year ago on contract made by the Department of Public Works with the people who manufacture these things. There was no provision made for the money to pay for it, with the result that the Government find themselves in the position that there is a piece of machinery that cost \$11,000 that they know nothing about. We are told that the money is going to be found. The machinery is put in. The Government has paid \$4,000 on account, is not that right? Now they are going to pay another \$4,000 this year and another \$4,000 next year.

Hon. Minister of Public Works: \$3,500.

Mr. Cashin: If you told the House that that machinery is not up to the scratch and the people who put it in are going to take it out and are going to give the money back. That is a poor contract to pay money in advance like that. Should it not read this way: "If it is alright within a certain period we will pay you \$4,000." It was a wildcat scheme of the Department of Public Works that no one knew anything about.

Hon. Minister of Public Works: Yes. The Department of Public Works imported that machinery [and] entered into that contract on the authority of the Executive Government. When I went into the Department, I found that coal was costing the Department \$97,000. I made up my mind to attack that and try to reduce it; that may not be the right thing to do. I tried to perform that and have done it. I have reduced it by \$27,000. I had sufficient faith in my scheme that I did not need to go to the Government and ask for money from the Treasury. I must ask the Committee if this was not a businesslike scheme. I said to the Government, "I don't want to take one dollar; all I [would] like is to have permission to use the savings that will be affected as a result of the installation of those automatic stoves to pay for the machinery themselves." I felt that was a very good scheme. If I can install a machine to take the place of hand fires, in the course of two or three years I can pay the cost of that. I am not paying for the machines until they have paid for themselves. Before doing this I consulted the Auditor General. At the very inception I put [it] down in the Board of Works where I

could watch it, and I say the result was to cut the cost practically in half. That satisfied me that it was a very good scheme.

When I visited Canada, I found that there were several institutions there where those machines were installed. I asked Mr. Hall to write to the engineers in various public institutions throughout Canada, which he did, and in every case the report was exceedingly favourable on those machines. In some cases it was phenomenal. After satisfying ourselves it was the proper thing to do, I spoke to the Auditor General. I could make an arrangement with the people who were making these things; they were very anxious to introduce them into the country. I gave him the very first order. I thought that after a few years business people would be buying them, and he was prepared to give those terms. The Auditor General thought it was a splendid idea, he commended it very highly. He said, "Well, in order to pay for those machines out of the savings on coal; the coal vote in the Estimates is your vote; it is given you in trust; you can use it how you like so long as it is used for heating public buildings." I felt that myself. If I found that a certain kind of grate was not the best kind of grate, I would remove that and put in another one. It is my business so long as I pay for it out of the vote. Nobody else has a right to interfere. We put in ten; the result was exceedingly gratifying. Next year we thought we would put in more in order to finish up the institutions that would lend themselves to the size of the fire. Then I had some trouble with the Auditor General; he seemed to have changed his mind; he interfered with the method of paying; he thought we ought to have a special vote, but as he passed the first ten I did not feel that I ought to go to him again. I thought that was sufficient guarantee that the thing was alright. That is why the others were imported. I might say that they have paid for themselves at the present moment, and I feel that it was a good thing. In fact we had another seventeen. If I felt that the boilers would be suitable, I would put them in. I think the Hon. Leader of the Opposition has one in his business, have you not?

With regard to the General Hospital, the boilers down there were too large. We decided to have an investigation, and to put in this pulverizing plant, which is well known all over the continent and highly approved of, and we do feel that we will save \$5,000; that is, cut down the \$20,000 vote to \$15,000.

Mr. Emerson: How old is the oldest of those?

Hon. Minister of Public Works: That would be the Winter of 1929. There are no repairs to that at all, absolutely none. It all depends upon the person in charge.

Mr. Emerson: What is supposed to be their life?

Hon. Minister of Public Works: I think they should stand for 15 or 20 years; the motor might burn out. In the same way we made the contract to put in this pulverizing plant in the General Hospital, the cost to be \$11,500. The agreement was that the machine would be installed, and we worked the scheme out that at the expiration of three months if it were not satisfactory and did not affect the savings of 20 per cent, if we wished, they would remove it. It was a contract which had been gone into from the legal side by Mr. Dunfield, and from the technical side by Mr. Hall. I was fully satisfied, and I am satisfied now that it is the best investment that could be made. I felt sure that Mr. Cashin would be the first to give us credit for that when we have an opportunity.

Mr. Emerson: Mr. Chairman, I would like to say a few words in regard to this matter before we pass it over, leaving out the question of the resident physician charging fees. I say, and I say with knowledge, that the General Hospital is exceedingly well run in spite of the fact that they are working under difficulties. The buildings are inadequate and they are greatly understaffed. The probationers there are overworked, and I think that everyone will admit that there is nothing better than the treatment they accord one and all, high or low. In spite of their hard work, they are always kind and cheerful, although their hours are very long. I say that they are not charging enough for paying patients, and the cost of drugs goes into the charge for patients. The quantities of drugs used alone are not paid for by the charge that is now made on these patients. I was down there myself last Fall for a couple of weeks, and the food was very good and I had a good appetite, and I see no reason why patients should not pay more.

Hon. Leader of the Opposition: I can corroborate the remarks of my learned friend, and I think that apart from the irregularity of the Superintendent collecting fees, the hospital is well run. Three members of my family were patients at that institution at different times for appendicitis, and they invariably said that they were well looked after and that the nurses were most sympathetic. I think we will never get over this trouble about patients not paying when they should pay until we segregate what we might call – I don't know whether it is right to call them charitable patients, and those paying for themselves. It is very difficult until they are segregated. It has always been found to be the case that paying patients were in a different wing. It made a tremendous difference that people who might want to slip in for nothing, and the man on this side might be paying. If it means that anyone going into a certain wing is not paying, and if going into another wing people are paying, it is an inducement for people to go into the wing where they are paying. I think the Prime Minister knows what happened in Halifax; they built a private pavilion; everyone said that they were not going to pay expenses; they found that they made a profit that helped to wipe out the expenses of the free patients. I think we ought to arrange to have paying and non-paying patients segregated, so that people will not take advantage, because it is a fact that a great many of the patients do take advantage; they are well able to pay, but they won't. I think the Clerk used to tell a story that many years ago he was calling on a patient. He said, "Is there anything I can do for you in town?" He said, "Yes, there is my bank book" – he was a non-paying patient – "and I want you to send me down some things to my District." I think the Clerk will remember that. He told it to me many years ago.

(Estimates of the Home for the Aged)

Mr. Emerson: I would like to know why White is put in as Superintendent here. You are paying off men on the Civil Service, pensioning some and dismissing others, and you take a man out of a job on Water Street and put him into the Civil Service. There is no excuse for it at all. I don't know White, except that I understand that he was a draper. There must have been any number of men whom you have turned out of the Civil Service who were well able for this job without taking a man off Water Street and putting him into it.

Hon. Minister of Public Works: He is a very fine man for the job.

Mr. Emerson: That is no excuse.

Hon. Minister of Public Works: He is of some importance.

Mr. Emerson: He must be, talk about economy! You take a man who has got a job already and walk him into this.

Mr. Cashin: (*to Mr. Hibbs*) Did you recommend this man?

Mr. Hibbs: No.

Mr. Emerson: You were not asked.

... and, it being past midnight,

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed certain Resolutions, and asked leave to sit again.

This report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

It was moved and seconded that when the House rises it adjourn until Monday the 21st instant, at three o'clock in the afternoon.

The House then adjourned accordingly.

Monday, March 21, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

*Hon. P. J. Lewis, on behalf of the Select Committee, presented the following report:
To the Honourable House of Assembly:*

Your Select Committee appointed to ascertain whether the Rules of the House respecting Publication of Notice have been complied with by Holyrood Pond Fisheries Limited, begs to report that it has considered the matter to it referred, and finds that the Rules of this House have not been strictly complied with, the notice in the Daily Newspaper being published weekly instead of daily, as required by the Rules.

Your Committee, however, recommends that leave be given to introduce the Bill.

Dated the 22nd of March, 1932.

*(Sgd.) A. J. Walsh
J. A. Winter
L. E. Emerson
P. J. Lewis*

On motion this Report was received and adopted, and the Bill entitled "An Act to Amend the Act 18 George V., Chapter 3 (1927) entitled 'An Act for the Confirmation of an Agreement between the Government and the Holyrood Pond Fisheries Limited'" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Rt. Hon. the Prime Minister gave notice that he would on to-morrow ask leave to introduce a Bill entitled "An Act (No. 11 of 1932) to Amend Chapter 22 of the Consolidated Statutes (Third Series) entitled 'Of the Customs.'"

Mr. Puddester gave notice of question.

The Chairman from the Committee of the Whole on Supply reported certain Resolutions, which were read a first time as follows:

Department of Public Works.....\$600,956.80

It was ordered that the said Resolutions be read a second time on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole on Ways and Means.

Mr. Speaker left the Chair.

Mr. Strong took the Chair of Committee.

Mr. Bennett: Mr. Chairman, before proceeding with the business of Ways and Means, I would like to take this opportunity to ask leave to refer back to the vote for the Fisheries Department, and which

vote went through when I was, unfortunately, absent from the House. I would like to draw the attention of the Minister of Marine and Fisheries [to the fact] that the salaries of the lightkeeper and his two assistants at Cape Spear have received a cut of almost 50 per cent of last year's allocation. In other sections of the Island, I notice the salaries were cut from 10 to 20 per cent on the average. Now why the discrimination in the case of the men at Cape Spear? The lightkeepers at Cape Spear have been there for four generations, and they naturally feel that they have been subjected to unduly harsh treatment, particularly in view of the fact that the Lightkeeper at Fort Amherst was cut only 10 per cent. Perhaps, there has been an oversight, and maybe the Minister can explain it.

Hon. Minister of Marine and Fisheries:⁷¹ In reply to the Hon. Member, I may say that there was no harsh treatment. We have cut all fog alarm stations and they are all put on the same basis, and Cape Spear was put on the same basis as all the others.

Mr. Bennett: This is an important station, and has been run by four generations of Cantwells, and I do not think that they should be subjected to such a harsh cut all of a sudden. Some other stations in the vicinity such as Fort Amherst only got a 10 per cent cut.

Hon. Minister of Marine and Fisheries: Cape Spear has been favoured a great deal, I don't know why, by past governments, and the salary was often raised above what it should be. The policy of the government is to retrench, and everyone is being placed in the same class. I don't know the Cantwells personally, but we have got to retrench and place them all in the one class.

Hon. Leader of the Opposition: I think that Cape Spear is a very important station, and I think that they should be cut on a percentage basis. This family has held this station for 98 years, and I think their loyalty should be deserving of some consideration. I think the fairer way would be to cut it on a percentage basis.

Mr. Winter: Mr. Chairman, in view of the very excellent addresses of the previous speakers delivered in this House at the last Session, it is with considerable diffidence that I rise to make a few brief remarks regarding the subject now before the Chair, and I am only constrained to do so for two reasons, first, the importance of the subject, especially at this particular time, and second, the fact that we have dispensed with the customary debate on the motion for an Address in Reply. That is my excuse for now proposing to address this House at some little length, and to deal with some matters not particularly germane to the budget speech.

I wish to join with the previous speakers in congratulating the Members who saw their duty, even though at the eleventh hour, and sought to correct the error of their ways. I think that everyone will agree with me that they took the only course. Mr. Chairman, in any government, the resignation of the Minister of Finance or the Chancellor of the Exchequer as the case may be, is regarded as a crisis, and has frequently brought about the resignation of a government. The Finance Minister is next to the Prime Minister in point of view of importance. Our Finance Minister, after three and a

⁷¹ "Minister of Lands and Fisheries" in *The Daily News* report.

half years association with the Prime Minister, has seen fit to pass in his resignation and take an independent seat in this House. The reasons he has for that act on his part I am sure are considered ample justification for his act. I go further, and say that never in the history of Responsible Government in this country have so grave and so serious charges been made as have been made by the late Minister of Finance and Customs on the opening day of this House. He charges members of the Executive with falsification of Minutes of Council and with the manipulating of public monies. I repeat that there are no graver charges possible to be made, either on the floors of this House or outside it. They strike at the very root of our constitutional government. "These practices," he says "were indulged in very recently." Now, Mr. Chairman, these charges are still outstanding, they have not been cleared up, and the public are demanding that they be cleared up. These statements were made, practically made under oath, he called his God to witness that what he said was true. These statements were not denied and what happened? An enquiry was sought for by the Opposition, and should have been sought for by the very gentlemen against whom these charges were levelled. The details are too fresh in the minds of everybody for me to go over them again now, but what happened was that an enquiry was deliberately baulked. Such an enquiry is the sole prerogative, right and duty of this House. The Ministers are responsible to this House, to this House only and to nobody else, and this House has the sole and absolute right and duty to enquire into these charges. I would not blame the honourable members sitting to the right of the Chair if they had not had pointed out to them that this House has the right to conduct an enquiry, because such charges were never made by anybody, there was absolutely no precedent for them, nothing like this ever happened in the whole history of our Responsible Government. If they had no precedent how could they be expected to know who had the right to hold such an enquiry? But the contention that this House should enquire into these charges is supported by the best authority obtainable, I may say the only authority, but still they persisted in maintaining that such an enquiry should not be held by this House. I was amazed to see the Hon. Member for Harbour Main when he rose and said that he was satisfied that this House should not hold an enquiry, and the reason he adduced was, as he stated, that he feared that an enquiry held in this House would be partisan.

I submit that is the very reason, the very reason why it should be here in this House; that is the safeguard for all such enquiries. You have partisans on both sides who will go deeper than an outsider could possibly go into that enquiry. But if he was not satisfied with the reasons adduced by this side, what reason, I ask, was ever adduced by the other side in support of that contention that this matter should go to His Excellency the Governor? As I have stated already, it was a deliberate attempt to baulk the enquiry by this House and to hide behind the skirts of His Excellency the Governor, and I challenge any contradiction of that statement. I say His Excellency the Governor has been put in an absurd and ridiculous position. He cannot seek the advice of his Ministers; the very Ministers whose advice he should seek are charged with these very grave crimes. I can call them nothing else. What then can he do? And it is not constitutional for the Governor to enquire into matters of difference between the members of his Cabinet. It was the sheerest folly to send this to His Excellency under the cloak, under the guise that to reveal the so-called secrets of this Chamber would be wrong. The Governor cannot; it is unconstitutional to enquire into matters of difference between his Ministers. What has happened? That was deliberately delayed for a whole week in this House before it was sent to His Excellency, and now it is three weeks since His Excellency has had it, and we still have no answer. Day after day the Leader of the Opposition asks

if there was any reply and there was no reply, and still the Honourable Members against whom these charges have been made are content to sit in this House, and to pilot the business of the House through this session. I say it is disgraceful.

Now, it is not sufficient that one member of the Executive should make such charges; we have had the spectacle recently of another prominent member of the Executive also considering it his bounden duty to hand in his resignation and take an independent seat in this House. From his lips last week we heard the most scathing indictment that was ever made against any Prime Minister, or against any other Member of this or any other House. That was not made by a Member of the Opposition; that was made by his own associate, a Member associated with him up to a few weeks ago. And was there any reply? No! The Prime Minister rose from his seat and informed us that he would not deign to cross swords with the ex-Minister. No attempt was made to repudiate the statements made by the Hon. Member, not the slightest attempt; and the Prime Minister rose in his chair and read some correspondence which had taken place between Mr. Butler and the Executive in April, 1931, when the Gander was as dead as the dodo. That was the only reply to the scathing indictment made by the Hon. Member for Fortune. The only reply! I don't know what to call it – the silent Government. This Government will go down in history as the silent Government.

Now, the next Member to hand in his resignation, or another Member to hand in his resignation, was the Hon. Member for Bay Roberts; the only Member on the other side of the House so far as I can find out, who has never received emolument from the Crown. Now, he at length, at long last, has been persuaded that the word of the Hon. Prime Minister is not to be trusted. He told us the story; you know it as well as I do. There is no need for me to repeat it, but he stated emphatically that he was convinced that the word of the Prime Minister could no longer be trusted, and that he thought it his duty, his bounden duty, under all the circumstances to pass in his resignation. Then we have the Hon. Member for Hermitage, who also was not satisfied to subscribe to the vicious proposals as contained in this Budget, this child of the Prime Minister.

In view of these [*omission*] I said that the eyes of this country are focused, not on the members of the Executive, but on the members of the party to see who will be the next to make a move, to see who will be the next to see his plain and obvious duty to cross and take an independent seat in this House, and upon them rests, Mr. Chairman, a grave responsibility, for without them the present state of affairs could not continue.

Now, for a few brief moments let us turn to the Speech delivered by His Excellency on the opening of the present Session. I venture to submit that never in the history of this country was a more dismal document ever read by a representative of the Crown. I sympathize most heartily with the mover and seconder of the Address in Reply. I am sorry that I cannot congratulate them. When the Hon. Member for Bonavista North rose in his chair I said to myself, "Here at last; we are now going to have an explanation of the Gander," that town which was to spring up and be a hive of industry, but to my utter and absolute amazement not a word or a sign except the words, "I beg to move or second" – I don't know which it was – "the motion for an Address in Reply," and then to my utter amazement again up rose the Member from Bell Island and went through the same pantomime. Had he no message of hope? Had he no message of appeal under the circumstances to his constituents? Nothing! Not a word! Could there be any more eloquent testimony, Mr. Chairman, to the absolute emptiness, and to the fact that they were ashamed of the Speech from the Throne, be required? I submit, no. Now, what do we find in the Speech from the Throne? Let us analyze it,

and what is there in it? Nothing, absolutely nothing of hope or inspiration. I like that word "inspiration"; the Prime Minister likes it; he uses it so much. Inspiration! Where is the inspiration in this Speech? There is nothing, nothing but reorganization and Control of the Public Treasury. What a horrible admission, Mr. Chairman, that we in this day and generation of Newfoundland should need to go abroad and import a Controller for our Public Treasury. I say it is a horrible admission, an admission on the part of the Government that they are incapable of looking after the public funds. If the system is wrong why don't they [*omission*].

It should not be necessary and what, after all, is the control that is now sought to be placed on the Treasury? It is absolutely ineffective. There is no more control of public funds to-day than there ever was, not one iota. Why has it been thrown into discard? Because politicians were out to get rich quick at the expense of the country, and had deemed it advisable to throw it into discard. It is still there; its force and effect is still there; there should be no necessity to have this control of the Treasury. Have we not an Auditor General? What is he paid for? Year after year he complains that the Audit Act has been violated; his voice is like the voice of one crying in the wilderness; it falls absolutely on deaf ears. This, then, Mr. Chairman, this Speech from the Throne is the swan song of the Government; this Government who have pledged industrial development. Where, I ask you, where in the name of fortune is the industrial development? Where is that banner of achievement that the country was asked to rally to? Rolled up, put away until the next election. What an anti-climax! But, Mr. Chairman, remember this, I ask Honourable Members to remember this; that promises [are] like chickens come home to roost. Some of them are going again, I presume, to seek the suffrages of their constituents. What answer can they give to their failure to carry out one of those promises? One single promise that was made on that gramophone record?

Now, let us turn to the Budget and see if we can get anything of hope or inspiration from it; we have failed to get any from the Speech from the Throne. As I said before, this is a most important Budget. I doubt if ever before in the history of the country was a satisfactory Budget more important. It is the fourth and probably the last – at any rate, some of us hope the last – of the present Government, and for that reason may be regarded as a financial report, an account of their stewardship for the three fiscal years, at any rate, which it covers. In the second place it is important because it is brought in at a time of unprecedented distress, unprecedented depression; at any rate, so far as the future is concerned, it is fraught with tremendous weal or woe for this country. Now, it is for this House, Mr. Chairman, to decide as to whether this Budget is fraught with weal or woe for this country; that is their duty, plain as a pikestaff. What is going to be their reply? That remains to be seen. In the next few days the most momentous decision that was ever made by a House of Assembly is to be made, and I charge Honourable Members, I appeal to them, I beg and beseech them, as the Hon. Member for Fortune did, to consider well before they allow this iniquitous document and the proposals for taxation embedded in it to pass through this House. In view, therefore, Mr. Chairman, of the importance, as I have already said, of this document, it will surely be expected that it would receive the mature consideration not only of the Executive, not only of the Prime Minister, not only of the experts, but of the whole party. The situation, I submit, Mr. Chairman, demands that. It is the most horrible situation that this, or any other country has been faced with. We are at the crossroads to-day, and what do we find? We are told, and this is not my testimony, Mr. Chairman, we are told that the Executive has not been given an opportunity to examine and discuss its provisions; that the services of the Commission of Enquiry stopped after the

last session of this House; were utterly and absolutely thrown overboard on the arrival of these experts who had never seen this country before and knew nothing whatever about its conditions. I say it is absurd to think that men can come in here, and in five minutes sit down and prepare a Budget, and prepare proposals for taxation for a country such as this. Now, I make no apology, Mr. Chairman, for reading to you what was stated here by the Hon. Member for Fortune, a member of the Executive, a member of that Commission that was thrown overboard. I am sorry he is not here, but, as I say, I make no apology for reading what he said about the method of preparation of this Budget. He states, "That the most casual consideration was given by the Executive Council ... [omission] ill-considered." Can you imagine anything more [omission] of the methods adopted? I can't. Mr. Chairman, it is obvious, it is quite obvious to this House that the Budget is the eleventh hour production of the Prime Minister in conjunction with the experts. Why? It was concluded only a few moments before it was actually delivered in this House by the Prime Minister. He told us that while we were discussing public Bills, he was outside with Mr. Penson in the Speaker's Room compiling his Budget, and he comes in here, throws out his chest and reads the Budget. I say it is positively indecent. Under the conditions in which this country is to-day, it should have had months of deliberation. Instead of that it is finished, and before the ink is dry it is brought in here and read, the only copy in existence. Now, if any other evidence is needed as to its being ill-considered, I would point out that already we have had the spectacle of at least two amendments being tabled here before discussion had proceeded, so much so that I doubt if anybody to-day knows what is the duty on certain articles. I venture to say that in the long run the Custom House officials are puzzled to know what is the effect.

A complete and absolute indifference is displayed by the members of the Government who refuse to even stay in the Assembly while the Budget is being discussed. Some of them, I grant you, do, but the majority seem not to care a jot what is in those Resolutions. Must it be assumed that they have their orders and they are going to carry them out? But how are they going to explain this indifference to their constituents? Now the Prime Minister points out that he has lost his Finance Minister and that he has to take over the Budget himself, and that naturally he finds it difficult. We sympathize with him in his predicament, but whose fault was it that he lost his Finance Minister? It is nobody's fault but his own, and why did he make it necessary for his Finance Minister to cross the floor of the House? Why did he ignore the recommendations of the Economic Commissioners? There was only one reason, and that was to avoid the political consequence of a programme of economy. He is seeking to throw the whole onus and responsibility on the shoulders of the experts, so that at some future day he may be able to say, "These are not my proposals, they are the proposal of the experts which were foisted on me by the banks."

Now, I should like to comment on the real position of the Prime Minister with regards to these experts. Some time ago, I heard a member of the Government from his place in the House abuse the experts because they were only carrying out their instructions. He was indignant because his constituents were being given cocoa instead of tea. But that is a Government proposal, and Government members should be prepared to stand by it. Why didn't the Prime Minister get up then and defend a man who was unable to defend himself? What exactly is the position of Sir Percy Thompson and Mr. Penson? They are not doing the job they were brought out here for. They were brought out to rearrange the financial position of this country, not to control the Treasury. I can't understand the silence and indifference of the Prime Minister when the experts are vilified by his

own party. It is his proposal, not theirs, that they are carrying out, and the Government ought to stand behind them.

Now, in pointing out the deplorable condition of the country, the Prime Minister tried to lay the blame on world depression. It is certainly true that is partly responsible for the condition of the country, but that is only half the truth. True, the price of fish has fallen, with a consequent reduction in our earning power, but that is not the real cause of our condition. The real cause is the loss of our credit abroad, and that is entirely due to lack of faith in the present administration. If the Government had succeeded in borrowing the \$8,000,000 last year, we would still be living in a fool's paradise. But what is the cause of the lack of faith in the present administration? It is because it has utterly failed to see the consequences of its gross extravagances, its criminal neglect of opportunities. Those extravagances were deliberately done in the face of the warning of the Minister of Finance when he presented his first Budget, and he said to the House then, "Where are [we] and whither drifting?" That has been the burden of his song ever since. He said then that the Civil Service was over-manned, and yet within six [omission] new jobs had been created which mean an outlay of over \$100,000. There was a regular orgy of commissions. Over fourteen in all. And after that, there was another which has since been dumped overboard. And what was the result of them all? Can we point to one single constructive effort by any of them? With the possible exception of the Board of Health there is absolutely nothing to show. The Highroads programme was a regular sinking fund. Millions were spent, and the result was roads beginning and ending nowhere, and expensive machinery lying rotting on the roadside. These roads will be overgrown in a year or so, and they have cost the country millions. The fisheries were abandoned, and crews left their schooners because it paid them better to work on the highroads.

Then, with regard to the Justice Department, last year I said I blushed for my profession, and this [year] I unfortunately have to say the same again. In spite of the promises that the appointment of a Solicitor General would mean a reduction in legal fees, this Department has become so hopelessly abandoned as to become a byword and a disgrace. Huge fees are being thrown to political heelers for work which could have been done in the Department itself. The appointment of a Deputy Minister was urged for some time, and yet it was not until the very peak of the depression that the appointment was made, and then at an increased salary.

The doctors' fees are another source of scandal. I am sorry [Dr. Campbell]⁷² has seen fit to retire. He came into the House to show his contempt of the writ that had been issued against him out of sheer bravado, at the risk of losing another \$230.⁷³

And now we come to the pièce de résistance. The spectacle of the Prime Minister, with a depleted Treasury on the eve of what appeared to be a certain default, helping himself to \$5,000 from the Reparations Fund, and in the absence of the Controller of the Treasury whom he had sent to Montreal on a wild goose chase, seeking to obtain for himself another \$5,000 for doing absolutely nothing in defending a claim for \$10,000,000 brought about by his own wilful and deliberate action

⁷² The transcript erroneously says "the Prime Minister." The report in *The Evening Telegram* (March 24, 1932) names Dr. Campbell.

⁷³ "There are other scandals, such as the pensioning of capable servants, that are too numerous to mention." *Evening Telegram*, March 24, 1932.

against the Reids. Could anything be more disgraceful? Then, on the eve of the New Year scarcely a week later, he had the nerve at a Rotarian luncheon to appeal for confidence and cooperation. While he had one hand in the public chest, with the other by a stroke of his pen, he is cutting out the widows' allowance and the pensions to worn-out and disabled soldiers – can one cooperate with that? It is no wonder his party is deserting him. How long is this going to continue? Just so long as this Honourable House puts up with it. Just so long as Honourable Members are prepared to sit by and acquiesce. This House knows no party. All are representatives of the people and the first duty is to them. Public office is a public trust and not a means of getting rich quick with the help of the Government. I am afraid that Honourable Members are labouring under a mistaken sense of duty to their leader, and are apt to lose sight of their much more important duties to their constituents.

So much for the Government's sins of omission. Their sins of commission are even more disgraceful. Elected on a programme of industrial development, not a single industry has been forthcoming. Even existing industries have been crippled and put out of business. Within a month of coming into power, a deliberate attack on local industries was made. As a result, factories are closed and hundreds are walking the streets. A solemn warning was issued at the last session, but still Nero continued to fiddle while Rome burned. The fisheries have been shamefully neglected, and apart from the scientific research at Bay Bulls nothing has been done. Agricultural development was promised, particularly on the south and west coasts, the garden of Newfoundland as the [gramophone] record called these sections, but what was being done? A commission has been appointed that has cost the Government some \$40,000 in salaries, and what is there to show for it?

This is no reflection on the man in charge of these Departments. He has done yeoman service, but it is a physical impossibility for one man to control the combined Departments of Lands and Fisheries. The Minister is, as he says himself, a practical fisherman, but I venture to say that he does not know a great deal about the growing of asparagus or other vegetables or agriculture in general. He does not pretend to know anything about agriculture, so far it is a closed book to him. But the point I make is this. To my amazement I find \$10,000 voted for the encouragement of agriculture – \$10,000, why, that is scarcely \$250 a district. Was that the suggestion of the experts? I said at the time that this was false economy, and I say now that it is sheer madness. At a time such as this when you are throwing away thousands of dollars in other ways, when the people want to get back to the land, when they must get back to the land, we find a \$10,000 vote for the encouragement of agriculture throughout the whole Island. Why, that would only supply seeds and one kind of seeds only. The people have no money to buy their own requisites, they need assistance, I do not mean that we should provide them with everything and let them sit and loaf, but we [have] got to help them out or see them starve, and now to vote this \$10,000, I say, Mr. Chairman, is sheer folly. I do trust that the Government will find ways and means to increase this vote, which I regard as entirely inadequate. We have the land here and we have the climate. There was a time when every outport man at any rate had his own garden and his own livestock, but I am afraid that day has disappeared. Still, there are great possibilities in this country if we could only evolve a scheme to get the people back again to the land. If our fisheries fail, what are our people to do? They should be enabled to get [*omission*] again and earn a livelihood from tilling the soil. The land is our heritage, as well as the sea, and we want to get the best we can. It is encouraging to see that there is a public meeting being called for tonight to discuss this very matter, and I trust that the Government will see to it that they are represented at that meeting, if not to show them something, at least to learn

something.⁷⁴

With regard to our fisheries, I say that there are many phases of our fisheries undeveloped. The fisheries are, as we all know, the mainspring of our country, and this mainspring is broken and must be repaired, and you can't do that by increasing taxation. Increased taxes will not help our fisheries any. This is a matter that calls for the united efforts of every man and woman in the country.

Not only has the Government failed to help existing local industries, but they also make the crowning blunder of throttling the very industry that they promised to the people on the eve of their election. That is the Gander. This was the promise which was largely instrumental in returning the Government to power. The Prime Minister was going to put the "Gang on the Gander," and the story is that every attempt that was made to put a "Gang on the Gander," the Government has seen fit to throttle. For three years now the Gander has been a fruitful source of discussion, and for three years the Opposition has condemned the action of the Government, and even until to-day we have not had a satisfactory explanation of why this deal did not go through. The Prime Minister is to blame. He was the one responsible for throttling the Gander. Will the Prime Minister be able to explain to his constituents why he did not "put a gang on the Gander" when he goes back to them for re-election next Fall? Apparently he was convinced that the issuance of these writs would result in the returning to Newfoundland [of] these large and valuable tracts of land in and around that vicinity, and apparently the reason he gave was to prevent the alleged contemplated sale to the International. The Prime Minister, who is Minister of Justice and a lawyer, must have known when he issued these writs that he had not the slightest possible chance of success. Whatever chance the other writs on other properties had, these writs on the property that was owned by the Reids had none. The Prime Minister knew that as well as anybody else. What was the result of the trial? Judgement was given against them and thousands of dollars was thrown away, and the Reids put in a \$10,000,000 claim for damages and it seems at the present time that they will be successful in winning their suit. Not only did the Government throw away thousands of dollars of the taxpayers' hard-earned money, but they are also liable for a \$10,000,000 claim. Why were these writs issued? The Prime Minister had no authority; he knew that this would be abortive. The Executive had no knowledge of the issuance of these writs until they had been issued. Why did he do this? Of course he is not here to answer. The Prime Minister and the Prime Minister alone apparently was the only one who knew about the issuance of these writs. There was no thought of a sale to the International. The correspondence tabled here last year is evidence of that. The Reids were the most surprised people in the world when they found that these writs were issued, and the only reason they were issued was for the purpose of throttling the proposition, choking off negotiations and blocking the placing of a valuable industry on the Gander River, one which moreover was promised the people of this country by the Prime Minister himself. The Leader of the Opposition was right when he called the choking off of this industry "a huge blunder or a damn crime." I can think of no more serious crime that could be perpetrated on the people of this country than the choking off of this industry. Let me read to you

⁷⁴ "Had that commission done its job it would not be necessary to call a public meeting in St. John's to try and get people back to the land. It should not have been necessary for pulpit and press to point the way: that was the Government's duty and should have been the particular province of the commission ... I would suggest they attend tonight's meeting in a body ..." *Evening Telegram*, March 24, 1932.

the opinion of two members of the Executive Government at that time – that, by the way, is all that we have been told, that has been the only evidence we can get. I will read what the Hon. Member for Fortune says: “I have definite knowledge that promoters of the scheme interpreted the issue of the writs and the clouding of their land titles as a declaration of war on their proposition by the Government of Newfoundland, and I am now led to conclude that the Leader of the Opposition had a great deal of justification for the warmth of his condemnatory remarks in this connection.”⁷⁵

That is from one of his associates in the Executive at the time. Let me read you the opinion of another of his associates, the late Minister of Finance, the Member for Ferryland. You will remember he pointed out what this industry would have meant to this country; over \$6,000,000 in [omission] and \$2,000,000 in revenue every year. He goes on to say: “I have, therefore, come to the conclusion ... [omission] ... successful issue.” I leave it at that, and hope that the Prime Minister will give us some satisfactory explanation.

Now, in reply to those charges which I have already pointed out, what does the Prime Minister do? What is his reply? As usual he resorts to camouflage with a prepared statement. As is his wont, he got up here in reply to the Member for Fortune, and he reads an extract from notes of interviews with Mr. Butler in 1931. These writs were issued in the Spring of 1930 when negotiations were going on, and then as if to defend himself, he gets up and reads correspondence dated April 31, 1931, when the Gander was as dead as the proverbial door nail, and the pathetic part of it is that he expects this House to swallow those. What, I might ask, have the other members of the Executive, the members still remaining got to say? I do trust that before this Session closes they will give us some explanation, that there will be some word from them. At present we have the word of two members of the Executive sitting in the centre of the House, and a trumped-up defence from the Prime Minister. Now what is the truth? For mercy sake, let us get at it. Then what about the other industries? Not a single word. Pure bluff, nothing more nor less. So much for the Government record. What a contrast! What a pitiful contrast to the message of hope and inspiration on that famous record. As I said before, it was largely this promise of the Gander that elected the Prime Minister and his party, and I am very much afraid, Mr. Chairman, that it is the stifling of that industry which is going to prove his undoing. Unless I am very much mistaken, the Prime Minister has been [hoisted with his own petard]. It reminds me very much, this Gander business and the killing of it, of a little nursery rhyme told me when I was a small boy:

“Alexander, great commander
Shot at the goose and killed the gander.”

I would paraphrase it:

“Anderson Squires, Knight Commander,
Issued his writs and killed the Gander.”

(Applause from the House)

Now, Mr. Chairman, to be serious once more, with such a record as this which I have

⁷⁵ The quotation is taken from *The Evening Telegram*, March 24, 1932.

outlined, is it any wonder that the outside world has lost faith in this country; has lost faith in the administration; our credit is gone; our reputation gone; is it any wonder that we have become what might be termed a bad moral risk, and by that I mean that although our assets are there, we are regarded by our creditors as not trustworthy; that is what I mean by a bad moral risk, and it is only because we have become a bad moral risk that when this country of ours was hawked about, as had been said before, all over the world with a view to getting a loan, that the efforts were unsuccessful, until to-day we have reached the situation where we cannot even borrow sufficient to pay the interest on our public debt, except under the most drastic and humiliating terms. This country to-day is the serf of the banks, the syndicate banks. Too late has the Government realized the enormity of its crime, the error of its ways. The stable has been locked when the horse is stolen. In this connection I would like to read you a delightful paragraph of the Budget speech. As I say, too late the country realized where we were and whither tending. For this state of affairs the Government is entirely responsible. Might I ask your attention to the very last paragraph in the Budget Speech. It reads as follows: "It is a momentous advantage that we became aware of our difficulties in time, not too late to balance our Budget."

It is to laugh.

Now, Mr. Chairman, when this loan failed, this \$8,000,000 last May, what did the Government do? They got into a stage panic, chased all over the world looking for money, instead of calling this Legislature together and having the benefit of the advice of the whole Assembly. They chased off to New York, Montreal, London, all to no effect. A state of chaos ensued; the syndicate banks tided us over our difficulties in June last, and then even the Prime Minister was convinced that the situation demanded the attention of experts, and he proceeded to England to procure them, and here they are with us still. Now, Mr. Chairman, I do not wish to reflect in any way upon the work which the experts are doing. I think they have a tremendous task which they have been handling to the best of their ability, but when it comes to compiling a Budget and outlining a plan of taxation of raising revenue from our people at a particular juncture such as this, I think they should not be asked even to advise as to the taxation. They are not tariff experts; they would be the first to admit that themselves. They have no intimate knowledge of local conditions; they have never been outside St. John's except so far as necessary to go across country. What do they know about our fishery in all its branches, or the methods of our people, or their method of living? I say that they themselves would be the first to acknowledge that they know nothing about it, and yet they presume, or rather the Prime Minister in his extremity is compelled to bring them to devise a method of taxation for this country. Our own people, the Economic Commission, that worked for months on this proposition of economy and so on and so forth, all of whom are familiar with the conditions of this country from A to Z, are entirely disregarded, the Executive is not consulted, and I venture to say that the party knew no more about this Budget than did we on this side of the House when it was presented, not the foggiest notion. But had these experts any knowledge of our local conditions, I venture to say that they would not have proposed this additional taxation which is now sought to be put on this country, but assuming they did, for the sake of argument, the Prime Minister himself must have known how impossible these proposals were, how absolutely and utterly impossible they were, and he should never have allowed them.⁷⁶

⁷⁶ "The estimates for expenditure are in many cases too low and will not be sufficient. On the other hand the

Now, Mr. Chairman, I don't propose to go into these details of the proposed taxation. I quite agree, as everyone must, that we must cut down expenditure, and I think an effort is being made, and I give the Government credit for that, but they are not cutting down their own expenditure, some of them; there is the rub; that is what the people are kicking about. The cuts have not been fair. It is also obvious that not only must we cut down expenditure, we must increase our revenue. Any school boy will tell you that; we don't need the advice of experts to tell us that. How can we increase our revenue by the imposition of taxes on people who cannot afford to-day to pay the existing taxes? If they cannot afford the existing taxes, how can they pay the increased taxes? It is the last straw which will more than break the camel's back.

You cannot take the shirt from a naked man; that's like kicking a man when he is down. All extra taxation eventually falls on the consumer. If it is increased consumption, decreases and the revenue will suffer accordingly. In that connection the tariff will defeat its own purpose. At present there are between 60,000 and 70,000 on the dole and conditions are appalling. Many more are just as bad, but are too proud to accept the degrading ration, so that there are fully 100,000 people who are barely existing to-day. They are hungry and the price of food is increased; they are without clothing or footwear. Every mail, pathetic letters are received from men who are unable to go out of doors because they have nothing to put on their feet, and in the fact of this, how in the name of all that's decent can this House coldly and calmly agree to proposals concerning increased taxation? It would only mean that people would not be able to get back to the fishery and that dole would have to continue. But surely it is not suggested that the dole is to continue indefinitely. Dole must be stopped or the fishery is doomed. People must be got fishing or back to the land; back to the factory and the workshop. The wheels of industry must be speeded up not clogged. The slogan should be, produce. Earning power must be revived.

I admit the problem is difficult, but with cooperation the situation can be met. Not in one or even two years but gradually. But there can be no cooperation with the present Prime Minister. It is dreadful to have to say it, but where there is no faith there can be no trust. The outside world has not forgotten the scandals which led up to the Hollis Walker Enquiry, even if we in this country have, and the outside world knows that he is up to his old tricks again. This man has already dragged his native land in the mire; he is the one obstacle to her rehabilitation. How much longer is he going to stand between her and the recovery of her self-respect and financial independence? The answers rest entirely with you gentlemen.⁷⁷ In her hour of tribulation and trial, Newfoundland expects that every man will see and do his duty, and the duty you honourable gentlemen now owe is not to the leader, but to the state. "To thine own self be true, and it must follow as the night the day thou canst not then be false to any man." Mr. Chairman, I apologize for having taken up so much of the time of the House.

Mr. Winter's speech concluded at 5:30 p.m. after which Tariff Resolutions were considered.

estimated revenue will never be realised. That is equally obvious. Of what use is it to talk of a balanced budget. Only an unbalanced mind could agree to it." *Evening Telegram*, March 24, 1932.

⁷⁷ "The responsibility of honourable members is a serious one. In all seriousness, he said, these budget proposals must not pass." *Evening Telegram*, March 24, 1932.

[*Evening Telegram*, March 22, 1932, p. 6]

Hon. Leader of the Opposition: Mr. Chairman, I would like to say a word or two in connection with this duty on butterine. When the Prime Minister announced this increase in taxation, I made the statement about "bringing coals to Newcastle." Since then I have had reliable information from a gentleman with one butterine manufacturing concern that they are not making unfair profits, and I have every reason to believe him that there is not the spread of 2 cents on excise, as the tariff would denote. I said I was also firmly convinced that if the Prime Minister wanted to act fairly when he thought of putting on extra duties, he should start with industries that needed protection worst, such as the clothing factories and the boot and shoe factories. The latter are all closed down and the bulk of the clothing factories are working about 20 hours a week, and certainly they too will be closing down until times get better, as they would like to have some little concession to have a margin to work on, rather than to have to levy any extra duty on the purchasing public. I would, therefore, like for the Prime Minister to give these two industries in particular some more consideration, because, as I remarked on a previous occasion, it is a toss of a coin whether or not the Newfoundland Boot and Shoe will be closing down this year because that concern has lost big money last year and the year before. Of course, I dare not say a word on behalf of the tobacco factory. They made money, it is said, in spite of hardships imposed on them by the Government, yet I hope that better days are in store for them.

Rt. Hon. Prime Minister: (*Reads memorandum*).

Hon. Leader of the Opposition: I would ask the Prime Minister, if all the other industries can put up the same argument will they get the same consideration?

Rt. Hon. Prime Minister: Certainly. As a matter of fact, for the past couple of weeks we have had under consideration the Purity Factories, and we are considering putting in an amendment in regard to candy and such like which is manufactured locally.

Mr. Puddester: The reason I asked that question was because I have a letter here from a man interested in the manufacture of butter, and I judge from his letter that he didn't know of the increase to 6 cents. I promised him that I would read his letter to the Committee (*reads*):

Politicians and people writing to the newspapers, always seem to forget that the local butterine pays duty on its importation of machinery and excise and sales tax on its products. The excise is 4 cents per pound and the sales tax and duties vary, but may be taken at slightly over ½ cent per pound of butterine.

Duty on imported butterine is now 5 cents per pound and the sales tax is slightly over 1 cent. The local article therefore enjoys an apparent protection of 1½ [cents] per pound.

Butterine ('Avalon Creamery,' 'Victory,' etc.), in which imported butter is incorporated is badly discriminated against, as after paying duty and sales tax when imported it is charged a further 4 cents excise when made into butterine. Imported butterine containing butter would not have to pay this 4 cents.

On account of the high cost of living, labour costs about double what it does in England, milk

costs more and everything bought locally costs more. For similar reasons all local repair work costs much more and the apparent protection largely disappears.

I think you will find that butterine receives less protection than any other locally manufactured products and that this is the cause of the great increase in the imports since the tariff was altered some years ago. [*Daily News*, March 22, 1932, p. 5]

Rt. Hon. Prime Minister: Would the Hon. Member let me have a copy of the letter, or rather a copy of the data which he just read out?

Mr. Puddester: Certainly.

Mr. Quinton: Could the Prime Minister tell me the approximate value of the items entering into the manufacture of butter?⁷⁸

Rt. Hon. Prime Minister: I know one concern that last year spent around \$170,000 in tubs and such like necessary in their business.

Item 72; this matter is dealt with by an addition; if you refer to the amendment added to this item (*reads*): "Confectionery to be sold ... 1 cent." By that addition, that is the amendment. Section 72 reads as it is, the following words being added thereto (*reads*⁷⁹).

I understand from all the gentlemen that import that particular class of bar, that it is a specifically specially prepared article which is sold at a certain price by Moirs and others, and is the recognized article known as the 5 cent bar, being just as recognized as a pair of boots. This item deals with a 5 cent bar, which may be any sort of bar.

Mr. Puddester: I have a message here from a very large importer of 5 cent candy. He says (*reads*).

Mr. Puddester made representation about package goods that sell for the same price and pointed out that if the duty on goods such as Life Savers was increased, it would result in a loss of revenue amounting to at least \$7,000. He read a telegram he had received on this subject. [*Daily News*, March 22, 1932]

Rt. Hon. Prime Minister: If my honourable friend will let me have a copy of that message, I will take the matter up.

Mr. Emerson: Were not representations made by the Imperial Tobacco Company?

Rt. Hon. Prime Minister: There were recommendations made to Mr. Penson. I did not receive any myself, except indirectly through him or through Sir Percy Thompson. The suggestion was that the

⁷⁸ "Mr. Quinton asked if the Prime Minister could supply the actual cost of manufacturing butter; details of materials, etc." *Daily News*, March 22, 1932, p. 5.

⁷⁹ "Hon. the Prime Minister also read a memorandum in connection with the same subject (as Mr. Puddester)." *Daily News*, March 22, 1932, p. 5.

price of tobacco would be substantially increased in duty, and that the price of cigarettes be reduced by \$1.50 per lb. We did not feel that we could adopt those figures.

Mr. Emerson: Did Sir Percy Thompson recommend that?

Rt. Hon. Prime Minister: He discussed it with the Executive Council.

Mr. Emerson: Might we have a statement?

Rt. Hon. Prime Minister: I would be glad to do that. My own view on the matter was that we should not increase the cost to the consumer of the ordinary smoking tobacco by some 12 or 14 cents per lb; there would be an article for the reduction of duty on cigarettes. At the present time there is a huge smuggling in cigarettes, as everyone knows. We were hoping by the reorganization of the methods of looking after these things, and the additional staff, to prevent a very great deal of the smuggling. Practically the same thing applies to the practice outstanding and adopted in the matter of boots and shoes. The trouble has been the bringing in of dumper articles which were cheaper and against which our factories could not compete. An effort has been made to straighten up that situation. It will be noticed in the Budget.

Hon. Leader of the Opposition: Could not a minimum price or valuation be set for a pair of shoes coming in, say a minimum price on which to pay duty, say, nothing less than [omission]. Shoes have been imported here for 30 cents a pair, and bought at that in the States. They were dumped.

I don't know what negotiations the Tobacco Factory had with Sir Percy Thompson; I don't believe they looked for 14 cents additional. I think it was more likely [omission].

Rt. Hon. Prime Minister: About 12 cents, I think. I will get the figures for Mr. Emerson tomorrow.

Mr. Emerson: What they asked for, and what Sir Percy Thompson suggested, they should get.

[According to The Daily News, 22 March, 1932, the House took a recess at 6:35 p.m., and resumed at 8:30 p.m.]

Rt. Hon. Prime Minister: There were one or two points raised by my honourable friend the Leader of the Opposition. With regard to 126, I am told that the amount of duty collected is so small as to be insignificant, and 126(a) is free, the volume is so small as not to warrant taxation. Purely ornamental trees, 10 per cent. There was also a point raised by Mr. Puddester regarding items 43 and 44. Mr. Puddester was correct, the amount should be 6 cents in each case. There is also a matter of marmalade, item 73, 50 per cent is the standard duty for all goods of a similar class. I talked this matter over for a few moments with Mr. Penson and this time [it] is going to be put in its right class. I understand that there are a number of local factories manufacturing marmalade, and last year they lost some contracts because of the fact that the ingredients were too high. It was 35 and 40, and then it was dropped to 20 when there was no chance of establishing local industries.

Mr. Cashin: In the Budget of last year in reference to this item, there was added the words "strike out."

Mr. Emerson: Might I point out that there should be no vote on the Budget until to-morrow. As it [is] proposed that the Budget and the Estimates balance at June, and as the most important legislation dealing with the Budget has yet to be brought before the House in the Petroleum Bill, I think some opportunity for debate on it should be given before a vote is taken on the Budget.

Rt. Hon. Prime Minister: It is hoped to dispose of the various matters stage by stage, as we did in the case of the Controller of the Treasury Bill and the Gold Bill. We can thus dispose of one matter and then pass on to the next. After we have disposed of the Budget we can pass on to the Income Tax Resolutions and so on, so that we have some finality and not leave the whole thing in a state of flux.

Mr. Emerson: Perhaps I did not make myself clear. Obviously the Income Tax Resolutions and the Petroleum Bill are so intermingled with the Budget as to actually form a part of it. I therefore suggest that the Budget be not disposed of until the House has a chance of debating those Bills thoroughly.

Mr. Quinton referred to the duty on hay and asked would not a higher duty be an encouragement to local farmers. The Prime Minister did not think so. Long haulage costs in this country made the price very high.

Items 356 and 256 were left over after the Opposition had asked some questions regarding them. These refer to rebates dating from May 31st, 1931. Mr. Emerson asked for [a] copy of the minutes of council which had provided for these rebates.

Many other matters were referred to ... [*Daily News*, March 22, 1932]

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 motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Hon. the Secretary of State tabled the annual Report of the Registrar of Births, Deaths, and Marriages for the year ended December 31, 1931.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting a Bonus on Addition to Pensions under the 'War Pensions Act, 1922.'"

Mr. Speaker left the Chair.

Mr. Fitzgibbon 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 on to-morrow.

The remaining Orders of the Day were deferred.

Rt. Hon. the Prime Minister gave notice that he would on to-morrow move the House into Committee of the Whole to consider certain Resolutions to amend the Act 15, George V., Chapter 33, entitled "An Act Respecting a Tax on Goods Imported into Newfoundland, and Acts in Amendment thereof."

Rt. Hon. the Prime Minister gave notice that he would on to-morrow ask leave to introduce a Bill entitled "An Act to Settle the Conditions of the Holding of Certain Timber Lands and Water Powers."

Mr. Cashin: I bring this to the attention of the House so that the Government can have this inaccurate statement corrected, because if some Wall Street financial magnates were interested in buying our bonds, they are going to shy clear if they think we are going to have a deficit of \$9,800,000 for the coming year, instead of a deficit of \$3,800,000, as I have already stated in this House.⁸⁰

Mr. Cashin gave notice of question.

It was moved and seconded that when the House rises it adjourn until to-morrow, Tuesday afternoon at three of the clock.

⁸⁰ "Mr. Cashin called attention to a dispatch which had appeared in the *Wall St. Journal* and thought that other people besides those so often referred to by the Prime Minister as sending false dispatches were guilty. This dispatch stated that the budget speech stated that the deficit for the current year would amount to \$9,800,000. He asked the Prime Minister to have the item corrected.

The Prime Minister stated he would take up the matter." *Daily News*, March 22, 1932.

*The House then adjourned accordingly.*⁸¹

⁸¹ At 9:30 p.m.

Tuesday, March 22, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Speaker informed the House that he had received the underquoted communication from His Excellency the Governor, which he then read as follows:

Mr. Speaker and Members of the Honourable House of Assembly:

I have the honour to refer to your Address, which was presented to me on the 1st of March, and to which I replied that its prayer would receive my earnest consideration.

The prayer of your Address is as follows:

“The House of Assembly prays that Your Excellency will be pleased to enquire fully into the charges and any matter or matters connected therewith, and to take such action as may be meet in the premises, and to inform the House as to whether or not there has been any falsification of the said Minutes and whether or not Your Excellency was deceived or induced by such deception to sign the Minutes in question.”

Your Address further states that “Such an enquiry involves an investigation into the practice, procedure, discussions and decisions of the Committee-of-Council.”

The Executive Council has expressed its concurrence in my personally undertaking an enquiry, but it is necessary that I should make it clear that the Executive Council is in no way responsible for the views which I express in this message. Moreover the Minister of Justice and Attorney General and the Acting Deputy Minister of Justice are personally mentioned in your Address, while the Office of Solicitor General is held by a Member of the Executive Council. In these circumstances, I have been unable to avail myself of the legal assistance and advice which I am entitled to receive in the consideration of matters such as these which have arisen in the course of the enquiry which, in the peculiar circumstances disclosed in your Address, I have considered it my duty to make, but which, for reasons that will appear, has not been an enquiry such as you requested should be made.

The enquiry which I have made has entailed examination of the Letters Patent, the Royal Instructions, and Acts both of the Parliament of the United Kingdom and of the Legislature of Newfoundland, in which is embodied the existing Constitution of the Dominion of Newfoundland.

By certain Letters Patent under the Great Seal of the United Kingdom of Great Britain and Ireland bearing date at Westminster the Twenty-eighth day of March, 1876, Her Late Majesty Queen Victoria did constitute the Office of Governor and Commander-in-Chief in and over the Island of Newfoundland and its Dependencies and did provide for the Government thereof.

By the Second Clause of these Letters Patent it was ordered and declared as follows:

Clause II: “And we do hereby declare Our pleasure to be that there shall be an Executive Council for Our said Colony and that the said Council shall consist of such persons as are now or may at any time be declared by any Law enacted by the Legislature of Our said Colony to be members of Our said Council, and of such other persons as Our said Governor shall from time to time, in Our Name and on Our behalf but subject to any Law as aforesaid, appointed under the Public Seal to be members of Our said Council.”

The power conferred on the Legislature by the Letters Patent to enact legislation in respect

of the Executive Council is restricted to declaring certain persons to be Members of the Council, and that power has not been exercised. As no Law on the subject has been enacted all the Members of the Executive Council are appointed by the Governor in virtue of the powers conferred upon him by the Letters Patent.

Certain Instructions were issued under the Royal Sign Manual and Signet bearing the date the Twenty-eighth day of March, 1876, to the Governor and Commander-in-Chief in and over the Island of Newfoundland and its dependencies.

The Second Clause of these Instructions authorizes and requires the Governor to administer or to cause to be administered to all and every person or persons as he shall think fit, who shall hold any office or place of trust or profit, the Oath of Allegiance together with such other Oath or Oaths as may be prescribed by any Law or Statute.

The Oath which the Governor is authorized and required to administer to a Member of the Executive Council is as follows:

"I,, do swear that I will faith and true allegiance bear unto His Most Gracious Majesty King George the Fifth and to His Heirs and Successors and will be true and faithful to ... (Here follows the name of the Governor for the time being), as he is commissioned and appointed Governor and Commander-in-Chief in and over this His Majesty's Island of Newfoundland and its Dependencies, and that I will in the place and office of His Majesty's Councillor of this Island well and faithfully serve His said Majesty and promote the good of His Majesty's affairs with my best advice and counsel.

I will with by best ability defend this Island from all foreign invasions and intestine insurrections.

I will not countenance or conceal any plot or seditious speeches against His said Majesty, His Heirs or Successors, but I will give speedy notice thereof unto His Excellency the Governor or to some Member of his Council.

The secret debates of the Council I will not reveal directly or indirectly; all of which I will to the utmost of my ability perform.

So help me God."

The Fifth Clause of the Royal Instructions directs and enjoins that the Governor do attend and preside at the meeting of the Executive Council unless when prevented by some necessary or reasonable cause.

The Sixth Clause of the Royal Instructions directs and enjoins "that a full and exact journal or minute be kept of all the deliberations, acts, proceedings, votes and resolutions of Our said Executive Council and that at each meeting of the said Council the minutes of the last meeting be read over, confirmed or amended, as the case may require, before proceeding to the dispatch of any other business, and We do further direct that twice in each year a full transcript of all the minutes of the said Council for the preceding half year be transmitted Us through one of Our Principal Secretaries of State."

While provision is expressly made in the Eleventh Clause of the Royal Instructions whereby the Legislative Council is empowered to make Standing Rules and Orders, not being repugnant to the Instructions, for the regulation of its proceedings there is no corresponding provision in respect of the Executive Council but the regulation of the proceedings of the Executive Council has been

reserved by the Crown to itself and directions have been enjoined on the Governor by the Sixth Clause of the Royal Instructions in order to ensure the accuracy of the records.

The accuracy of these records is impugned in your Address. There can be no question whatsoever as to your undoubted right to discuss and to express approval or disapproval of the policy which the records enforce. But, having regard to the origin and constitution of the Executive Council and to the provisions of the Letters Patent and Royal Instructions I am unable to admit that you have any constitutional or statutory power to question the accuracy of those records. On the contrary it would appear that in questioning the accuracy of the records of the Executive Council you have essayed, without doubt unwittingly, to assume a function which has been entrusted by the Royal Instruction to another body, and to exercise a power which has not been conferred upon you by the Constitution or by Law. The Executive Council alone is empowered in pursuance of the Royal Instructions to question and to pass judgement on the accuracy of its own records, and that within the time prescribed by the Sixth Clause of these Instructions, which expires on the confirmation of the records. The conduct of public business would become impossible if it were to be conceded that the accuracy of the records of the Executive Council could be called in question after confirmation or amendment in accordance with established constitutional practice as prescribed by the Royal Instructions, and after the lapse of an indeterminable period of time.

While I have considered it to be my duty to lay before you, with all deference, these views on account of the gravity of the implications involved in them, at the same time I am anxious to afford you all information which, in my opinion, may properly be communicated to you without detriment to the conduct of the business of the State.

As is customary in deliberative bodies it is the practice of the Executive Council that questions proposed for decision are determined, on occasion arising, by a majority of votes of the Members present, and it is competent to any Member of the Council to require that there be recorded on the Minutes of the proceedings any opinion he may give upon a question and the grounds of his opinion.

It is relevant here to quote the following extract from page 103 of "The Chairman's Handbook" (Suggestions and Rules for the conduct of Chairman of Public and other meetings based upon the procedure and the practice of Parliament) by Sir Reginald F. D. Palgrave, K.C.B., the late Clerk of the House of Commons:

"Notes on Procedure – Protests recorded on the Minutes."

"Protests by members of a deliberative body, according to the practice of the sole authority upon the subject, the House of Lords, are concise and definite statements of the motives which prompted the votes of the protesting minority, either individually or conjointly.

"The period within which Protests are permissible should also be limited by express rule. Where no express rule exists, Protests must be handed to the Chairman or the Clerk before the conclusion of the meeting when the occasion that provoked the Protest took place.

"Any mode by which a minority can qualify or thwart the authority of the majority is not, in our opinion, to be recommended, the practice should certainly not be permitted save in deference to established regulation or settled practice."

The direction enjoined on the Governor by the Sixth Clause of the Royal Instructions in order to ensure the accuracy of the records of the Executive Council have been observed and in the following manner:

I. I assumed Office as Governor of Newfoundland on the 16th of October, 1928, and I presided at a meeting of the Executive Council on the 17th of November at which Minutes up to that date were read over, confirmed or amended as the case may have required. I also presided at a meeting of the Executive Council on the 3rd of December, 1928, when arrangements were agreed upon for effectually carrying out the directions enjoined on the Governor by the Royal Instructions and which included the holding of meetings at regular and fixed intervals. From that date meetings of the Executive Council have been held regularly on the first Tuesday in each month (or on rare occasions and for special reasons on a day slightly earlier or later) at which the Minutes up to the last day of the proceeding month have been read over, confirmed or amended as the case may have required.

II. Separate and permanent records are kept of three stages in the evolution of a Minute of the Executive Council in ultimate and definitive form which is irrefutable. These records come within the category of Secret Documents of State which are not made public and proper arrangements have been made for their preservation and safe custody. The three records are as follows:

A. Previous to a meeting of the Committee-of-Council an Agenda Paper is prepared in the Department of the Secretary of State on which are enumerated in sequence the matters to be submitted for the consideration of the Committee, but it is competent for the Committee to consider other matters which do not appear on the Agenda paper or to proceed to the dispatch of business although an Agenda paper may not have been prepared.

When, as is the usual practice, an Agenda paper has been prepared the names of the Members present and the decisions of the Committee are entered on it at the time of the meeting and from this document are formulated the Minutes of the proceedings which embody the decisions and intentions of the Committee.

It is competent for any Member of the Executive Council, who is present at the meeting, to require that there be recorded on the Minutes of the proceedings any opinion which he may give on a question, and there are instances in which such opinions have been recorded.

B. The Minutes of the proceedings of the Committee are submitted in duplicate to the Governor for his approval and if approved such approval is endorsed by the Governor on both the original and duplicate copies. The original copy is returned by the Governor to the Department of the Secretary of State and becomes the authority for any executive action which may be required. The duplicate copy is filed in the Governor's Office.

C. From the original copy of the Minutes of [the] proceedings referred to in the preceding sub-paragraph a full transcript of all the Minutes is made by the Department of the Secretary of State in a book bearing the title "Proceedings of Council" and at a subsequent meeting of the Executive Council (at which in accordance with the Fifth Clause of the Royal Instructions the Governor presides)

the Minutes are read over, confirmed or amended as the case may require and thereafter the book is signed by the Governor. The omission from the records of the "Proceedings of Council" of a transaction, which according to its date should have been included, would afford grounds for a Member of the Council questioning the accuracy of the records.

III. At each of the meetings referred to in the preceding sub-paragraph I have presided, as directed by the Fifth Clause of the Royal Instructions, and for my own convenience it has been my invariable practice to follow the reading of the Minutes from the volume of "Proceedings of Council" (Record II.C.) with the duplicate copy of the Minutes of Proceedings which is filed in the Governor's Office (Record II.B.). At the conclusion of the reading of the Minutes I have on each occasion put the question that the Minutes be confirmed and the Minutes have been confirmed or amended as the case may have required.

On no occasion between the 17th of November, 1928, and the 31st of December, 1931, has any question been raised as to the accuracy of the Minutes owing to the omission of the record of a transaction which should have been included but there are instances in which an earlier decision has been rescinded by a subsequent decision.

IV. A full transcript of all the Minutes of the Executive Council has been transmitted half-yearly to His Majesty's Principal Secretary of State for Dominion Affairs in accordance with the Sixth Clause of the Royal Instructions and a transcript of the Minutes for the half-year ending on the 31st of December, 1931, were so transmitted on the 8th of January, 1932.

With regard to the several Minutes which are referred to in your Address,

*1. They extend over a period from the 14th of August, 1929, to the 22nd of December, 1931.
2. I have examined the relevant records, which have been referred to above as II.A., II.B., and II.C. in respect of each of the transactions.*

3. The subject matter of each transaction (bearing a serial number) appears on and the decision in respect of it is entered on II.A. There is no irregularity, but even if any irregularity or inaccuracy had existed it was capable of remedy and rectification in the record of the "Proceedings of Council" (Record II.C.) up to the time of confirmation or amendment, and no action towards that end was taken.

4. I have compared the Minutes of Proceedings (Record II.B.) on which my approval is endorsed with the "Proceedings of Council" (Record II.C.) and there is no discrepancy between them.

5. The Minutes were read over from the "Proceedings of Council" (Record II.C.) at the regular monthly meetings of the Executive Council at which I presided, and which were held within a few days after the last day of the month in which the transactions were recorded. As has been my invariable practice and for my own convenience I followed the reading of the Minutes from the "Proceedings of Council" (Record II.C.) with the duplicate copy of the Minutes (Record II.B.) which is filed in the Governor's Office. On each occasion on the conclusion of the reading of the Minutes I put the question that the Minutes be confirmed and each of the Minutes was confirmed without amendment and thereon the record of the transaction became irrefutable. In no case was any

question raised as to the accuracy of the "Proceedings of Council" (Record II.C.) owing to the omission of the record of a transaction which should have been included.

I have the honour to inform you that there has not been any falsification of the said Minutes and that I have not been deceived or induced by deception to sign the said Minutes.

*(Sgd.) J. Middleton,
Governor.
Government House,
St. John's,
22nd March, 1932.*

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act (No. 11 of 1932) to Amend Chapter 22 of the Consolidated Statutes (Third Series) entitled 'Of the Customs,'" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Pursuant to notice and leave granted, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Settle the Conditions of the Holding of Certain Timber Lands and Water Powers," was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

*Pursuant to Order, the following Resolutions from Supply,
Department of Public Works\$600,956.89
were read a second time and concurred in by the House.*

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act respecting a Bonus on Addition to Pensions under the 'War Pensions Act, 1922,'" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Mr. Cashin: I would like to ask the Prime Minister that question in connection with this Notice of Motion [which] has been on the Order Paper for this past week (*reads*): "Rt. Hon. Prime Minister: To move that a Select Committee of this House, consisting of five members, be appointed to examine into and report to this House on the matter of a redistribution of seats with a view to reduction of the number of members of this House."

I would like to know whether this thing is put on here merely as a matter of form or whether there is going to be anything done in connection with it. It has been deferred from day to day. We don't know whether it is a Government policy or whether it will be handed over for anyone else to whitewash. Whitewashing seems to be the general programme of the Government, and I presume it is going to get the same dose. I would like to know if it is there seriously or not.

Rt. Hon. Prime Minister: It is a motion that I propose to make as soon as I make progress with

Ways and Means. I have been putting off everything subject to Ways and Means.

Mr. Cashin: The Government has not made any announcement as to whether they are behind this project or not. The Prime Minister made this motion a week ago. We don't know whether the Government intends to bring in a Bill for the redistribution of seats or not. This is not a matter for the House; this is a matter for the Government to bring in a Bill.

The motion for a select committee to report to the House on the matter of redistribution of seats was deferred.

Mr. Emerson asked again for answers to questions he had given notice of on March 4. These were in the Secretary of State's Department and he wondered if the answers were deliberately withheld. [*Daily News*, March 23, 1932]

Mr. Cashin: Before we go into Ways and Means, I want to ask the Hon. Secretary of State why only part of the answer to my question was tabled. I say that no work was done for which some of these amounts were paid, and if that is not so, why does not the answer show exactly what services were performed? I say that some of this money was practically given away without any return whatsoever, and if that is not the case, why is the question not answered properly? I would now ask that the remainder of this information be tabled by the Hon. Minister on to-morrow.⁸²

(Committee of the Whole on Ways and Means)

Mr. Emerson asked the Prime Minister if information promised him the preceding day respecting the duty on tobacco and cigarettes was available; to which the Premier replied Sir Percy Thomson and Mr. Hutchings, Minister of Customs, had an interview with the management of the Imperial Tobacco Co. regarding fixed duties on tobacco and cigarettes, but the recommendations were not acceptable.

Mr. Alderdice asked the Prime Minister to speak plainer and straighter. [*Evening Telegram*, March 23, 1932, p. 7]

Mr. Emerson: Did Sir Percy Thompson recommend the increased duties?

Rt. Hon. Prime Minister: I have no definite knowledge of such recommendations. Sir Percy Thompson [has] made hundreds of recommendations since he came here. Those that the Government accepted we took responsibility for, and those that we rejected we did not take

⁸² **Mr. Cashin** objected to one of the answers he had received. He asked for fees paid by the Railway to doctors together with the services performed for such fees. The list of fees was furnished but there was nothing about services. He wanted to say that in some cases no services were performed for these fees and the money was just given away.

Secretary of State: I have tabled the reply that was handed to me.

Mr. Cashin: It was your duty to table the correct reply. I did not ask anyone else for it. I repeat that in some cases no services were performed for these fees and it was simply a matter of giving political pap to some individual." [*Daily News*, March 23, 1932.]

responsibility for.

Mr. Emerson: Will you get a statement from Sir Percy Thompson in writing and table it in the House?

Rt. Hon. Prime Minister: I could not undertake to table it because it would mean that every item would be the subject of lengthy debate.

Mr. Emerson: We only want Sir Percy's recommendation regarding tobacco. Will you request him to comply with our request?

Rt. Hon. Prime Minister: I certainly will, because I think any recommendations for increases on tobacco to be ridiculous.

Mr. Emerson: I also raised the question about the duty on glue.

Rt. Hon. Prime Minister: That is met in the printed Resolutions that have just been distributed. The point [made] by my honourable friend is well-taken. There is no intention of permitting glue for book-binding or paper-making to come in duty free, but this case was a special arrangement made for the development of a veneer business for the specific purpose of trying to create a wood veneer business in this country, and this was done specifically with respect to the manufacture of packages made of veneer.

Mr. Emerson: I wish to make it perfectly clear that the question I raised was that I did not think that companies under contractual relations with the Government, such as the I.P. and P. Company and the Grand Falls Company, should get any further concessions. The Prime Minister has attempted to misrepresent my point, although he said that my point was well taken.⁸³

On March 9th, I asked the Prime Minister to make enquiries and give the House a statement as to whether the Minute of Council, under which \$15,000 was ordered to be paid as fees for lawyers on December 22nd last, had received written approval of the Controller of the Treasury in accordance with the Minute of Council passed. He gave the House the assurance on March 9th that he would bring down a statement, and will he say now whether the Controller gave written authority for the expenditure of this amount?

Rt. Hon. Prime Minister: Mr. Penson will be back on Thursday and I will ask him.

Mr. Emerson: Why the necessity to wait until Thursday? Surely if the letter was written by Mr. Penson it would be in the Secretary of State's office. Please find out if it is there and let the House know.

⁸³ "Mr. Emerson pointed out that he was not going to be misrepresented as the Prime Minister had attempted to do. When he referred to glue he was dealing with it from the standpoint of the paper companies only ..." *Daily News*, March 23, 1932.

Hon. Leader of the Opposition: Mr. Chairman, I am sorry, owing to illness, that several of my colleagues are unable to participate in the debate on the Budget, but those of my colleagues who have preceded me have spoken so exhaustively and so constructively that there seems to be little left for me to say, and for that reason I shall not be unduly lengthy in the remarks I have to make.

In brief, it seems that this Budget gives substantial evidence that the associated banks have no faith or confidence in the present Executive Government. This Budget, Sir, although it may not be intended as such, is really an instrument which will create great havoc on the affairs of this unfortunate downtrodden country. In other words, I believe that those who compiled the Budget did it more out of a sense of duty; but the reaction to this country will have very, very disastrous effects; and if its counterpart could be written, as applied to a manufacturing industry, the result would be a closed factory with a watchman on the premises. Now I am sure that those who compiled this Budget feel they have accomplished a great work. They have balanced the Budget theoretically by indulging in some mathematical acrobatics. They have been able to push here, cull there, and add somewhere else until they think they are able to draw a line, and with the feeling that they have established a work well done. That reminds me of a story of a surgeon who had performed a very difficult surgical operation, and at its finish said his patient died, although his operation had been very successful. I am afraid it is going to mean economic death for Newfoundland, this present Budget.

Now I do not believe that we need any surgical operation to get this country out of the mess which it is in. All that is needed is the minor operation of cutting out graft, mismanagement, and misgovernment, and with time and careful nourishment, and with a clear-cut industrial programme, we have no misgivings as to the future. What I think this country wants is careful nursing. If we make up our minds to recover and go about it in the right way – in a constructive but not in a destructive manner – there is no fear; but we are not going about it at the present time.

The Hon. Member for Fortune Bay informed us the other day [that the Government] was not working in harmony with the financial experts and that there was no cohesion between them. Now whilst I hold no brief for the experts, I feel that I have a consistent brief for fair play. I think it is very difficult for them to come into this country and to take care of things and balance a Budget without being familiarly acquainted with our financial conditions. Now I will say this, that if our Government had held the confidence of the financial interests, and if they had sat down with the experts and drawn up a Budget, even if it was not a balanced Budget, I believe that the financial interests would be prepared to accept it. To my mind the agreement drawn up by the banks on December last was to meet a particular situation, and the particular situation was that the Prime Minister of Newfoundland was where he is now. It was intended as a safeguard and to keep the Prime Minister's hands tied so that he could not commit any more extravagance.⁸⁴

Now what are we going to do about the future? The past is gone, ugly as we all know it has been. The future of this country depends upon the attitude of you gentlemen on the Government side of the House, and if you are prepared to let the present Government go on as they are going, we are

⁸⁴ "He agreed that in December last the country had to meet a peculiar situation and it was for that reason he had agreed to sign the proposals submitted by the banks. The position then was to accept or default and his position was that there could be no default permitted." *Daily News*, March 23, 1932.

certainly going to meet with positive disaster. We have no chance. We have lost the faith of the financial powers of the world. We will get no further advances, and it is up to you to say whether you are going to help along this financial disaster, or put this Government out of power and let us have a Government in power that will have the confidence of the financial powers of the world.

Has any constructive work been done by the present Government? Can any one of you point out; can any one of you think of one place where this Government has increased labour? Since they have come into power they have not increased labour here to the extent of one \$5 bill. I would not call building roads from nowhere to nowhere increasing labour. That is not constructive work. We should never expend moneys on works which will not bring us returns. The building of roads in our situation is an extravagance. We cannot afford to spend one dollar from which we do not expect to get returns.

Now let us take the fisheries. Has anything been done by the present Government? Have they embarked on any policy, any sort of a policy to help out our fisheries? Strange to say, a Standardization Bill was introduced here last year which had the support of every member of the Opposition, and strange to say the last man in the world you would think of, the Minister of Marine and Fisheries, blocked it by a stultifying amendment. I think he has seen the error of his ways and I hope that he will see to it that he will introduce a Bill this year ...

Hon. Minister of Marine and Fisheries: I think you are wrong. I am not sorry for the action I took last year, I want you to have no doubt on that point.

Hon. Leader of the Opposition: Have they done anything about the question of salt? There is something radically wrong about our salt. There is too great a spread between the price of the wholesalers and the consumers, there is a spread of nearly 100 per cent. Last year, with fish at \$1.50, it meant that fishermen had to pay 60 cents out of every quintal for their salt. There is something wrong there, and I think that the Minister of Marine and Fisheries should do something about it, he is there to look after our fishing interests. Take this question of bait depots. Nine-tenths of our salvation lies in the fisheries, and they should be tackled in a businesslike way so that we may be able to get out of this financial morass. There is another thing I would like to see, and I do not think that it is outside the scope of the Minister of Marine and Fisheries, and that is that we should have more information about our foreign markets. All we know we are told by people who are interested, and they tell us whatever pleases them.⁸⁵ I don't know of one man who ever got more than the original price. It was only the other day a man told me, he was only a small man in the fish business, he told me that he had telegraphed to a buyer on the other side and asked him for a price on a certain kind of fish, and the reply he got was that the market looked like 30 shillings so he bought fish for 26 shillings, he thought that he might make 2 shillings and [t]hen he got returns for 22 [shillings] and 6 [pence]. Now, that kind of thing is going on all the time, and the Marine and Fisheries Department should be able to help out, and until we have standardization of our exports I

⁸⁵ "... and the result is that our markets are being ruined by the consignment system. Unless we have standardization of some kind we cannot expect outright sales and there can be no outright purchases as long as there is consignment because the people to whom the fish is consigned know the price they have to beat and they will always do it, thus keeping the price of our fish down." *Daily News*, March 23, 1932.

don't see how we can demand outright sales. Even the Prime Minister, who has done a great deal of supplying to the fisheries, knows what this means. Last year I was interviewed by the *Evening Telegram*, I may as well say it was the *Evening Telegram* because it is pink,⁸⁶ and this is one of the questions that was asked me (*reads*). Now, it seems to me that we should do something along these lines, we should get this matter right and cut out this, the only thing I can call it is damnable, way of selling fish on consignment. We will never have outright sales as long as this goes on, because the consignor knows the price he has got to beat and he invariably beats it. That is a problem for the Minister of Marine and Fisheries.

It is a fact that he was instrumental in establishing a bait freezer at Ramea, but squid were not very plentiful and it didn't work out so well, some people say that it was erected in the wrong place, but it was a step in the right direction. We want a great big broad policy in the Fisheries Department and a man with fine ideas to put it into effect. For the first time in years, this year Iceland shipped fish on consignment, and they did not get a price for it and they immediately refused to ship any more of it that way. There are a good many people who are sorry that we shipped so much as we did last Fall.

There is another Department about which I would like to make a few remarks, and that is the Department of Agriculture and Mines, and I hope that I do not hurt the feeling of the Member for St. George's any more than I hurt the feelings of the Hon. Member for Burin West, but I can see nothing done there. I can see no agriculture policy there. I looked at the Board of Trade's report the other day, and I was astounded at the amount of commodities that are imported and which could be grown here. Oats. We imported over \$228,000 worth of oats. Surely we can grow some of that. Hay, last year we imported \$92,000 worth of hay. Potatoes, we imported \$62,000 worth of potatoes. Carrots, turnips, beets, parsnips, \$11,275. All of that might be kept in the country. Fresh meats \$342,000. Now, I believe we can grow all the beef, not all perhaps, but the great bulk of the beef that we require in this country. We have thousands and thousands of natural meadows on the West Coast and other places. We have the three great requirements in that respect, pasturage and shelter, and we can get breeds of cattle from Western Canada that can stay outdoors the whole Winter through. We are better off than people in the Western States who are rearing huge flocks of cattle. If we had cattle here, we would have no natural enemies in the way of wolves and the like, and I believe it would be well worth any Government, and certainly it will be the intention of my Government, to make a trial in that direction, because I think much can be accomplished that way. Then we have eggs \$73,000; figs – some of those we can grow here, some we cannot, \$115,000; butter \$122,000; cheese, \$90,000, we can make some of that, and canned milk. I don't know whether we can manage to compete with the foreign article. In the way the Prime Minister is handling the tariff, I think if we could get somebody friendly with him, he would put a duty on that would enable somebody to start a canned milk factory. \$263[,000] for condensed milk. The total of the figures is \$1,600,000. Supposing we only got the \$600,000, what a difference it would make. It would put \$600,000 into the pockets of our farmers. We would get at least 25 per cent of that in revenue because of the increased purchasing power, that would mean \$150,000 to the people.

I would like to revert once more to my remarks when we were putting through the Fisheries

⁸⁶ *The Evening Telegram* was printed on pink paper.

and Products Bill. I forget now the name, but it was the joining up of the Agriculture and Mines and the Marine and Fisheries Departments; Lands and Fisheries we called it. Now, I think that was a great mistake. Those are the two producing Departments, the two Departments that, if this country is ever going to amount to anything, it must come through those. Not only have we joined them together, but with all due deference to the gentleman from Burin West we have put a man in charge who has not made a great success of his own Department. If it were only on the score of economy we might just as well tack these on to the Department of Posts and Telegraphs or the Colonial Secretary's Department. For the few thousand dollars saving, they are going to cost this country hundreds of thousands in earning power, these two Departments. A Minister in each would have a full-time job to do his work right. I consider that the man who tackles the fisheries problem, brings back the fisheries, tries to cut out that consignment, looks after salt, looks after cure, questions whether we should not have a central curing establishment, sees too that wherever there is fish there is bait, he has a full-time job.⁸⁷

And then, it is not only agriculture; we have a tremendous future in the direction of mining; there is not the slightest doubt of that. If that thing is tackled and we can get financiers here, and I know of one who is prepared to tackle this problem as soon as he feels he can get a square deal. The Prime Minister has never explained it – perhaps he will – why the Buchans people did not build [a smelter]. It would have been a source of labour for the people in this country not only in the building but after it was built, but it was never materialised.

In the woods it is a full-time job to do something to get two mills. If we could get that mill on the Gander. Again they say – I said it myself – that the Prime Minister has killed the Gander. I don't believe it is killed, it is only stunned; it will come back when the right crowd get in power. If we had a Gander it would mean a revenue of \$3,000,000 for this country. Now, if we could get one on the Southwest coast getting their timber supplies, pulp wood supplies from Labrador, another 1,000 ton mill, and I believe that it is not outside the bounds of possibility that that can be done in the next five years, that will give us an increased revenue of \$6,000,000. It would mean no necessity to sell Labrador, and as we say for \$110,000,000; \$100,000,000 for Newfoundland and \$10,000,000 for the politicians. I don't approve of that \$10,000,000 going to the politicians. The whole lot of it should go to Newfoundland, that is my opinion. Unless we were in a position of desperation I would never agree to the sale of Labrador, certainly not for \$100,000,000. I would rather hold on to it. I don't believe we have any right to sell it. We are only the temporary occupants of Labrador. What right have we got to take away the birthright of those coming after us? I think that if we have landed ourselves in the present mess, and previous governments have helped on, I think we will have to get out of it without hawking around the first thing we have to sell. We should do this, manfully face the situation and hold Labrador, not only for the benefit of ourselves, but for the benefit of those coming after us. There are tremendous mineral possibilities there, and if I owned Labrador to-day and a man came to me and said I will give you \$200,000,000, I don't believe I would take it. I think it is worth a great deal more.

Supposing we do get \$100,000,000 for it and clear off our national debt, how are we going to get employment for our people? We need employment. I would far rather hold Labrador, use it as a

⁸⁷ "... and he will not have much time to dig potatoes." *Daily News*, March 23, 1932.

supply station for mills for this country, so that we could keep our people employed and have a revenue. When one remembers what happened about Alaska, which Russia sold for \$7,200,000, and the United States statesman responsible for the transaction was almost banished from public life for having squandered \$7,200,000 on Alaska. Last year I was reading the accounts of the exports of Alaska, and I saw that they exported \$52,000,000 worth of fishery products. That is a tremendous stretch from an outright purchase for \$7,200,000 – that is about 63 years ago – to to-day when they reported \$52,000,000 worth of fishery products, and I believe the day is coming when we will be exporting \$200,000,000 worth of products from Labrador. We may find gold there. We may be able to solve the gold problem, so that I say that unless we reach the direst extremity we should not think of selling Labrador, and even then I think we would be playing a dishonourable part in taking away the birthright of those coming after us. I would like to see Newfoundland in the position so that we could not sell it.

Several times we have been discussing the Gander, when we say Gander I mean the Gander newsprint proposition. The Rt. Hon. Prime Minister was telling us the other day that Hearsts were fooling the Reids; that they had no intention of building a mill on the Gander; that they had no intention of going in for any new manufacture in this country; that all they were doing was sparring so that they could make a favourable contract with the International, or some other people in the newsprint world. Well, it seems to me, Mr. Chairman, if the Hearsts were fooling the Reids, then Sir Richard Squires was fooling His Excellency the Governor, because if we go back to the Speech from the Throne dated May 28, 1930 [he made the Governor say that there was great hope of a development of that project. In that year⁸⁸] Sir Richard Squires, the Rt. Hon. Prime Minister, Sir William Coaker and the Hon. Member for Ferryland, they met the group in New York some time in January, and they came back, and this is how His Excellency the Governor must have been fooled, because he was asked to say this in his speech. He says: “In January last my Prime Minister [*omission*] Gander areas.”

Now, I wonder why that should have appeared in the Governor's speech if there was no foundation for it? I believe there was, and I remember when the Hon. Member for Ferryland came home, I think he telephoned me and he said, “It is all over but the shouting.” He said, “We have got the Gander at last.” Then something happened; I don't know what it was. Then came the issue of the writs. The Prime Minister the other day displayed the notes on which his conversations with Mr. Alan Butler were based. I wonder would he show us the notes under which his conversations with Mr. Graustein were based. Those would be interesting. Evidently Mr. Graustein was able to convince our Prime Minister that it was a mistake to have a mill on the Gander. That is the only conclusion I can come to. The honourable gentleman has never explained why or how he was justified in showing such contempt and such studied indifference towards that proposition. I think I have proven at least conclusively to myself that at the last session everything was done that could be done to block and hamper, and it was done by the Prime Minister. If he would show us the notes that passed between himself and Mr. Graustein in connection ...

Rt. Hon. Prime Minister: No notes passed between myself and Mr. Graustein.

⁸⁸ *Daily News*, March 23, 1932.

Hon. Leader of the Opposition: You saw him?

Rt. Hon. Prime Minister: I never discussed the Gander with [him]. I have only seen him twice in my whole life.

Hon. Leader of the Opposition: In the matter of duties, Mr. Chairman, it is a difficult matter to know what to do. The purchasing power of our people was never lower than it is to-day, yet we are making it more difficult for them to purchase the necessaries of life. I think it is a difficult problem, flour 50 cents extra; beef and pork \$2 a barrel; butterine 2 cents; the duty is raised to a more or less extent on other commodities. There is one bright spot in it all; we will be able to buy our 5 cent [chocolate] bars for the old price. That is safeguarded; that is about the only thing in which it seems to me that there was any interest displayed by the Government; the clothing factories got a 5 per cent protection; they did not want it; they would rather see a reduction in the cost of material which they import for the manufacture of clothing. The shoe factories got nothing. Cordage and Imperial Tobacco would not dare look for anything. To me it seems that the tariff is for the purposes to enable the Prime Minister to help his friends and to penalize those who are politically opposed to him. That is about the only use he makes of it.

Now, what I should have done, Mr. Chairman, if I had been Prime Minister, I would have put on an emergency tariff. I would have called the different manufacturers together and said to them that I was prepared to help them by the imposition of an emergency tariff. It might have been only till June the 30th, or perhaps till December 31st, so that they could keep open their factories and keep out any manufacture that could be produced locally, but only on the condition that they would not raise their prices. Most people are ignorant of the fact that when factories are run on part-time, the overhead is 70 per cent of what full-time running would cost, and that is ruinous. But I feel sure that if the manufacturers of boots, clothing, tobacco, and even cordage were given this protection, they would be able to keep their factories running, and if they were told that they must keep prices down to the same level, and any increase in prices would mean the raising of the tariff they would be prepared to act honourably. People who are not in business [*omission*] how difficult it is to keep these factories open at all unless they are running on full time. Take the textile industry for instance, which operates on a 45 hour week, it takes from Monday morning till 10 o'clock on Friday to meet the overhead, and the working from 10 o'clock on Friday till noon on Saturday represents the profits. To-day there are a number of manufacturers running from 24 to 30 hours a week purely from a sense of duty, and they are dropping from \$500 to \$1,000 a week to do it. An emergency tariff would enable them to run full time, and keep on their employees for 50 hours a week with no added cost to the consumer. The Prime Minister seems to have no interest in local manufactures, but I would have done it if I were in his place.

Another matter of absorbing interest at the present time is the Petroleum Bill. I am not going to quote any figures now, I am going to reserve that for a more appropriate time, but I will say of the honourable gentleman who composed this prospectus that if these shares were being sold in the open market, he would run a very good chance of going to jail, for the figures are entirely misleading. Apart from the economic side of the question, the principle is entirely wrong. It is the creating of a monopoly. It means that if any body of men are carefully, skillfully managing a business and

showing a reasonable profit, the Government is likely to step in and take it from them. If it gets abroad that the Newfoundland Government as present[ly] constituted is likely to step in and grab any profitable venture, it is not going to help the investment of foreign capital in the country. If this step is taken, why not take other projects? Why not take the Buchans mine? I hold no brief for Imperial Oil, but they have a large stake in the country. They carry a huge amount of credit on their books, and if they are put out of business they are capable of putting a great many suppliers of this country into insolvency. It is nothing more or less than a wildcat scheme. Government manipulation of any utility always spells disaster.

I should like to say a few remarks on the situation, as it appears to me, between the banks and the Government. After [all], the banks regard the country only as a trading customer. The same conditions apply to both. If a customer lives up to his obligations and tries to meet his demands, he instills a feeling of confidence in the bank, but if he is dilatory in meeting his engagements the reverse is the case. Let us consider the example of a large company doing business, and the banks find that the manager is not on the job, and that he is paying out extravagant salaries. What will the banks say? Will they not tie down that company as close as possible, and say that they will advance no more unless that manager is got rid of? That is exactly what has happened here. The banks will advance no more credit as long as Sir Richard Squires is in power, and we might as well face it. We have had the spectacle of the financial members of the Cabinet going around the world looking for money, and everywhere the financial doors have been slammed in their faces. When I signed the agreement with the banks at the beginning of the year, I did so because I felt there was nothing else to do. It at least gave us a breathing space of six months, and if I did not do so we would have had to default. I would rather see the Labrador sold than see the country default. But the problem is ahead of us, and it is up to the members of the Government to solve it. I believe that if there was a party in power that had the confidence of the banks, and they, with Sir Percy Thompson and Mr. Penson, went to the banks with some industrial policy and with a fisheries policy that needed \$500,000, there would be no trouble to get it, even if a balanced budget could not be looked forward to. Our only salvation is the development of an earning power, but to-day the banks are treating us like fraudulent bankrupts.

I tell you, gentlemen, that the banks have no confidence in the present administration. There is no confidence, and there is but one chance, and that is to cut the present manager out of office. The present Budget will defeat its own object, so that we are in a most humiliating position so far as the banks are concerned. From week to week after the first of July next, they will take their interest charges out of the revenue of the country, and we must be prepared to live on the balance. They are going to take their full pound of flesh, and if this is going to happen we must face the abolition of our school system, and that we can only keep on enough sufficient to keep things running at a very slow rate.⁸⁹ Now what we want is a constructive policy. If the country is to be saved, it must be made possible for the producer to produce, because if we have the labourer, the fisherman, the farmer, and the miner working everyone will be happy and prosperous and there will be no need to worry. I often wondered why fishermen and others were willing to work on roads at \$2.50 per day, and I often thought if this was the fault of our educational system, or was it the discouragement

⁸⁹ "... we must face the abolition of our school system, our public services, and can only keep on sufficient civil servants to keep things running at a very low rate." *Evening Telegram*, March 23, 1932, p. 16.

offered by the Government in their own walks of life. The skipper of our Ship of State is driving her on the rocks, and a good skipper, as everybody knows, usually selects a good crew. Now we [have] got to produce, we have got to show example, and unless we do, how can we expect normal business and prosperity? Thrift, industry and self-reliance are needed for the future prosperity of the country, and without that we cannot expect any hope or prosperity for this country or its people. Now, Sir, if I wanted to say something unkind of the present Prime Minister, I would say he sits there the evil genius of Newfoundland. (*Applause*)

At the conclusion of Mr. Alderdice's speech, members of the Government who were in the building but not in the Assembly Chamber were summoned to vote. [*Evening Telegram*, March 23, 1932]

Hon. Leader of the Opposition: Mr. Chairman, I wish to draw the attention of the Prime Minister [to the fact] that contractors doing work for the Government have been getting in their materials duty free. I think this practice should be stopped, and I feel that all Government Departments should pay the duty on what they get in. It is unfair to local workmen not to have them do so. Why should not the Government be subjected to the same treatment as the ordinary man in this country? After all, it is only taking it out of one pocket and putting it in the other. With respect to the matter of protection, the bread and cake manufacturers in St. John's are also seeking protection, and I have here a memorandum in this connection and which I shall read to the House: (*reads memorandum*).

Mr. Puddester: Mr. Chairman, I want to go on record as [being] opposed to this Budget going through this House. I do not think that it will have the desired effect. We have placed an extra taxation of \$2,255,000 on the very necessities of life, not only has it been placed on the middleman and rich, but it is placed on the very man who is trying to produce. Flour 50 cents a barrel, pork, beef, butter, eggs, coal, and tea and fresh meats. These taxes touch the very vital spots as far as the necessities of life are concerned in this country. As I said, this Budget imposed an extra tax of \$2,000,000 on the people of this country, and in my opinion the people of this country cannot pay that amount. In the first place we have got to have our earning power increased, and our purchasing power in 1932-33 will not be as great as in 1931-32 or 1930-31, and I cannot see how the people are going to pay that enormous burden of \$2,000,000 extra taxation, which must be done if we are to balance our Budget. As I said the other day, let us leave the Budget to syndicate banks; they will see that it is balanced. We have to exist on the money that is handed out to us in the name of the experts every Saturday night, pocket money, that is all that we will have. Mr. Chairman, as far as I am concerned I want to go on record as opposed to these duties, especially those on the necessities of life.

Mr. Cashin: Mr. Chairman, I want to say a word or two on the Budget speech. I have noticed very carefully that not one member of the Government has thought it worth his while to stand up here and debate the Budget, and I take it that they will vote for it. They have to vote for it whether they like it or not. The Prime Minister read the Budget, but he did not reply to any criticisms; he has not justified its existence in any way. There are a few items he left out of the Budget and I refer him to item 270, brushes, and also 287 and 247, one is lime and the [other] whiting, I think they should be

admitted duty free, because for the next six months the Government will need a great deal of brushes and whitewash, to whitewash their iniquity. Can any member of the Government really tell me what the Budget means? (*Names the Government member by member.*) There is not one member that will rise in his seat and say that this is the best Budget that could be devised. Can they tell the number of barrels of flour imported into this country ...

Mr. Godden: 400,000.

Mr. Cashin: You are wrong, it is 372,467 to be exact. Here is how you are going to exact your revenue. Flour, \$136,000; fresh meat, \$29,700; beef, \$95,396; c. meats, \$660; pork, \$46,878; butter, \$8,864; butterine, \$3,887; fish (British catch) \$20,000; coal, \$46,000; tea, \$15,000; oils and kerosene, \$200,000. The other items make up the balance. As it stands, it gives you \$287,000 with sales tax, in addition there is the Post Office taxes and the Petroleum Products Bill, which has been denounced everywhere. You are prepared to sit there silent and put this through. You will destroy the trade of the country. Can you rejuvenate the trade of the country by increasing taxation? The proper time to impose taxes is when times are good, not when we are driven to the wall. You have to do it now when you are whipped into line by the banks, Sir Percy Thompson and the Prime Minister. You are nothing more than slaves. Isn't that a frightful [position] for a man to be in? You can't tell anyone you are a man. Not one member of the Government has the pluck to say why he is voting for these resolutions.

I listened to a long document from the Governor this afternoon, and what happened, I expected. I said here that I was framed, and I repeat that what I said was true; those charges I made are correct and furthermore if evidence were taken on oath, there are members of the Executive now sitting in the House would have to say that I told the truth or perjure themselves. That is why I said that brushes and whiting and lime should be admitted duty free.

When we go into the Bill on the sales tax I intend to have a few further remarks. The principle of the Budget is vicious, rotten, it is going to destroy the trade of the country, and I say this much, I throw it across to the members of the Government that I consider that they don't care what happens to the country as long as they remain entrenched themselves and can get considerable funds out of it, either by honesty or dishonesty.

Mr. Lewis: It has been stated by the Hon. Member for Ferryland that those of us on this side of the House, or rather that none of us on this side of the House, has pluck enough to get up here and defend the position which the Government are about to take on this Budget. I have not the insight into the financial affairs of this country that my learned and honourable friend has from Ferryland, because he has had years of experience as Finance Minister, and it is because of the fact that I have not a great deal of experience, particularly financial experience, that I have not said a word before to-day on this matter. I have listened here particularly for one purpose, and that is to hear from my honourable friend, and from the various other speakers in the centre and on the other side of the House, an alternative suggestion or idea to that which is embodied in the Budget as it is framed to-day, and I regret to say that, with the exception of two, one an argument in favour of a moratorium as advanced by Mr. Cashin and the other, an undisclosed idea expressed by the Leader of the Opposition this afternoon. He did not elaborate upon it. I have not seen any alternative

development; consequently, I have to ask myself, "Where are we?" In what position am I, not as a member of this Government, not as a member of the independent party in the centre of the House, or of the Opposition, but simply as one who is entitled to vote here? In what position am I as far as this Budget is concerned? It is familiar history to each and every man who occupies a seat here as to what happened within the past six months. Newfoundland found herself on the brink of financial disaster, and after due deliberation the Imperial Government was appealed to, and as a result of that appeal, two gentlemen from the Treasury Board were selected and sent out here to Newfoundland to help reconstruct our concrete financial structure. They came at our invitation, and with the approval and nomination of the Imperial Government. Whether they have done right or wrong since they came here and took over the burden of financial reconstruction of this country, I am not prepared to say, but I am prepared to say this and I say it in all sincerity, that I think these gentlemen have done their best, and that that best is embodied in the Budget speech which is before this House to-day. It is true that taxation has to be increased, it is true that the free list has to be taxed, but I want to say, Mr. Chairman, that there is no man in this House who recognizes and realizes better than the Hon. Member for Ferryland the necessity for that taxation.

Mr. Cashin: Why did not the Government do it before?

Mr. Lewis: Why did they not do it before? Why does not any business curtail its expenditure? I am prepared to admit with you that the increase of taxation is obnoxious, and that possibly the thought of political future might have influenced the non-imposition of taxation before to-day, but that does not alter the fact that it is absolutely essential and irrefutable that we have to increase taxation. The producer has to help carry the burden, and unless we are prepared to put on that taxation and support it in this House, we will have a catastrophe and disaster before we know it. Consequently, I say that there is no alternative but to increase taxation, and that is the only position I find myself in, that I have to cast my vote in favour of that increased taxation. I agree, and I am prepared to admit, that from a political standpoint voting for increased taxation is not a popular move, but I also submit that the day has passed in this country when political feelings should rule one's course of conduct. The alternative to increased taxation has been suggested by Mr. Cashin as writing down of the interest charges on our public debt. I was particularly interested to see how far his argument was acceptable to my honourable friends on the opposite side of this House, and from what I can gather he is the only one who advocates that idea. Dr. Mosdell, who made a very powerful speech in this House, apparently does not agree with that suggestion. Clearly my honourable friend from Placentia East stood up here and disassociated himself from any idea of moratorium. The Leader of the Opposition too, I understand, is not in favour of that recommendation. Well, if that is the only alternative that can be suggested to the increase of taxation, and you gentlemen who have so strongly criticized the items in this Budget are not agreed amongst yourselves, how can you expect us, who are supposed to stand behind and endorse these Resolutions that are brought in here, [to] follow disjointed opinions? It is not my intention to make a speech; I have not made any since I came to this House. I merely wish to take issue with my friend from Ferryland, and say that I at least am convinced that voting for this Budget is the only thing possible under the circumstances.

Hon. Minister of Marine and Fisheries: Mr. Chairman, I feel, like Mr. Lewis upon this matter, that

it is my duty to rise in this House also to prove to Mr. Cashin that at least I have stomach enough to rise up here and defend the Budget. I have given this matter considerable thought, and I believe the Hon. Member realizes very much thought. I have had several conferences with Sir Percy Thompson and with Mr. Penson, and also with the members of the business fraternity on the Southwest coast with whom I am associated. I have listened to all the speeches from the other side of the House, and I have failed to learn anything from those speeches. It is true that the Leader of the Opposition saw fit to-day to attack me.

Hon. Leader of the Opposition: Not personally.

Hon. Minister of Marine and Fisheries: I am not so sure about that. I want to tell the Leader of the Opposition that I have done my best since I have been in this Government to try and make things right as far as my little share is concerned. I think I was the first member of the Government to try to introduce retrenchment, and I think my honourable friend Mr. Cashin will agree with me on that subject. About a year ago when I introduced retrenchment, Mr. Cashin was very much in favour of it, but I regret to state here now that Dr. Mosdell was not so much in accord with that, but I say that we had to have retrenchment and very strongly, and now we have it, and we have a Budget here which, as Mr. Fudge stated, is nauseating. It is a hard pill which we have to swallow, but if they on the other side of the House offer a contra-programme I am prepared to listen, and do what I can to bring in ways and means whereby we could have a different programme put before us to balance the Budget.

We may be in the hands of the banks, and it is about time we were taken in hand by somebody. I am not speaking of present politicians any more than past. Mr. Alderdice stated that I was associated with a Government who voted \$250,000 to encourage fisheries. I would like to ask how his Government, of which he was leader, spent the most of that money in a famous slush fund. The Leader of the Opposition knows it is true. I am not looking for any bouquets, and I don't want to give the Government any bouquets. We are caught in the mill of world-wide depression, and we are trying to get out of it. This Budget is the means of getting out of it. The Leader of the Opposition has not shown us yet if he has an alternative; at least I have not heard it from him. I am not speaking now with any political spleen. Every member of the Government and of the Opposition is more or less a friend of mine, but I want to hear some concrete proposals put forward that will better the Budget that is being forwarded by the present Prime Minister, and I presume by the experts here. I have discussed it with these men and in conjunction with the businessmen from the West Coast, and their idea was that we must get money, and the only way to get it, to balance the Budget, is to increase taxation, and those people from the Southwest coast are not prosecuting the bank fishery with almost as much vim as a year ago, and with one of those firms I happen to be associated, and I trust we will get good results. I don't want to make any speech. I just want to make it clear that until I see some other programme I am prepared to sit in my seat with a clear conscience and vote for the Budget as it now stands.

Hon. Leader of the Opposition: Mr. Chairman, what is the use of making a suggestion if it can't be carried out? The stumbling block is this, and I can appeal to the Member for Burin West. He is a businessman, and a successful one at that. Can any government, any organization of any sort carry on if it has lost the confidence of the financial interests? That is the stumbling block. To-day the

Executive Government of the present Government could not get the loan of 50 cents from the banks. Unless there is a change of government there is no chance of improving affairs. Raising taxation is not going to solve the problem; we have got to increase the earning power. Some months ago I was speaking to a businessman, and I said, "Supposing a large business is run and supposing there is a certain overhead, what we might call an irreducible overhead, and its turnover is not sufficient to absorb that overhead. What is the only thing for that business to do? If it does not want to go out of business; that is to increase the turnover."

Mr. Emerson: Mr. Speaker, I don't want to take up any more of the time of the House than is necessary, but in the first place I want to congratulate the Hon. Member for Harbour Main and the Hon. Member for Burin East on a display of character which is not shown by their leader. Now the burden of their remarks consists of one question. What is the alternative to the present Budget, and because they do not understand the alternative offered by the Opposition; therefore, they are going to vote for the Budget in its present form. In the first place it is not the duty of the Opposition to find a Budget. If the Government can't bring in a satisfactory Budget, it is their duty to get out, and if the members of the Government think it is unsatisfactory, it is their duty to vote against it. A Member does not perform all his obligations by rising in his seat and saying he is going to vote for the Budget. I say now, Sir, that no Government can possibly balance the Budget for the years 1932-33. That's the situation, and we've got to realize it, and what we should now do is to plan to balance it in two or three years time. We should lay our plans now for a gradual return to normal conditions, and unless we plan to do that, we are failing in our duties, and that's [*illegible*]. I say we can't balance the Budget in the year 1932-33, we can't balance for this year, and furthermore the members of the Government know it. Mr. Lake says that the bank fishery this year will be almost the same as last. Why? Because a large number of merchants have already obtained their supplies, and consequently escaped the additional taxation. But wait till these supplies are exhausted and see if it will be the same as before. It cannot be and Mr. Lake knows it. The alternative is quite clear and everyone should see it. Put aside all possibilities of balancing the Budget this year. Get a variation of the terms from the bank with a view to balancing our Budget with[in] the next two or three years. But this is going to [be] a failure, and any other alternative is bound to be a failure as long as Sir Richard Squires is in power.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed certain Resolutions with some amendment, and recommended the introduction of a Bill to give effect to the same.

On motion this report was received.

On motion for adoption of this report Mr. Alderdice moved the following amendment, which was seconded by Dr. Mosdell:

Strike out all words after the word "that" and substitute therefor the following:

"In the opinion of this House the tax proposals contained in the said resolutions will

seriously impair the carrying on of the trade of the Country during the coming year, add considerably to the heavy burdens already borne by the people, and fail to produce the results anticipated."

Whereupon the House divided and there appeared in favour of the amendment: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Moore, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Byrne, Mr. Cashin, Dr. Mosdell, Mr. Fudge, Mr. Parsons, and against it: Hon. the Prime Minister, Hon. the Colonial Secretary, Hon. Mr. Bradley, Hon. Mr. Lewis, Hon. Mr. Bindon, Mr. Downey, the Minister of Public Works, the Minister of Fisheries, Mr. Earle, Mr. Starkes, Mr. Fitzgibbon, Lady Squires, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr. Strong, Mr. Greene, Mr. Smith, Mr. Murphy, so it passed in the negative.

The original motion for adoption of the report was then put and there appeared in its favour: Hon. the Prime Minister, Hon. the Secretary of State, Hon. Mr. Bradley, Hon. Mr. Lewis, Hon. Mr. Bindon, Mr. Downey, the Minister of Public Works, the Minister of Fisheries, Mr. Earle, Mr. Starkes, Mr. Fitzgibbon, Lady Squires, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr. Strong, Mr. Greene, Mr. Smith, Mr. Murphy, and against it: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Moore, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Byrne, Mr. Cashin, Dr. Mosdell, Mr. Fudge, Mr. Parsons, so it passed in the affirmative and was ordered accordingly.

Thereupon the Bill entitled "An Act for the Further Amendment of the Revenue Act, 1925" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Mr. Speaker informed the House that he had received the following message from the Legislative Council acquainting the House of Assembly that it had passed the Bills sent up entitled, respectively, "An Act to Amend the Radio-Telegraph Act, 1930," "An Act to Amend Chapter 127 of the Consolidated Statutes (Third Series) entitled 'Of Companies,'" "An Act Further to Amend the Act 20, George V., Chapter 5, entitled 'An Act Authorizing the Governor-in-Council to Enter into a Contract with the American Telephone and Telegraph Company,'" and "An Act to Amend the Act 22, George V., Chapter 25, entitled 'An Act Respecting the Export of Marine Shells from Labrador and the Islands adjacent thereto,'" without amendment.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider certain Resolutions to Amend the Act 15, George V., Chapter 33, entitled, "An Act Respecting a Tax on Goods Imported into Newfoundland" and Acts in Amendment thereof.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

The Chairman left the Chair until 8 p.m.

The Chairman resumed the Chair.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed the said Resolutions without amendment, and recommended the introduction of a Bill to give effect to the same.

On motion this report was received.

On the motion for adoption of the Report, the House divided, when there appeared in its favour: Hon. the Prime Minister, Hon. the Secretary of State, Hon. Mr. Bradley, Hon. Mr. Lewis, Hon. Mr. Bindon, the Minister of Public Works, the Minister of Fisheries, Mr. Earle, Mr. Starkes, Mr. Fitzgibbon, Lady Squires, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr. Strong, Mr. Greene, Mr. Smith, Mr. Murphy, and against it: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Moore, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Byrne, Mr. Cashin, Dr. Mosdell, Mr. Parsons, Mr. Fudge, so it passed in the affirmative and was ordered accordingly.

Whereupon the Bill entitled "An Act to Amend the Act 15, George V., Chapter 33, entitled 'An Act Respecting a Tax on Goods Imported into Newfoundland, and Amendments thereto'" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

(Votes for Justice Department read)

Mr. Emerson: [*continued*] Mr. Chairman, there are one or two very general remarks I would like to make about the administration of justice. It may not be thoroughly understood that the Ministry of Justice contains the functions of many departments in other countries. In England a large part of the advising of counsel, the attendance to questions of [*omission*], [*omission*], the appointment of [*omission*] Justices, are all vested in the Lord Chancellor, who is the chief law advisor to the Cabinet. The Attorney General is very seldom a member of the Cabinet. In this country he is an essential member therein. He is the director of public prosecutions, and in that capacity he is supposed to attend to most of the more serious criminal proceedings. The Attorney General has, in addition to that, to deal with all major problems arising in connection with the government of the country, for instance, important negotiations and substantial contracts, like for instance the Gander or the Humber etc., and he has also to take charge of important civil actions that come before court. It should be realized that the position of Attorney General is one of great responsibility, and calls for close attention to his duties, and for this position it is usual to choose a man who has had considerable experience in his profession, and it is utterly absurd to expect a man who has risen to any heights in his profession to perform these duties for the salary which appears in the Estimates.

This is realized in every country, and there are certain classes of work for which the Attorney General is entitled to charge fees, particularly matters of civil importance such as the Reid and Martin cases. For matters such as these, the Attorney General usually receives fees, and the only reason that is so is because the Attorney General is remunerated for what he gives up.

There is another aspect of this matter which has been neglected, and that is that no Attorney General should have a partner. I think it is axiomatic and was the invariable rule. The reason for this is because the Attorney General must come in contact with parties who have or wish to have dealings with the Government, and the temptation is to see the Attorney General's partner in the hope that favourable consideration may be given them. This is a matter of great importance, that as a matter of justice to the Government, [the Attorney General should not] have a partner. This is one of the reasons why substantial remuneration should be made and some concessions made with regard to special fees. Up to a few years ago that was the practice. In 1908 I remember the present Mr. Justice Kent was in partnership with Mr. Martin Furlong, who held a retainer from [omission]; the partnership was dissolved and Mr. Kent went as Attorney General, and when he relinquished that office he practiced alone. After that the practice arose of the Attorney General keeping his partner, and I regret to say that this practice still continues. That is the reason, when a man has to give up his practice entirely, that justifies his salary. In England his salary is higher than the Prime Minister's. The Attorney General receives £7,000 and the Prime Minister receives £5,000. The Solicitor General receives £6,000. In a year the Attorney General received £24,000 and the Solicitor General £16,000. They are men, of course, of very great eminence, and although their salaries are in the vicinity of £30,000, they are able to earn considerably more than that in their own practice.

Now here, the Prime Minister, who is Attorney General, practically gives no attention to the Department. I may say that I think that the Prime Minister of this country, if he is a lawyer, should receive substantial remuneration. He has to give up his practice for four years, and he has to go back and build up his practice all over again. A new generation of clients is growing up and he is practically unknown. Any man who gives up a profession or a business is entitled to substantial remuneration, but a man is not justified in taking money for work which he does not perform. In the Department of Justice in this country there is too much farming [out] of our work. There is no one more anxious to see the standard of costs as high as possible than I. I have never been accused of making my fees too moderate. But it seems to be the prevalent idea that government work justifies more expenditure. Now this should not be the case. There is altogether too much work done outside the Department. This Department requires an Attorney General on the spot all the time, a good Deputy and an additional clerk at a salary of about \$2,500, a young man with about eight or ten years experience at the Bar so that he can fill the position of Deputy in time. With these three, very little work should go outside the Department. At the present time this Department costs \$40,000. Before the cut, the Attorney General received \$4,000, the Solicitor General \$5,000 and fees were in the vicinity of \$25,000. In my opinion the Attorney General should receive \$4,000, the Deputy should receive \$5,000, and the first clerk should receive from \$2,500 to \$3,000, and the total cost in fees should not be more than \$15,000 or \$20,000, except in the case of very heavy work arising.

All the criminal work should be done by the Attorney General, his deputy and his clerk free, and there should be no necessity to give any of it out. Now, some minor work where a question of principle is involved, if the Department is busy, may have to be delegated outside. There are cases where the Attorney General might reasonably say that he needs senior assistance which the

Department is too busy to give him, then juniors may be employed at reasonable fees to assist the Attorney General, but I submit that the present rate of costing \$40,000 a year is far too high for legal fees. About \$20,000 is quite reasonable, and if the work is attended to it can be done for that price. I exclude one thing and that is the Railway. I notice in addition that the Solicitor General has been receiving a retainer of \$1,000 a year. I don't know what that means, how a retainer of that kind is accounted for. I don't know whether it is intended to cover all the work he does or what that work is. I never heard of work being paid for in that way. If there is any work of the Railway that calls for employment of anyone outside the Department, it ought to be charged for in the usual way. When Reids were running the Railway they had large operations in connection with land, and they had a special counsel that they paid \$10,000 a year. That was an exceptional case and that was a salary. I know of no case where a railway should pay a retaining fee of \$1,000. If it is a salary, well and good. If it is something for the Solicitor General and to pay him extra for his work, I think it is ridiculous. In January 1932, the Solicitor General received \$245 in the case of Veitch vs. the Newfoundland Railway. I take it that the Solicitor General is receiving \$1,000 for the Railway, and is receiving fees for any work that he does as well. If that is so, I think it is outrageous.

I have already dealt with the question of pensions of the police force. Apart from that I don't know that I have any suggestion or criticism to make in connection with the Estimates of that Department, but I may have to ask one or two questions as we pass through in detail.

Rt. Hon. Prime Minister: Last year we had some irregularities in connection with Bills coming back to this House to be changed; the printers got them tangled up. This year an arrangement was specially made with the Clerk of the Legislative Council to do the legal work in connection with both Houses in so far as it relates to the Bills. That includes the correction of proofs, and seeing them through the printers' hands. The drafting of Bills is done by Mr. Dunfield almost exclusively. Mr. Parsons has nothing to do with the drafting of Bills. Mr. Dunfield has nothing to do with the work in the House of Assembly in connection with amendments.

Mr. Cashin: While we were on the Estimates last year, and every other year, we had a statement of some kind from someone in the Government as to the Railway estimates. I always advocated, even when I was in the Government referring to my Budget speech, I always claimed that the Railway should have some responsible head in this House who would bring in the estimates for the Railway. Dealing with public expenditure, it must approximate \$10,000,000. The Railway is another Department of the Government. This House is not aware, this House does not know how things are operated in the Railway. There are no estimates of salaries or anything else brought in for approval or rejection. I know that the present Government and past governments would not bring them in. That does not get away from the fact that they should be brought in. The Railway has got to create a revenue to pay these salaries, and the revenue created by the Railway is revenue earned, just the same as the Customs. We don't know anything about the Railway; we have not heard from any member of the Government any policy in connection with retrenchment of the Railway.

I contend that even during the past few months considerable discrimination has taken place in the Railway Department. For instance, take the ordinary mechanic. There are two or three classes working in the Railway, first, second, and third. For argument sake let us suppose I am a first class mechanic getting 52 cents an hour. I suddenly find myself put back to second class getting

45 cents or 46 cents for the same work as I was getting 52 cents an hour [for]. These are matters that have not been brought in here. Members of this House are entitled to this information; they are entitled to know what is going to happen in the Railway for the coming years. A budget for the Railway should be brought in. It is just as easy to forecast a budget for the Railway as to forecast a budget for the revenue of the country, because if the business of the country is good, the revenue of the Railway will also be fairly good. I think that before these Estimates are concluded that the Prime Minister, on behalf of the Government, or the Secretary of State, who is the responsible Member in this House for the Railway Commission, should table a statement showing what the estimated expenditure for the Railway is going to be for 1932. We are told in the Budget Speech that the Railway is supposed to balance accounts next year. We have gone so far as to divert a note of \$600,000 clear of the Estimates we are voting on. Now, when the Government are bringing in the project, surely goodness the House is entitled to every bit of information in connection with the operation of the Railway as to expenditure and the forecast of its revenue. As we go along with the Post and Telegraph estimates, when we come to subsidies is the time when I would suggest that this information be tabled.

We have had no information whatsoever about the Railway, except that it has got to pay its way. Why, we knew more about it before the experts came here at all. I hope that the Government will see fit to let us know what is taking place. I put a question on the Order Paper yesterday with reference to it, and I hope to get an answer before the end of the month. I am not discussing the Railway now from an economic standpoint, but I would ask the Prime Minister what he intends to do with reference to the salaries.

Mr. Bennett: I was given to understand that Mr. Magor was brought here especially to deal with the Railway; if that is so, should we not have an interim report at least by this time?

Mr. Puddester: Have not the Government considered the question of reduction of salaries within the last ten days, and if so, is it intended to follow the recommendation of the Economic Commission?

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed certain Resolutions and asked leave to sit again.

On motion this Report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Hon. the Speaker: There is a matter of privilege that I must refer to this House. In to-day's issue of the *Daily News* there appeared an article by "Scriba," which I think is a breach of privilege against this House (*reads article*).

"Here and There"
by SCRIBA

In the report of Thursday's session of the Legislative Council which appeared in this Monday morning's *Daily News*, I note that reference was made to the franking privileges enjoyed by the members of the House of Assembly. Until the Premiership of Sir Richard Squires, members were permitted to send their political letters free of postage only while the House was in session, a concession that had been granted years before so that members might keep their constituents in touch with the proceedings of the Legislature. When Sir Richard came into power one of the many abuses which he instituted was to permit members the privilege of franking all the year through, and the result had been that there has been no limit to the extent to which the privilege has been used. It was charged in the House the other day, and I know it to be true, that bills sent from Sir Richard Squires' farm at Midstream have gone through the mails to customers franked by the Prime Minister. Surely this was never intended. It violates every principle of decency and morality.

In the olden days politicians never thought of seeking such a concession as this, even though their sessional pay never amounted to more than \$200 a year, a fact which might have justified it. Our present day type of politicians, as represented by the Prime Minister and his satellites, however, are not so particular in these matters, and even when they increased the sessional pay to the huge, unwarranted and extravagant sum of \$1,000, they still demanded this franking privilege which has cost the country a substantial sum. In recent days a Bill has been put through increasing the postage tax. While everybody else must be made to pay this additional tax, the politicians are permitted to escape, and their communications, whether they are business, political or of social character, can go through the mails free of charge. It is no wonder that people regard them as leeches on the body politic. The franking abuse is an iniquity [*sic*] which should be repudiated by every decent member of the Assembly.

Up to the time of writing no reply has come from Government House to the address presented some weeks ago by the House of Assembly in connection with Mr. Cashin's charges that Minutes of Council were drafted by the Prime Minister of which his executive colleague had no knowledge, minutes which voted him large sums of money. Personally, I am not worrying as to whether a reply is ever received, because I am convinced that it cannot amount to anything. The Resolution which passed the House, and which was proposed and seconded by the very men against whom the charges were made, was so cleverly and dexterously worded that the sting was taken out of it, and if in time a reply does come down it can only be insipid and innocuous. The resolution which the Prime Minister forced through the House was so framed as to make any other reply impossible. Of course such a resolution should have never been passed. No other House in the British Commonwealth of nations would have tolerated it, and I doubt if any other Speaker would have accepted it. The right to deal with ministers who misbehave is one which the House of Commons has jealously guarded all down through the years, and if Mr. Speaker had been less partisan and more eager to defend the rights and privileges of the House over which he presides he would not have permitted such an address to go through. I suppose, though, in his case it has been a matter of evil communications corrupting good manners.

One of the few supporters of Sir Richard Squires to be found in the city remarked a day or two ago that the Government weren't worrying about the ballyhoo against them in the

city, that they were looking for their support in the outports where the feeling was not so strong. The gentleman is dreaming. Opposition to the present administration is just as strong and feeling is just as high in the outports as it is in the city. One does not have to read the columns of the newspapers alone to discover this fact. Nearly every man one meets from the outlying sections of the country to-day has the same story. The people are agitated over conditions as they have rarely been before and will not be satisfied until the present Government is driven from office. By the force of his majority, by the distribution of patronage, and by the purchase of support in other ways, Sir Richard Squires may be able to survive the session, but there is no doubt that when he appeals to the country the verdict against him will be emphatic. Deluded into giving him a second trial in 1928 the people have realised only too well that they made a grievous mistake and that there will be no hope for the country until they correct it. [*Daily News*, March 22, 1932, p. 4]

That is clearly to my mind a libel on the Speaker of this House. It is clearly a breach of privilege that the Speaker of this House should be attacked in such a manner in a newspaper. If a member made such a charge in this House he would be severely dealt with, and when these charges are made in the columns of a newspaper I think that this House should take notice of it. I shall read to you a paragraph in May's Parliamentary Practice concerning this, so that you may know the Rules of this House in this connection (*reads paragraph*).

There are several precedents given of the severity of the House in dealing with such charges made against the Speaker. I will cite one or two for your information in dealing with this. This is a matter for the House to deal with. You are all aware of the circumstances relating to which this charge has been made in the columns of the newspaper. You will remember that when a motion was made before this House for the appointment of a Select Committee to enquire into those charges, I suggested from this Chair that I felt that it was not a matter which this House should deal with, that it involved the advice given by Ministers of the Crown to His Excellency, an opinion from the English authority was cited, and the motion was accepted. The amendment was made on that motion and the amendment was carried, and it will be interesting to you if I read you a paragraph from His Excellency's reply to the House which has already been read: (*reads paragraph from His Excellency's reply*).

Now gentlemen, or Hon. Members, this is a matter which I wish to call to your attention. There is a charge in this that the Speaker has been partial in dealing in his position as Speaker. There is a charge that the Speaker is not prepared to defend the rights and privileges of this House. Now, that is a matter for you. Hon. Members have been present and they have heard all the discussions, and it is for you to deal with this, and in doing so, in bringing this before you, I want to tell you that I am doing it because I wish the privileges of this House to be upheld, I wish the dignity of the Office of Speaker to be upheld. As to any personal rights I may have against the writer of this, that is a personal matter for me. Why I bring it to you is not to redress my own feelings in the matter. It is merely because an insult is hurled at the Office of the Speaker, an office of which I, unworthy as I may be, have tried to maintain with dignity.

Mr. Strong: I beg leave to move that a Committee of five be appointed to ascertain by summoning witnesses and taking evidence on oath the writer of the article appearing in the *Daily News* of date

March 22nd under the heading of "Here and There," which article cast aspersions upon the character and conduct of the Speaker in this House, so that this House may take such action as it may deem meet in this instance.

Mr. Greene: I have much pleasure in seconding the motion.

Hon. the Speaker: I think that it is a question of privilege arising in the House and the House can deal with it. It is not a matter arising outside the House where notice is required. If the matter arose in debate the House can interrupt and deal with the question of privilege. In a matter affecting directly the privileges of the House it is not necessary to give notice of motion.

Mr. Emerson: Under what rule is it exempted? All motions have to be given notice of.

Hon. the Speaker: I think the House is competent to deal with it; as a procedure, that is entirely a secondary matter. To settle any doubts on it, I would suggest to the mover that he give notice that he will on to-morrow move that this Committee be appointed.

Mr. Strong gave notice that he would on to-morrow move that a Committee of five be appointed to ascertain by summoning witnesses and taking evidence upon oath the writer of the article appearing in The Daily News of date March 22, 1932, under the heading "Here and There, by Scriba," which article did cast aspersions upon the character of Mr. Speaker in this House, so that this House may take such action as it deems meet in this instance.

Mr. Tobin gave notice of question.

It was moved and seconded that when the House rises it adjourn until to-morrow, Wednesday afternoon at three of the clock.

The House then adjourned accordingly.

Wednesday, March 23, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Emerson gave notice that he would on to-morrow ask leave to introduce a Bill entitled "An Act to Amend the Companies Act."

Mr. Emerson: I give notice that I will on to-morrow ask leave to introduce a Bill entitled "An Act to Amend the Companies Act." I will send a copy to the Prime Minister. The object of the Act is to permit companies to sell their shares at a discount.⁹⁰

Hon. Leader of the Opposition: I should like to ask if it is the proposal to introduce legislation in connection with the Municipal Council in the matter of giving their debentures a trust fund.

Rt. Hon. Prime Minister: I have heard nothing. Anything of the kind would be referred to Mr. Dunfield. I have not been approached lately. I will ascertain if there has been any application in the matter.

Mr. Strong moved that a committee of five be appointed in connection with the article in the *Daily News* of March 22nd, under the title of "Here and There, by Scriba." [*Daily News*, March 24, 1932, p. 5]

Mr. Emerson: I have been requested by Robinson and Company, the owners of *The Daily News*, to read to the House the following document:

Apology

On Tuesday, March 22nd, under the caption "Here and There" appeared an article written by a contributor whose nom de plume is Scriba. This article seriously reflected upon the impartiality and good faith of Mr. Speaker.

The article in question was written by a regular contributor whose writings in the past have been so discreet as to make it unnecessary for the Editor to censor them. The usual practice was followed in this case, and the contents of the article and the nature of the comment escaped the attention of the Editor.

We take this, the first opportunity, to express our regret at the occurrence and to withdraw the imputation cast upon Mr. Speaker, and to apologize to Mr. Speaker for the imputation upon his honour and to the House for the breach of its privileges, and undertake to publish this explanation and apology on the Editorial page of the next issue of *The Daily News*.

Hon. the Speaker: In view of the apology and explanation given by the Hon. Member, I feel satisfied that the honour of the House may be vindicated by my accepting them. This is in respect of the apology made to the Speaker, but it is for the House to decide what action it shall take with

⁹⁰ "... to provide for the sale of shares on commission." *Daily News*, March 24, 1932.

regard to the violation of its privileges. I say that I am personally satisfied, and I recommend that the mover and seconder of the notice of motion withdraw their motion.

Mr. Strong: Mr. Speaker, out of deference to your wishes I will presently withdraw the motion. I would like to say before I do, that articles by writers too cowardly to come out over their own names have been a regular feature in the paper referred to, and it is generally believed that the author of them is a sitting Member of this House. I wish it to be clearly understood that in withdrawing my motion I am doing so entirely out of deference to your wishes. The statement made by the editor has said that these articles have been so discreet in the past as to have made censorship unnecessary. Evidently the editor's idea of discretion and that of a great many people in the country do not absolutely coincide. We have had items in the past which were perfectly disgraceful and personally, if I acted according to my own wishes, I should like to see the letter of the motion carried out. In deference to you, Mr. Speaker, I wish to withdraw my motion.

Mr. Greene: I should like to associate myself in the remarks of Mr. Strong in seconding the withdrawal of the motion, and I should like also to have it understood that I am doing it out of deference to yourself. I think, Sir, that you are being very magnanimous in accepting this apology for an attack on your integrity as Speaker. I hope the writer of the article will also see fit to express an apology. The time has come in this country when one of the first things we want is a clean press. A lot has been said about foreign correspondents, but there are local correspondents also who have allowed their imagination to run wild. It has come to a point where the character of any person in the present Government is not safe. All decency, all the ethics of journalism seem to have been swept aside, and seem to have reached the limit when the Speaker of the House has been attacked not by innuendo or implication, but directly.

Mr. Puddester: As a sitting member of the House and one who is closely connected with the *News*, I want to say that I am not Scriba, neither did I write a line of that article. I am prepared to make that statement of oath; moreover, Scriba is not a sitting member of this House.

Mr. Puddester desired to say that as Mr. Strong and Mr. Greene had insinuated a member of the House had [written] the articles in question and as he was the nearest member of the House to *The Daily News*, he presumed he was the member referred to. He wanted to say ... that he was not the author of "Scriba" ... He had never written the articles either over or under the nom de plume of "Scriba." Further, the editorials of *The Daily News* had been referred to by Mr. Strong. He wanted to say that he was not responsible for the editorial opinions of *The Daily News*. His work was in another direction. He trusted that now he had made this statement that it would be accepted by the members who had made the insinuations and that Mr. Strong and Mr. Greene would apologize to him.

Hon. the Speaker stated that as far as he was concerned the statement made by Mr. Puddester was entirely satisfactory and he accepted it in full. As apologies were the general order he felt that the statement should also be accepted by Mr. Strong and Mr. Greene and that they should apologize to Mr. Puddester.

Mr. Strong was glad to hear Mr. Puddester make the statement and he apologized for having

accused him of being the writer of these articles.

Mr. Greene also apologized.

The motion was withdrawn from the Order Paper.

Mr. Cashin asked if the House was to have a copy of the Blue Book before the Session closed. Never before in the history of the House had the Session gone through without the Customs returns before the House. It was outrageous.

Hon. the Prime Minister: I agree. He said the last he heard of them was that they were in proof form. He would enquire about them for the next sitting. [*Daily News*, March 24, 1932]

The Chairman from the Committee of the Whole on Supply reported certain Resolutions which were read a first time as follows:

Department of Justice\$358,063.18

On motion the second reading was deferred till to-morrow.

Pursuant to Order, and on motion of Mr. Puddester, the Bill entitled "An Act Respecting Sunday Observance" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Mr. Puddester: Mr. Speaker, in moving the Second Reading of this Bill, I may say that the Second Reading was so long delayed so as the public outside could have ample opportunity of discussing the measure in all its details. I do not propose to make any lengthy comments on the Bill at this stage, except to reiterate what I said on the first reading, namely, that there were two principles involved: (1) that a man should get one day of rest in every seven, and (2) that as far as possible the sanctity of the Lord's Day should be kept.

It has been brought to my attention that this Bill in its present form contains some things which would mean a hardship on some people. I wish to point out, Sir, that there is no such intention, and when the Bill comes before you in Committee stage any objectionable material contained therein can be remedied. The idea is not to force anything that will be a hardship on any individual, but it is our aim to try and meet the requirements of our industrial workmen. As we go through Committee, if Hon. Members can see that there is anything in the Bill that will be a hardship on our people, then we are satisfied to make the necessary amendments so as to evolve a measure that will bear equitably upon everybody. The A.N.D. Company, through the Prime Minister, have drawn to my attention that the definition of Sunday may have to be altered so far as they are concerned, because they have to use a part of Sunday to pump in their pulp from Bishop's Falls and Grand Falls for Monday morning. As far as I am concerned, I think this can be remedied. I would also like to point out that it is not the object of the Bill to prevent small storekeepers who remain open on Sunday from earning a living, but our object is to drive out of Newfoundland "dives" which are operated in industrial centres on every Sunday. I have some very strong letters from the constituency which the Prime Minister represents in this House, and where Sunday is not observed as a day of rest or a day of worship.

These "dives" are working there all along at full blast. They are frequented by youths who are going to the bad on account of them, and these "dives" are not operated by Newfoundlanders

either. It is earnestly hoped that this Bill will deal effectively with this kind of thing and protect our young people. A writer in the daily press recently stated that the matter of Sunday observance was a matter of conscience. So it is, and the Bill is hoping to help those people whose conscience does not allow them to work on Sunday. For instance, what about the man who does not want to work on Sunday and who loses his job on Monday. That is the man we want to protect.

A day or two ago there was a meeting at the Board of Trade rooms dealing with the Petroleum Bill, and, however in the world an ex-Cabinet Minister coupled that Bill in his remarks with the Sunday Observance Bill I am at a loss to understand, and then, because of the introduction of these Bills, to say that we were near Soviet Russia rule. I resent that statement and am surprised at the mentality of the man who made it. I ask that the House give that consideration to this Bill that it deserves. We are not forcing anything down the throats of people. I, therefore, ask that the principle of the Bill be accepted. It is a non-party Bill and every member has a free and open mind to use it as he thinks best. This Bill was not proposed nor discussed with the Government or with the Opposition. It emanated from myself and those who are behind me, nor did I ask any member for his support of the Bill.

Rt. Hon. Prime Minister: Mr. Speaker, in seconding the second reading of the Bill I feel that we are in accord with the principle involved, namely, wherein every workman should have at least one day every week on which to rest. Unfortunately, some men have to work seven days a week whether they like it or not, and I wish a law would be passed whereby a Leader of a Government would have to work six days a week instead of seven.⁹¹ However, the setting of the Sabbath specially apart as a day of rest entirely coincides with my own views, however much I may not be acquainted with the details of the Bill. I received a communication from the Grand Falls company respecting the Sunday observance, a copy of which I sent to the honourable introducer of the Bill. The idea of closing small shops does not appeal to me generally, but the principle of giving every workman a chance of having 24 hours rest on Sunday does.

Hon. Leader of the Opposition: Mr. Speaker, when first this Bill was introduced I felt rather disconcerted. But after hearing the explanation of the Member for Bay de Verde, I find that there are reasonable limits to the Bill. I noticed a letter was published recently from the Lord's Day Alliance on this subject and it reads as follows: (*reads letter*).⁹²

Well now, that's the spirit in which I support this Bill, that a man whose conscience tells him not to work on Sunday should not be penalized. I do not want to see ourselves going back to the Puritan days when they observed the letter rather than the spirit of the law. You take Glasgow, Sunday there is the most dismal day imaginable. There is a story told of a drunken man there who was whistling to his dog, and a lady came along to him and said, "My dear man, this is Sunday, you can't whistle." Let us have a Bill so that a man can spend the Sabbath as he likes, as long as he does

⁹¹ "Hon. the Prime Minister in seconding the Bill, said he hoped some measure would be made law to protect him from working on Sunday." *Evening Telegram*, March 24, 1932, p. 9.

⁹² The letter asserted "that certain clauses as set forth could be advantageously changed and perhaps the Bill could be made presentable to every member of the House." *Evening Telegram*, March 24, 1932.

not offend his neighbours. If a man wants to go out into the country and spend the Sunday with his rod and enjoy the beauties of nature, he should be allowed to do so. If a man wants to go to church he should be allowed to do so, in a word let a man spend the Sunday as he likes, as long as he observes the ordinary decencies of life, and let us not curb the free will of man.

Mr. Bennett: It seems to me, Mr. Chairman, that we are trying to legislate Christianity through this House. This Bill will interfere with the smaller stores who take it as a long-established custom that they are allowed to open on Sundays. They do not have any outside help in their small shops and this is their only means of making a living, and I don't think that this House could legislate against these small stores, especially in these hard times, it would only mean placing a whole lot more people on the dole, and I want to go on record as opposed to certain sections of this Bill, not to the principle of the Bill.⁹³

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Amend the Revenue Act, 1925" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Pursuant to Order, and on motion of Hon. Mr. Bindon, the Bill entitled "An Act to Amend the Act 18 George V., Chapter 3 (1927) entitled 'An Act for the Confirmation of an Agreement between the Government and the Holyrood Pond Fisheries Limited'" was read a second time, and it was ordered that the said Bill be referred to a Select Committee on Private Bills, as follows: Mr. Murphy, Hon. P. J. Lewis, Mr. Starkes, Mr. Quinton, Mr. Winter.⁹⁴

Pursuant to Order, and on Motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Amend the Act 15 George V., Chapter 33, entitled 'An Act Respecting a Tax on Goods Imported into Newfoundland' and Amendment thereto," was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider certain Income Tax Resolutions.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: That constitutes a general digest as between the two Acts. There is no difference in practice or procedure.

⁹³ "Mr. Bennett ... was against the Bill." *Daily News*, March 24, 1932, p. 5.

⁹⁴ "The Holyrood Pond Fisheries Co. Bill was read a second time and the following committee was named to ascertain if the rules of the House had been complied with: Messrs. Murphy, Lewis, Starkes, Quinton and Winter." *Daily News*, March 24, 1932.

Mr. Cashin: The Government has not seen its way clear to let me have a copy.

Rt. Hon. Prime Minister: I will be glad to let my honourable friend have my own copy.

These resolutions have been before the Committee for some weeks now, and I am sure Hon. Members are quite familiar with it, the changes work out approximately as follows: (*reads*).

As an illustration, a married man with three children with an income of \$1,500 pays nothing, a married man with three children earning \$2,000 pays nothing, the same man earning \$3,000 pays \$5.70, earning \$4,000 pays under the new law \$62.70; the same man earning \$5,000 under the old law paid \$35.06, he now pays \$119.70. Now take the single men. A single man with a salary of \$1,500 pays under the new law \$28.50, a single man with \$2,000 under the old Act paid \$15.94, he now pays \$57.00, a single man with \$3,000 old law, \$36.32, new law, \$114.00, a single man with \$4,000 under the old law paid \$79.70 under the new Act pays \$171.00, a single man with a salary of \$5,000 under the old law paid \$111.56, he now pays \$228.00. That gives a general idea of the ordinary salaries ranging [*illegible*] from nothing in many cases, unfortunately, to \$5,000. Under the old law incorporated companies had to pay a tax of 8 per cent on profits over \$6,000, they now pay 12 per cent, where shareholders got \$1,000 they now get \$880.

Hon. Leader of the Opposition: Mr. Chairman, after all, one of the first ways of taxing the people of any country is by means of income tax. It puts the burden, as I said the other day, on the shoulders best able to bear it, and this is a burden. I notice there the \$5,000 man; his tax is 20 times greater than it was; speaking from memory I think it is about that. If we were all paying the taxation we should be paying it would not come so disagreeably to the rest of us. I am not taking any pride in making the statement, but I want to say that I have never cheated the income tax out of a 50 cent piece, and because I have started at a certain pace I am sure my next return will be compared with the last one. I think there is a great deal of slackness in connection with the income tax. I think that the Prime Minister was able to regulate a good deal of it in a kind of way in connection with Dr. Campbell. I think there is too much of that going on – men not paying their taxes at the right time, not filing returns within the time for an assessment by the Assessor. If that happens to be less than their incomes they say nothing, but if it happens to be more they make a fuss and want to have the assessment refuted.

There are one or two things here I want to draw to the attention of the House. I think it is a real hardship to make this Bill retroactive. People living on a \$5,000 a year salary, I don't believe had \$1 of it left last December. I think in most cases they anticipated the spending of it in December. Now they have to have the money to pay the tax on an income that has been spent and have no opportunity of making provision for the tax. I think there should be an amendment, and I am going to propose it later on, that this new Act should not come into effect until the first of the year.

With regard to corporations and companies, some of the profits are so small that what little we have we won't begrudge a share of it to the Assessor's Department.

I think these lotteries should pay more than the regular tax. It is not legitimate business to begin with, and I don't know that it is having a good moral effect on the general public, and I think, if they come in here – these people are strangers and some of our own institutions get the benefit of it – I think the tax on them should be higher than a legitimate corporation doing regular business.

When we come to that section I am going to ask that it be increased to at least 15 per cent.

Mr. Cashin: I am going to ask the Prime Minister a question. At the present time in the Justice Department – these Estimates passed last night – is it correct – I know it is, I will ask the question and answer it at the same time – that the Assessor's Department has requested the Justice Department to get a ruling on a certain company which is supposed to owe money to the Assessor's Department, which has been held up for about six or eight months? There is no action taken.

Rt. Hon. Prime Minister: The name of the company?

Mr. Cashin: The A.N.D. Company.

Rt. Hon. Prime Minister: This matter was referred to counsel. It was carefully examined and the opinion [was] that on the case as submitted, proceeding now before the Supreme Court, the probabilities are that the Government will not be successful. It is a matter which is at the present time before the Supreme Court, but it is the opinion of counsel that the Government will not be successful. Wood and Kelly are acting for the A.N.D. Company and Mr. Dunfield is acting for the Government. The probabilities would indicate that I would be inclined to question that the Government would be successful.

Mr. Cashin: While I am not a lawyer, I express the opinion that the country is entitled to it, and that it has been held up by the Justice Department for some reason or other. In the Act passed here in 1929, the Income Tax Act, we made provision in that Act that income tax would be collectable on stock dividends. If anyone peruses the Act he will find that to exist at the present time. It has been a question ever since as to how we could get this money. When I was in the Finance Department we tried, and had to ultimately refer it to the Justice Department, and like everything referred to it, it was held up, and I contend that the Colony is entitled to approximately \$80,000 or \$100,000 extra income tax that they failed to collect, and the thing has been pigeonholed by Mr. Dunfield or someone in the Justice Department. We could have gone before the Court without any cost at all worth speaking of except fees, and now, in view of the fact that he is on the straight salary, we could have gone before Court and got an expression of opinion which the Company wants. The Company wants an expression from the Court; no attempt whatever has been made to do it; it has been held up, and I say again that it has been held up deliberately.

Speaking on the general principle of this Income Tax Bill, Mr. Chairman, I brought the original Income Tax Bill for this Government into this House in 1929. Since that time we have collected considerable revenue through the avenue of the income tax. To-day this Bill has been brought in, not on the recommendation of the Government, because if it was they would have been bringing in an entirely different one, but on the recommendation of the financial expert Sir Percy Thompson, and we are going to get a certain portion of the people of this country taxed [an] extra 100 per cent.⁹⁵ While on that point, I would like to ask the Prime Minister how much money is collected by the Income Tax Department annually from companies.

⁹⁵ "This year he had suggested various amendments to the act to Sir Percy Thompson, but Sir Percy had never even acknowledged the letter sent to him on the matter." *Daily News*, March 24, 1932.

Rt. Hon. Prime Minister: (*reads*). Corporations total \$897,000.

Mr. Cashin: No, that is the whole total from corporations and individuals.

Rt. Hon. Prime Minister: Individuals in the city?

Mr. Cashin: No, all over the country.

Rt. Hon. Prime Minister: I have it listed here, 1931-32, in the city \$7,400; outports \$1,600; making a total of \$9,000 under that head.

Mr. Cashin: That is all out of kilter. 1931-32 have not been collected yet; let us get 1930-31; 1929-30.

Rt. Hon. Prime Minister: (*reads*). City \$217,000; outports \$25,000; that is for individuals, city and outports for the year 1929-30; in the case of corporations, city \$330,000; outports \$802,000, total from the whole \$879,142.86; corresponding figures 1930-31, \$736,000; in other words 1929, \$897,000; 1930-31, \$736,000. So that the honourable gentleman may have the whole details before him, I will be glad to hand him a copy of the sheet.

Mr. Cashin: Companies should form a major portion of this Act. They pay annually \$30[*omission*]. They will now, under this Act, pay \$600,000. I pointed out the other day in my remarks on the Budget speech in connection with taxation, this Income Tax Act means an increase over the previous year of over 100 per cent. I have yet to hear anyone say that I am incorrect. Let us take a company making \$50,000 a year. At the present time, under the present Act, he is paying 8 per cent on \$45,000, that is \$3,600 he would pay. Under the present Bill before the House he is to pay 12 per cent on \$50,000, that is \$6,000, practically, as I said a moment ago, a 100 per cent increase. On a company making \$20,000, which is an average in this country, he would pay \$2,400 under the new Bill that is now in here, and he would pay \$1,200 under the old one. There is an actual increase for that company of 100 per cent. A company with \$10,000, he would be taxed 300 per cent this year more than last year. Surely goodness, you are not going to kill the goose that laid the golden egg in that respect by taxing the whole outfit to such an extent that people won't be able to carry on business. I have been a strong advocate of the Income Tax Act, stronger than any member of the Government to-day, because I think that it was primarily through my pushing that this Income Tax Act was brought in, because members of the Government at that time did not care whether it was brought in or not, and that is evidenced by the fact that despite the fact that considerable whitewashing is taking place in here, that one member of the Executive Government ignominiously and brazenly failed to make returns and now stays out when we are discussing it. It would be interesting to hear from the member of the Executive whom I have accused of failing to pay his income tax and make returns; it would be interesting to hear him come in here and support this Bill. It is one thing putting a Bill into force; it is another thing collecting the money, and when we look for example, we have got to look for it from the Members who passed the Bill in this House. I regret to say that we can't look to the Members on the other side of the House giving that example, none of

them.

Hon. the Minister of Posts: A very sweeping remark.

Mr. Cashin: When I said "none of them," probably I erred in that respect. If I did I am sorry. I did not mean the Minister of Posts in any way, but one of his colleagues with whom you rubbed shoulders, and there is an old story told that put one bad apple into a barrel of good ones, and they will all get bad.

As this Bill goes though I am going to make an amendment to the whole Bill that will give better facilities to both married men and single men, and I consider that this Act should not be put into force as from January 1, 1931, but from January 1, 1932. It is an outrage. Members come in here and sit silently. They won't express any opinion. The only excuse they can give for it is that we must have money. If that is the only excuse, then I say it is time to cry "halt."

My point was that the Government have no defence whatever for this Act except that they have got to get money somehow, and they don't care how. I don't want to break the Government. It's too easy to break the Government, all you have to do is to let them alone and they will break themselves. The points I made about the Budget will be well borne out. The position is that we are now bankrupt as a country, and we are going to demoralize trade further by additional taxation, and it will then be only a matter of time that the banks will refuse further credit not only to the Government, but also to the business men. I say this additional taxation is outrageous. I am pointing out now, and I hope I am wrong, that the Government of this country will not be able to pay their bills in three months time, and for this they have no one to blame except themselves for not having grappled with the matter in a businesslike manner. We have done nothing on the recommendations of the experts that we did not know already. Not one single thing, and we now have the last straw in this new Petroleum Bill. This Petroleum Bill and liquor are now all the Government can turn to. Surely goodness, this Government is not going to foster liquor. Surely they have not sunk as low as that. I know that in my time if it was suggested that any additional revenue could be obtained out of liquor, I was scoffed at. I would like to hear what some of the Members opposite have to say about that.

Mr. Emerson: Mr. Chairman, I do not want to delay the Committee in connection with the present proposals. I think everybody will agree that the income tax is probably as fair as any method of taxation as can be found. It provides that those best able to pay taxes have to do so. In other avenues of taxation those who spend the most provide most of the revenue through the Customs. The object of the income tax, as an additional tax to assist the Customs duties to produce enough revenue for the country, is to obtain from those who do not spend all their incomes, and who do not need to spend all their incomes or a proportion of their profits over and above what they require to spend. It is aimed at the wealthy man. In England that is not so, because up to a few days ago England was a free trade country.

Now, the principle of the present amendments to the Act here is a reversal of the policy where there is a Customs revenue as well. In 1922 the Act was first introduced, and it was then an attack upon the man of only moderate means. But the Act now before us is not only an attack upon the man with moderate means, but it is an attack upon the poor man as well. The principle is

obnoxious and very oppressive. Taken from another angle, there is a great injustice done by the imposition of this tax, which is only collected from the few, when there are a great many who don't pay and who should pay. That these abuses have been flagrantly practiced through the non-enforcement of the Act is now a matter of public history.

I am of the opinion that the single man, who in many cases has dependents as well as married men, should not have to pay taxes on incomes less than \$1,500 and not \$1,000, as under these amendments. I have before me an answer to a question from the Prime Minister, which shows that for the year 1929-30 the total paying taxes, exclusive of companies, is only 1,316. Surely there are more than that number of people in the country who were liable for taxes in that year. I think everybody will agree that double that number should have been assessed, had the work of the Department been carried out. I am not casting any reflection upon the Assessor. He performs his duty to the best of his ability, but what he requires is more assistance than he has in enforcing the Act, to enable him to carry it out. Last year I notice there were only 1,272 assessed. I submit that is not a true statement of the number of incomes that should have been assessed under that Act, and the best evidence also that the Act was not properly enforced is that during these two years there was not a single case before the courts for violation of the Act. The Act calls for enforcement by law, and it is the duty of the Government and the Assessor to see that the penalties are enforced. We had, of course, an instance of a member of the Executive Government being brought to book for not making his returns. I think, Sir, it is very unfair to enforce this Act against one lot of people and not against the others who are willing to escape their obligations. Another matter I think is grossly unfair is to make this Act retroactive for 1931, particularly it is unfair to the man of extremely limited income, whether married or single.

There are two needless classes of taxation under the existing Act. We have to ask ourselves whether we are justified in imposing this tax, and are we justified in submitting to an amendment whereby a single man with an income of \$1,500 is returnable. You have got to bear in mind that every employed man in this community has been subjected to a severe cut in his salary, and that cut has not always been equitably distributed, and now we are not only going to make his income taxable for this year, but we are going to make it retroactive for last year, and I submit that this is grossly unfair.

There is one other item in the Budget that I should like to refer [to], and that is the increase from 8 per cent to 12 per cent on the recipients of rentals who do not reside in this country. We forget that the landlord gets no advantage from taxation, his property is not improved and any improvements that are made are all for the advantage of the tenant. It seems to me that with a fixed income such as this, and because a man does not live in this country, [there] is no reason why he should pay any more than the man living here.

I may say in conclusion that one section will cause a great upheaval, and that is the section dealing with the incomes of married women living with their husbands. I am afraid that all efforts to assign property to one's wife in future will come to naught.

Mr. Cashin wanted to know if the Prime Minister was prepared to accept any amendments.

Hon. the Prime Minister said he wished to be supplied with a copy of such amendments.

Mr. Cashin then furnished him with documents recommended by Sir Percy Thompson.

Hon. the Prime Minister did not offer any reply after reading the documents.

Later, when questioned, the Prime Minister intimated that he would accept the advice of the financial experts on the matter.

Mr. Cashin replied: "Then the Government are in the hands of the experts!" (*Evening Telegram*, March 24, 1932)

Mr. Cashin: My attention was drawn to the Editorial in this evening's *Telegram*, which I will read to the House (*reads*). It is the last part of this Editorial that I am deeply interested in. While some people may be exonerated, I do not intend to let anyone from the Governor down tell me that I am a liar and get away with it (*reads last part of Editorial*).

I tell this House of Assembly that I care for none of them, and furthermore I say that the statements that I made here a week after opening day are entirely correct, and while they have been disproved by His Excellency because he did not see fit to send for me, I intend to take advice from another source and prove that my statements are correct, and you can send over all the amendments you like. I was called to order here by the Speaker because I said that the Government were gangsters and were trying to frame me; well, I tell these framers now, and every member of the Government is associated with it, and I say that every word I said is correct. I don't give a snap for the whole outfit. The truth is bitter. Why are you afraid, every one of you, you are an aggregation of cowards. Why, if anyone told me that I stole public moneys and I didn't do it, I would make him prove it. I do not intend to labour under the imputation that the statements I made are false. I do not cast any aspersions either on the Governor, because he did not send for me to make a statement. I was framed into it. I was put on the spot, as they say in gangland, and I now defy anyone to get up and contradict the statements I made here on February 11th. After I consult my solicitor, and he is not a Member of this House, we'll see what we will do. I will not allow anyone, from the Governor down, to call me a liar and get away with it. My name wouldn't be Cashin, and that name stands for something; it has been associated with this House for 40 years, and it helped put the Prime Minister in power. I never saw such a contemptible aggregation; they have to pass the buck to someone else. I have got to place the blame on every member of the Government; you saw this amendment, you voted for it. You were afraid to applaud the report from the Governor, which was not a report, it was only a document. Do you think that I would be half a man if I allow you to get away with that, coming in here like dummies afraid to voice an opinion except two of you, whipped into line like so many dogs and told you have got to do this? That is the position with the present administration, an attempt to frame an individual, then I can only term you an aggregation of gangsters because that is your job. I don't care whether you like it or whether you don't, and I don't care whether I am called to order or not. That is my opinion and no one can change it, but I regret that I have to go further, and when I start again it is going to be some time before I stop. Imagine my surprise to read here this evening, and I can agree with this paper, although I never read that document the Governor handed in here yesterday, and I can agree with this paper when it says: (*reads extract from Editorial of Evening Telegram*).

I agree with him right now, my position is serious. The members of this Executive Government who are associated in this have got to come to this House and answer right here; this is the place to answer it. I don't care what the Governor says. I make a statement and it is true. Is there any man over there prepared to come and contradict me? If he is, let him say so; if he is not, let him hie out of here. My reputation is just as much to me as the Prime Minister's to him or Dr.

Barnes', every bit. Mr. Chairman, I am not going to allow this to pass. My reputation is just as good as the introducer of this Bill, and it means just as much to me now as his does to him, and if he is backed by a crowd prepared to frame me, he has got to fight it out, and it is not an ordinary talking fight. I want to know whether this House believes me or not; if they don't believe me let them say so, then they will have to go a little further. My reputation is just as good to me as the Governor's is to him, just as good, and my name has been associated with this House for 40 years. There is no other name here to-day that has been associated with it so long. Do you think a District could be held for 40 years by one family if they were a crowd of crooks? Now they are going to try and railroad through something they don't know anything about. They are afraid to get out and explain it. The Prime Minister does not know how to explain it. I want an answer from the Prime Minister now; do I take it that the Governor has called me a liar? If he does not, let him say so; if he does, he has got to go further. I would not have said anything but for this Editorial. I am a Member of this House just as good as anyone here. I did not hear Mr. Greene or Mr. Strong get up and say that they would like to get after this Editorial, and I am a Member of this House.

Mr. Strong: It is a statement ...

Mr. Cashin: My record is just as good as any man in it. I don't care whether it is the Speaker or anyone else. I have never insulted a man in this House; I fought him straight. My reputation, honesty and integrity are at stake. Mr. Strong and Mr. Greene got up here and made a motion about some trivial article that appeared in the press here. Here is where a man's honesty and integrity are involved; you are not prepared to get up now and do the same thing. You lie over there with your head under your wing. That is the position because, as I said a moment ago, the shoe pinches in the wrong place. I made a statement and I make it again in case you misunderstood me: Minutes of Council were deliberately falsified as stated by me on February 14th; income tax laws were evaded by a member of the Executive Government, and I made that statement and I make it again now, and you tried to frame a poor unfortunate Member of your House by making a goat out of him. Mr. Bradley here has been putting off an enquiry for weeks – another framer, absolutely, and you laugh at me. My integrity and my honesty are just as much to me as Mr. Bradley's are to him, and if I have to stay here for the next 48 hours it is going to be a real showdown, right here now. There is nothing going to blow in here from goodness knows where in the person of Dr. Campbell, tell me that I lied about him. He is too cowardly to come here. He deserted his District, and he allowed his people to go and starve in the streets while he was robbing money indirectly. And you stand for it on the other side of the House, and you allow another Member of the House to be attacked and considered absolutely dishonest and lying, but as I said a moment ago I don't wonder at it; the boot pinches on the wrong toe, but your toe may be pinched yet, and when it does start to pinch probably you may be screeching. I heard Mr. Greene get up this afternoon in a heated way and say I cast insinuations because I mentioned here one day something about [omission]. He is an expert on [omission]. He is an agricultural commissioner, what is their job, is it not sweeping out stables? First he got \$2,700 for doing nothing, the gall of that to come in here in this House. Is not this country come to something? If your Prime Minister has any stomach or you have any, you would get up and say whether I am right or wrong and that the Governor is right or wrong, but I may do something one day that will drive the whole lot of you out through the window.

Mr. Murphy: I am not prepared to come in here and blackmail anyone. I don't think since entering this House that I have done anything improper in the shape of blackmailing or anything else. I am not prepared to blackmail the Member for Ferryland. I hold him in very high respect. Mr. Chairman, if it was not for the invitation of the Member for Ferryland I would not be a Member of this House at all. Is not that correct?

Mr. Cashin: There are a few more of them over there.

Mr. Murphy: It was on his introduction that I was introduced to the Prime Minister, and when I interviewed the Prime Minister about going to that District, he told me that he had 64 applications, so that there must have been quite a few after that job, although the Prime Minister quite agreed that I was not after the job. He used the term in the *Liberal Press*, "Squires always picks a winner." I hope the Hon. Member for Ferryland does not think ...

Mr. Cashin: That is the way the *Liberal Press* lied. I picked the winner, he did not.

Mr. Murphy: The decision rested with him.

Mr. Cashin: It rested with me.

Mr. Murphy: I want to thank you for all you have done for me. I am one that appreciates anything that is ever done for him. I know that he got me into a hole by representing a District in times like these. I surely appreciate all that he has done in helping me to win that District. When that proposition was put before the House some time ago with reference to this enquiry, I suppose, not being up on parliamentary matters, I thought it was a proper course, and I think so still, and I suppose we have to agree with His Excellency the Governor's report, but I repeat here again to the Hon. Member for Ferryland, that if there is any blackmailing to be done I am not one that will associate myself in blackmailing him, or any other Member of this House.

Mr. Cashin: You are associated with it now.

Mr. Murphy: Conscientiously, I did not think that any blackmailing was being done.

Mr. Cashin: Absolutely; framing by the Prime Minister and the Secretary of State. I make that statement now. They are afraid to face the music.

Mr. Strong: The honourable gentleman from Ferryland who has just spoken is looking very directly at me.

Mr. Cashin: No wonder I would.

Mr. Strong: I would think that the honourable gentleman for Ferryland who has boasted that he and his family have been associated with this House for 40 or 50 years does not know enough about the

rules of this House to keep his tongue still when Members of this House are speaking.

Mr. Cashin: You are not a Member, you are just an ordinary servile individual, you do what you are told.

Hon. the Speaker: Mr. Chairman, I would ask if you would insist on the Rules being observed. If the Rules are not observed I shall take the Chair and deal with Members of this House. If any Member has a question of privilege arising out of debate he should wait until the business before the Chair is disposed of. When a Member raises a question of privilege, if it is proper he will have every opportunity of debating and discussing it in this House, because every Member is entitled on a question to privilege to have every imputation against him cleared up. If he is not entitled, as far as I am concerned he will not get it. The question before the Chair is that we are in a Committee of the Whole on Income Tax Resolutions. When those have been discussed, if the Member for Ferryland has any question to bring before the House he is at liberty to do so. I have sat here and listened to the discussion; it is not edifying for anyone to listen to. I think every Member will agree that if we want to conduct the business of the House, we should conduct it properly. I feel that every Member of this House should conduct himself in a proper manner. I would ask you to proceed with the business before the Chair. If any further question arises, let it be deferred until the proper time. If anything arises out of debate, then it will be dealt with; if it does not, it should be deferred until the question before the Chair is disposed of.

His Honour the Speaker asked the Chairman of Committee to see that the rules of the House be observed. Mr. Cashin replied that in his comments he was referring to the Income Tax Resolutions.

His Honour the Speaker interrupted Mr. Cashin to the effect that the rules of the British House of Commons were to be observed, and asked Mr. Cashin to observe the rules accordingly.

His Honour the Speaker asked if there was any precedent.

Mr. Alderdice stated there was no precedent as never before was a Prime Minister or members of his executive charged with such serious offences.

Mr. Strong rose to speak, but the Speaker intervened by stating that the whole proceedings were out of order. If members desired to speak on privilege they could do so in the proper time but not when the House was in committee on a Bill. [*Evening Telegram*, March 24, 1932]

Hon. Leader of the Opposition: I would suggest that this section be deleted, and I make an amendment that this should read January last. I know some small companies paid a small dividend last year, and I think that this is contrary to fair play to wipe out whatever small profits they have made. Take the people with small incomes, they have to count every dollar to make both ends meet, and I submit that they haven't got the money to pay this iniquitous tax, they will have to go and borrow money to pay it. I move that this section be deleted. I appeal to the Prime Minister that [it] is unfair taxation, the people did not know that they were going to be taxed in this manner and they have made no provision for it. Why, Sir Percy Thompson might just as well have made it retroactive for five years. I ask the Prime Minister to consider this amendment, let it be effective from January 1932; we are not asking anything unfair.

Rt. Hon. Prime Minister: This matter has been given very careful consideration, and if this amendment were adopted it would mean that Newfoundland would get no benefits from income taxes for this year or next year. It is the practice the world over that a person is taxed this year on last year's income, the present year is problematical. This matter has been carefully considered with microscopic care by the Government and the financial experts, and it is felt that this is the best that can be done.

Mr. Cashin: We will not receive this money before June 30th, you will not receive this money from the banks and the I.P.P. and those other big corporations before September or October, you won't get it by June 30. You will get nothing to speak of this year and yet you are going to put it through. The people are looked on now as so many insects. This is the most unreasonable piece of legislation introduced yet this year into this House. The people can't pay it. It is an outrage. Government members don't pay it.

Mr. Cashin: Mr. Chairman, I move the following amendment to Section (3) of these Income Tax Resolutions, and in doing so I wish to point out to this House that, according to this Section as it stands now, the tax on business people will be increased by 200 per cent.

Hon. Leader of the Opposition: I move that an amendment be passed regarding this Section; it should read January 1, 1932.

Hon. the Prime Minister stated ... [this section] could not be altered.

Mr. Alderdice felt that the whole thing was an insult. These financial advisers come in and treat the people like insects, trying to experiment on their patience. It was absurd legislation and he was surprised that the Prime Minister and the government stood for it. [*Daily News*, March 24, 1932]

(Section 11 passed, re Section 12)

Mr. Cashin: With regard to this section re insurance premiums. In Ontario they pay 1¼ per cent tax and the dividends are exempt. I am not the spokesman for any insurance company, but what will happen is that the companies will find means to cut down the dividends to pay the tax. I would suggest that you let this section stand over.

An amendment to Section 3 was moved by **Mr. Cashin** but this was defeated. In committee stage **Mr. Alderdice** also moved an amendment to the effect that the tax take effect on January 1, 1932, instead of 1931 as provided in the resolutions.

Mr. Cashin ... stated ... it was an outrage to make the Bill retroactive from January 1st, 1931. It should be Jan. 1st, 1932. He then read articles from financial newspapers on the subject.

His Honour the Speaker at this stage was compelled to ring the bell and summon members in order to provide a quorum.

The resolutions were then proceeded with. Mr. Cashin's amendment was defeated. [*Evening*

Telegram, March 24, p. 9]

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed the said Resolutions, and recommended the introduction of a Bill to give effect to the same.

On motion this report was received.

On motion for adoption of the report, Mr. Alderdice moved and Mr. Puddester seconded the following amendment, viz:

"That the report of the Committee be amended by adding thereto the words 'But the said Bill should not operate so as to become effective at a date earlier than January 1, 1932.'"

Whereupon the House divided and there appeared in favour of the amendment: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Moore, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Byrne, Mr. Cashin, Dr. Mosdell, Mr. Parsons, Mr. Fudge, and against it: Hon. the Prime Minister, Hon. the Secretary of State, Hon. the Minister of Finance, Hon. the Minister of Posts, Hon. Mr. Bradley, the Minister of Public Works, the Minister of Fisheries, Mr. Earle, Mr. Starkes, Mr. Fitzgibbon, Lady Squires, Mr. Archibald, Mr. Strong, Mr. Greene, Mr. Smith, Mr. Murphy, Mr. Downey; so it passed in the negative.

The original motion for adoption of this report was then put and there appeared in its favour: Hon. the Prime Minister, Hon. the Secretary of State, Hon. the Minister of Finance, Hon. the Minister of Posts, Hon. Mr. Bradley, the Minister of Public Works, the Minister of Fisheries, Mr. Earle, Mr. Starkes, Mr. Fitzgibbon, Lady Squires, Mr. Archibald, Mr. Strong, Mr. Greene, Mr. Smith, Mr. Murphy, Mr. Downey; and against it: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Moore, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Byrne, Mr. Cashin, Dr. Mosdell, Mr. Parsons, Mr. Fudge; so it passed in the affirmative and was ordered accordingly.

Whereupon the Bill entitled "An Act in Relation to the Amendment of the Act 20 George V., Chapter 96, entitled The Income Tax Act, 1929'" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Mr. Alderdice stated that were it in order for the Opposition to make a motion for [the] increase of taxes (and it was not) he would move that lotteries under the Act pay 15 per cent instead of 12 per cent. The Prime Minister promised to take up this matter. [*Daily News*, March 24, 1932]

It was moved and seconded that when the House rises it adjourn until Monday, the 28th instant, at 3 p.m.

The House then adjourned accordingly.

Monday, March 28, 1932⁹⁶

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Puddester, on behalf of the Leader of the Opposition, gave notice that they would on to-morrow move the following:

WHEREAS an Address was on the first day of March 1932 presented to His Excellency the Governor by this House setting forth that:

“Charges have been formulated by the Honourable Member for St. John’s City East, Mr. F. C. Alderdice, Leader of the Opposition, as follows:

(a) That upon the following dates the Prime Minister (Sir Richard Squires) wrongfully procured to be transferred from the Department of Marine and Fisheries and/or the Department of Public Works and/or the Highroads Commission, the following amounts, namely:

<i>August 16, 1929</i>	<i>\$20,000</i>
<i>November 14, 1929</i>	<i>9,800</i>
<i>May 10, 1930</i>	<i>5,100</i>
<i>May 15, 1930</i>	<i>11,000</i>
<i>September 25, 1930.....</i>	<i>5,000</i>

To be placed to the credit of an account known as the Humber Constituency Trust Account, and in so far as the said transfers purport to have been made by virtue of an Order in Council, such Order or Orders and each of them were procured to be signed by His Excellency the Governor without having been first passed by the Committee in Council and without the knowledge direct or indirect of the members of Council.

(b) That on or about the 22nd day of December, 1931, the Prime Minister (Sir Richard Squires) procured to be signed by His Excellency the Governor what purports to be a Minute of Council ordering to be paid to himself the sum of \$5,000, to Mr. B. E. S. Dunfield, K.C., the sum of \$5,000, to Mr. Curtis, K.C., the sum of \$2,000 and to the Hon. A. J. Walsh the sum of \$3,000 out of the General Contingencies Fund, the said Order not having been passed by the Committee of Council and being obtained from His Excellency the Governor without the knowledge direct or indirect of the members of Council.

(c) That the Secretary of State (Hon. A. Barnes) wrongfully caused to be entered in the Minute Book of the Executive the purported Minute referred to above knowing that the same has not been passed by members of the Council.

(d) That the Prime Minister (Sir Richard Squires) wrongfully received the sum of \$2,500 under and by virtue of the purported Minute of December 22, 1931.

⁹⁶ There are many discrepancies between the transcript and the reports of the two daily newspapers.

(e) That on or about the 5th day of December, 1931, the Prime Minister (Sir Richard Squires) procured to be signed by His Excellency the Governor what purported to be a Minute of Council ordering to be paid to himself out of the Reparations Account the sum of \$5,000, the said Order not having been passed by the Committee of Council and being obtained from His Excellency the Governor without the knowledge direct or indirect of the members of Council.

(f) That the Secretary of State (Hon. A. Barnes) wrongfully caused to be entered in the Minute Book of the Executive Council the purported Minute referred to above knowing that the same had not been passed by members of the Council.

(g) That the Prime Minister (Sir Richard Squires) wrongfully received the sum of \$5,000 under and by virtue of the purported Minute of Council of the 5th day of December 1931.

In addition to the charges formulated by the said Honourable Member for St. John's City East, Mr. F. C. Alderdice, Leader of the Opposition, the said Honourable Member for Ferryland, Mr. Peter J. Cashin, made the following charges also relating to Minutes of Council:

(h) That on or about the 26th day of July, 1930, a false Minute, manipulated by the Prime Minister and his Secretary of State, transferred \$100,000 which had been allocated for the Memorial College and lay to the credit of the 1930 loan in the Bank of Montreal, to an account designated 'The Savings Bank Trust Account' in the Canadian Bank of Commerce.

(i) That the Prime Minister (Sir Richard Squires) at a meeting of Your Excellency the Governor-in-Council held at Government House on the 5th day of January, 1932, omitted to read a certain Minute and/or Minutes of Council which were duly entered in the Minute Book.

AND WHEREAS the prayer of the Address was as follows:

The House of Assembly humbly prays that your Excellency will be pleased to enquire fully into the charges and matter or matters connected therewith and to take such action as may be meet in the premises, and to inform the House as to whether or not there has been any falsification of the said Minutes, and whether or not Your Excellency was deceived or induced by such deception to sign the Minutes in question.

AND WHEREAS by the reply of His Excellency the Governor dated March 22, 1932, it appears that His Excellency enquired into only (1) above.

THAT there be appointed a Select Committee of the House consisting of five to enquire into, by taking evidence upon oath and sending for persons, records, and things, and to report to the House (with a verbatim copy of the evidence taken and documents adduced) upon the charges marked (a) to (h) above.

Mr. Speaker pointed out that before the motion would be considered it would be necessary [to] ascertain whether a matter already disposed of can be discussed again at the same session. This matter had been the subject of a previous motion in the House. He desired to make this explanation in order that members will be prepared to discuss the matter when it comes up again. [*Daily News*, March 29, 1932]

Mr. Skanes: Mr. Speaker, I beg leave to present a petition from the inhabitants of Bonne Bay in the District of St. Barbe, praying that the present ferry service may not be discontinued. I may point out that this ferry service has been of inestimable value to the people of Bonne Bay, as it provides the only method of transportation by water. It connects all the principal settlements in the Bay and has been in operation for the past 30 years. It is a public service that is an absolute necessity as it provides the only method of transportation whereby men can travel to find employment, enter the woods, etc. This petition is of such importance to my constituents in Bonne Bay that with your permission, Mr. Speaker, I shall read it to the House: (*reads the petition*).

I desire to point out, Mr. Speaker, that this petition has been signed by and has the substantial backing of over 200 residents of Bonne Bay. These people are hard-working, honest and industrious and it would be an inestimable hardship for them to be deprived of the sole means they have of searching for work. As the representative of these people, I recommend that the petition be given very serious consideration and [be] referred to the department to which it relates, so that it may receive the attention it so well deserves.

Mr. Tobin gave notice of question.

Mr. Puddester gave notice of question.

Mr. Quinton gave notice of question.

Mr. Cashin drew the Speaker's attention to several questions which have been unanswered. **Mr. Emerson** and **Mr. Tobin** also complained to the Speaker that questions asked by them some weeks ago had not been answered. The departmental heads promised to have the requests attended to without further delay.

The motion to appoint a Select Committee of five members to consider a redistribution of seats was deferred.

The Justice Department's Resolutions were read a second time and will be read in committee to-morrow.

The Dominion Loan Resolutions and the Act respecting Sunday Observance were also deferred. [*Evening Telegram*, March 29, 1932]

Pursuant to notice and leave granted, and on motion of Mr. Emerson, the Bill entitled "An Act to Amend the Companies Act" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Pursuant to Order, the following Resolutions from Supply:

Department of Public Works\$600,956.89

*were read a second time and concurred in by the House.*⁹⁷

Rt. Hon. Prime Minister: Mr. Chairman, these are the Resolutions we had before us at the previous sitting. They are now before us in final form. There has been no change made since they were last distributed, and I would ask that they be accepted as read, if it is the pleasure of the gentlemen of the Opposition.

Mr. Puddester: I think we might as well read through them again.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act for further amendment of the Revenue Act, 1925."

Mr. Speaker left the Chair.

Mr. Archibald 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 on to-morrow.

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Act 15 George V., Chapter 33, entitled 'An Act Respecting the Tax on Goods Imported into Newfoundland' and Amendment thereto."

Mr. Speaker left the Chair.

Mr. Greene took the Chair of Committee.

In answer to a question asked by **Mr. Cashin** it was explained that in future the duty on kerosene oil will include the duty on barrels as well. Previous to this there was a duty of 50 cents per barrel on wooden barrels coming in here. That was to encourage the local industry. Now that protection has been removed. [*Daily News*, March 29, 1932]

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.

⁹⁷ The Resolution for the Department of Public Works is also reported as being read a second time on March 22, 1932.

On motion this report was received and adopted, and it was ordered that the said Bill be read a third time on to-morrow.

The Income Tax Act was read a second time, and will be considered in committee to-morrow. [*Evening Telegram*, March 29, 1932]

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Godden took the Chair of Committee.

Rt. Hon. Prime Minister: (*re Vote for High Commissioner's Office, page 19*)

That has been put down this year in the regular way instead of being dealt with miscellaneously by vote and supplemental supply as formerly. The reduction in salaries there has been very substantial, and one official has been dropped. There was no reason for dropping him, only one of the staff had to be curtailed. The reduction that was made was quite substantial.

Hon. Leader of the Opposition: The man laid off happens to be the most efficient man in the Department.

Rt. Hon. Prime Minister: My honourable friend and I may or may not agree on that point. He was efficient for some classes of business which he handled very well. The salary of the Commissioner has been put down to \$4,000. We hope that he will retain the position. The Secretary now gets \$2,000; he formerly got \$2,150; he formerly got a salary something in excess of that; then he was cut down to \$2,150; the amount was paid him in pounds. The salary for the Secretary there was \$2,000. In the case of Captain Gordon when he occupied the position there, he received \$3,500, and that was a position which corresponded to that of Secretary; he was the Secretary. It was reduced then and finally reduced again, until now we have \$2,000. The salary of the Accountant, that was down at \$2,200, and it is now down at \$1,750. The saving in the Department on salaries is in the neighbourhood of about \$2,200, not including the dismissal.

Mr. Emerson: What was Piccott getting?

Rt. Hon. Prime Minister: He had a salary of \$2,025; the Secretary in the Gordon time received \$3,500; he is now receiving \$2,000.

The only reason for his being laid off is the general curtailment of staff, which has taken place in all the other departments here. Mr. Piccott is an ex-serviceman and has given excellent service. When the readjustment was made, it was a question as to whether he or Mr. Murphy would be retained. The work which Mr. Davies has performed during the year has been of outstanding value, particularly from the publicity point of view in the connection of the industries fairs. In the matter of cod liver oil, over 10,000 British medical men had been circularized and an analysis of our product has shown it to possess over 50 per cent more vitamin value than the Norwegian product.

Mr. Alderdice: I am sure that the activities of the office will be greatly hampered by the dismissal of Piccott. It will be remembered that when Hon. Mr. Bowring took over the office, the one man whose services he found indispensable was Mr. Piccott. It seems a pity.

Mr. Byrne: The point I wish to make is this: I think the treatment of Mr. Piccott is harsh. He has been on the staff since the inception of the office, and [*illegible*] scrapped so that Mr. Davies' salary may be increased.

Mr. Alderdice: I would suggest appropriate action of the salary of the [*illegible*] so that Mr. Piccott's services may be retained. I have no personal interest in the matter other than the fact of the man's usefulness.

Mr. Cashin: Mr. Chairman, there is not a member of the Government can show me where this Department in London has been instrumental in placing a single order for the sale of this country's products, or how it has done a bit of good for this country, and I contend that Department should be closed up.

Rt. Hon. Prime Minister: When you put an advertisement in a newspaper you never can tell what returns it will bring.

Mr. Cashin: The Blue Book doesn't show it gave any returns. Anyhow, why not get a man who knows the trade and commerce of the country to carry on that office?

Hon. Leader of the Opposition: There was a good stroke of business done at the British Industrial Fair in the sale of 10,000 pieces of smoked salmon, so that people in the United Kingdom and elsewhere know now something that they did not know before. Unfortunately, the Department has lost one of its best officials in the person of Mr. Piccott. Now the Prime Minister has been looked upon by some people as a glorified commercial traveller for his country, but thus far he has not brought us a single order yet as a result of his travels. There is need for a representative in London, as there is ample room for extension of trade there, but if there was any hope of the office justifying its existence it was nullified when Mr. Piccott was discharged, as he was the most useful and most valuable man in the High Commissioner's Office.

Mr. Cashin: To show that this Department has been a washout, there was not a gallon of cod liver oil exported to Great Britain or Europe for the year 1930. All our cod liver oil went to Canada and the United States, despite the statement of the Prime Minister that there were 10,000 medical men throughout the United Kingdom and Europe circularized in the hope of increasing the cod liver oil business. During the war, the High Commissioner's Office was well-handled, free of charge, by Sir Edgar Bowring. After he retired, Captain Gordon was appointed at a salary of \$3,500 a year; but now Mr. Davies' salary is increased to \$4,000 and expenses. Mr. Davies may be a good analyst, but he knows comparatively nothing about the trade of this country, and it is an insult to the people of this country to have a man like that sent to London to represent Newfoundland. Apparently, the

position is that the Government is importing men to fill jobs here, and exporting them to fill Newfoundlanders' jobs in other parts of the world. Now, if you are going to appoint a trade agent in England, why not employ a man who knows the trade and the business of Newfoundland, because Mr. Davies is neither fit nor capable to represent Newfoundland in London. At the present time any fish merchants in Newfoundland who want to sell fish on the other side of the water have got to make their arrangements through their own brokers. This High Commissioner's Office in London with Mr. Davies in charge of it is a fad of the Prime Minister's and recommended by Sir Percy Thompson and Mr. Penson, and I say that this vote should be wiped out.

Mr. Bennett: Mr. Chairman, I contend that, whilst it may have been alright to have this office maintained when times were good, in view of the serious financial stringency at present, we can very well get along without it for a few years, at least. As has been pointed out through the Customs returns, the High Commissioner's Office has not justified its existence within recent years. Well, if that is so, and the Government members are sincere in their policy of retrenchment, I fail to see why that office in London cannot be dropped until times get better.

Mr. Quinton: Mr. Chairman, I am not going to try and justify anything with regard to trade commissioners abroad; but I would like to ask what has been done in the matter of having Newfoundland benefit by the tariffs recently imposed in England so far as Newfoundland fishery products are concerned?⁹⁸

Mr. Emerson: I would also like to know how far the new tariffs in England have affected our fisheries.⁹⁹

Rt. Hon. Prime Minister: That matter has already been taken up with the authorities over there.¹⁰⁰

Mr. Emerson: I am afraid this getting [in] touch with, and taking it up with such a one is not much good.

Mr. Quinton: In connection with frozen salmon, I may say that Newfoundland salmon was forced out of the market through the dumping of Russian salmon. I take it, however, that the present tariff will take care of that, but we have not been told whether there have been any negotiations with regard to our fresh fish products.

Rt. Hon. Prime Minister: (*reads memorandum in connection with the Prime Minister's*

⁹⁸ "Mr. Quinton maintained that unless more work was done the office should be abolished, or it should be re-organised. The Pensions Department in this country costs only \$11,000 and it expends \$650,000. There were opportunities for the office to do something for the country, especially in connection with the new tariffs, but there was no information as to what had been done." *Daily News*, March 29, 1932.

⁹⁹ "Mr. Emerson pointed out that Great Britain has given preference to some of the Dominions in certain connections. What has this government done to benefit by those tariffs?" *Daily News*, March 29, 1932.

¹⁰⁰ *The Daily News* reported that the Minister of Land and Fisheries made the same statement.

Department).

Mr. Cashin: If we turn up the Public Accounts we see that there was a Mr. Crossman working in your Department; is he still there?

Rt. Hon. Prime Minister: I am pleased that the Hon. Member brought up that point, he is not working there now. For nine years Mr. Crossman was employed by me as [a] private chauffeur and he received a specific salary from me. His salary in 1931 was the same as 1930, it was the same as it was in 1929 and so on, there was no change in the amount I paid Mr. Crossman. Mr. Crossman did outstanding work for the Department of the Prime Minister, he was a very valuable messenger, a very valuable assistant to the Department of the Prime Minister, for which up to January he received \$45 a month. Mr. Crossman received from me month by month exactly the same salary in 1932 as he was getting in 1931 and 1930, and he received no benefits or advantages from the Department other than the \$45 per month for which the Department had the advantage of his services.¹⁰¹

Mr. Bennett: Why did you not give it to someone else? There were lots who needed it.

Rt. Hon. Prime Minister: He could do it and others couldn't do it at \$45 a month as he did it.

Mr. Emerson: There were a lot of girls who would take it [in] these hard times.

Mr. Puddester asked for an explanation of \$150 for photographs and a sum in excess of \$110 for wreaths. These amounts were in the public accounts and he would like to have an explanation. When deaths of members occurred members of the Opposition also supplied wreaths but they paid for them out of their pockets. Apparently the wreaths supplied by the government were paid for out of public funds. [*Daily News*, March 29, 1932]

Mr. Bennett: (*re vote for Moving Pictures Censors*)

What is done by those censors? Who are they? The fact is that all these pictures are well-censored before they come to this country; we ought to be sophisticated enough to accept them. Another thing is that they are very particular now about the talking pictures because they can't be cut down; therefore, every picture that comes here has to be well-censored before it reaches here; that vote is unnecessary.

Mr. Puddester: I don't think the Government should be asked to pay for two moving picture censors. I think that is unnecessary. I move that that vote be deleted.

Mr. Emerson: I second it.

This motion was defeated. [*Daily News*, March 29, 1932]

¹⁰¹ "The Prime Minister stated that he had, owing to the financial stringency, dispensed with the services of his chauffeur." *Evening Telegram*, March 29, 1932.

Mr. Puddester: (*reads extract from list*).

There is quite a lot here for extra services. I notice one here for Assistant Secretary to the Prime Minister \$422.50; Mr. Carew, \$301.72. When a man gets \$3,000, in the state the country is in at the present time, extra services would have to be something out of the ordinary for amounts such as these. I particularly draw the attention of the Prime Minister to that \$152. I shall be glad if you will on to-morrow bring down an itemized account.

The Prime Minister also promised to bring to the House vouchers for the \$100 for photographs. Mr. Alderdice suggested he should also table a copy of the photographs. [*Evening Telegram*, March 29, 1932]

Mr. Emerson: [I] think it has been apparent, especially during this session of the Legislature, that the [outport] press dispatches of the country are being used for the purpose solely of propagating the Government story of what is occurring in its ranks. Now, we have already on one occasion had the perfectly scandalous episode in connection with what occurred in town, where as a result of a motion made by the Member for Harbour Main a vote of censure was passed upon the compiler of messages in connection with that. Recently another message has been brought to the attention of the public, when a few days ago writs were taken against the Prime Minister and the Hon. Member for St. John's West, Dr. Campbell. Now, it is perfectly obvious that it is not proposed to be the object of the Estimates to provide even a government party with a fund for the purpose of political propaganda. That is all this vote amounts to. It is being scandalously and dishonestly used for the interests of the Government party, and the compiler of it is simply a political heeler. One is getting hardened to scandals in connection with the present Government, but one cannot permit every item to go by without comment. In this case the vote is utterly valueless except for the purpose that I have described, and I therefore move that [the] amount of \$270 be deleted.

This motion was defeated. [*Daily News*, March 29, 1932]

Rt. Hon. Prime Minister: The cost of telegraphs and cables during the past year are substantial in amount due to the negotiations [that] were being carried on, and this amount represents telegraph and postal expenses.

Mr. Cashin: Why are there two different headings for sundries and miscellaneous?

Mr. Bennett: I notice that there is \$300 for telephones; how is that amount made up?

Rt. Hon. Prime Minister: There are three telephones in the Prime Minister's office. There is an extension to the Justice Department, an extension to the Finance Department, and Mr. Carew's phone and Mr. Mews' phone.

Mr. Puddester referred to the fact that private telephones were being paid for by the government. These things should not be. If officials have telephones they should be prepared to pay for them. In this connection **Mr. Cashin** pointed out that last year \$2,600 was paid for private telephones in the government, and \$800 in the Railway. [*Daily News*, March 29, 1932]

Dealing with the vote of \$1,000 for the deportation of undesirable aliens which is cancelled this year, **Mr. Cashin** remarked: "There are a few of them around here yet." [*Evening Telegram*, March 29, 1932]

Mr. Emerson: I want to return again to the matter of the High Commissioner's Office and to protest against it being kept open at this time. There is absolutely nothing to show that the office has brought any results compared with its annual cost. The Prime Minister spoke of cod liver oil, but the Member for Ferryland has shown that not one gallon of cod liver oil has been exported to Great Britain according to the Blue Book. The Prime Minister said in 1928 that he was going to abolish the office and appoint a Trade Commissioner, and Sir John Bennett was ignominiously recalled. The sum of \$12,600 which is being voted is nothing more or less than a perfect waste.

Rt. Hon. Prime Minister: I don't agree. I think the High Commissioner's office a most important adjunct to the trade of this country. Their work during the past six months alone in connection with the industries fairs was well worth the cost. The sale of Newfoundland postage stamps during the year brought in a large proportion of the cost. I do think that it would be entirely disadvantageous to abolish the office.

Mr. Puddester: Reference has been made to how valuable a man Mr. Davies was in connection with the Fishery Research Bureau at Bay Bulls; but the country had to pay him \$500 extra for his services in connection therewith, whilst I think he should have done that work for the salary he draws. Why should this country have to pay this man extras when he draws already \$3,800 from the Department of Agriculture and Mines, and it does not make any difference what he does in England now, he is going to be paid extras by the present Government. I will read to the House a list of the amount paid to Mr. Davies for salaries and expenses for last year (*reads*). These amounted to \$14,286.58. That is a very expensive Commissioner, and I question whether the services rendered by him were worth that. I had one experience with Mr. Davies. Some time ago he wrote me asking to quote him advertising rates. All he had to do was to turn up the year book and he would have seen our rates. Any schoolboy in London could have given him that information. I thought the question too silly to answer, and he wrote me again about it and I had to tell him where he would find it. Now that is how much Mr. Davies knows about the trade of Newfoundland, and I think Newfoundland can very well get along without the services of Mr. Davies in these trying times. Further, that office is only a fine place for anyone who wants to be introduced to the nobility of England and Paris.

Mr. Cashin: Mr. Chairman, last year the Economic Commission recommended, among other things, the abolition of this London office. The same Committee made several recommendations in connection with the Finance Department, and these recommendations have not been included in the report of the Committee that has been tabled in this House. Why was that section of the report withheld? The report was signed by Sir William Coaker, Dr. Mosdell, Mr. Bradley and myself. Now I would like to know why Mr. Bradley has changed his mind since then?

Mr. Bradley: I am not going to tell you now. I am not here under cross-examination.

Mr. Cashin: Mr. Bradley was a member of that Commission, and he was a party to the recommendation that this office be abolished, and now [he] is voting for it, and there was a letter put in by me as Chairman of that Committee that has been withheld from this House. I say that it is either destroyed or deliberately withheld.

Mr. Emerson: We took it that the answer to question 24 was complete.

Hon. Secretary of State: It was complete as far as I knew; if there is any information with regard to this matter I will be glad to table it.

Mr. Cashin: With regard to Beaumont Hamel, I would like to know what is the intention of the Government, if they intend to provide funds to fix it up after the unfortunate accident that occurred the other day, or do they intend to let it fall down?

Rt. Hon. Prime Minister: It was felt that the best thing to do was to [*omission*] an organization in Newfoundland and England to have Beaumont Hamel properly looked after.

Mr. Cashin: Where is the money coming from?

Rt. Hon. Prime Minister: It will probably be done by private subscription.

Hon. Secretary of State: In regard to Beaumont Hamel, in 1924 or 1925 a contract was entered into with the War Graves Commission, whereby the Government paid \$10,000 a year for an endowment fund for the upkeep of War Graves, one-sixteenth was our allocation and this \$3,300 was used for the purposes of looking after Beaumont Hamel, and it is this \$3,300 that is there now.

Mr. Quinton: With regard to the Board of Pensions looking after these records, is there some person named to look after them? These records are valuable, and I think that someone should be named to look after them. I think this is a good opportunity to reinstate someone who was laid off.

Rt. Hon. Prime Minister: This salary has been dropped.

Hon. Secretary of State: With respect to the Public Charities estimates, it will be found that there is some slight decrease. There is an amount of \$450 paid to the gentleman who looked after the Old Age Pensions. With respect to relief work, it is now being done for \$7,000, and it is proposed to utilize the services of Magistrates and other Civil Servants, without increasing their salaries, for work done for the Public Charities Department. You will note that the vote for widows has been reduced to \$242,285. For some time past an effort has been made to secure a statement of all widows in receipt of this small allowance to ascertain if they are really entitled to it. It has been discovered that there has been some foul play, and the object of this effort is to try and prevent that. While these widows, for the moment, their votes are withheld, they are in receipt of the ordinary dole, the amount is practically the same as this. Casual able-bodied relief, we have reduced the grant

to \$50,000. Old Age Pensions have been reduced to \$148,000, the reason for this is that the vote was \$160,000 and there was a balance of \$12,000 unused, and it is believed that we can get along with \$148,000 this year. With regard to the votes to charitable societies, it has been decided for this year to cut them out with the exception of a small grant of \$500 to the food and shelter depot of the Salvation Army and the convalescent home, \$800. With regard to shipwrecked crews, there is a small decrease on the recommendation of the Commissioners of Public Charities, who agree we can get along on this. Deportation of undesirable aliens, we are not putting a grant in there at all. Extraordinary expenditure has been reduced from \$5,000 to \$3,500, making a total of \$410,188.50, as against \$511,577.00.

Mr. Cashin: In connection with Relieving Officers, can you tell us which ones are cut out and which are left in? In last year's estimates we knew every place where there was a Relieving Officer. According to this, we are voting \$10,000 and we don't know where it is going to be spent, they can spend it where they like. This House is not aware of what is going to be done with the money, and don't you think we should know?

Hon. Secretary of State: It is not possible to state exactly where these Relieving Officers will be stationed. This whole matter is under revision, and there are 106 Relieving Officers and we are trying to reduce that number without interfering with the effectiveness of the service. This will take some time. We hope, however, to have this in operation by the beginning of the fiscal year. When the report comes in we will be able to state definitely how many widows are on the list.

Mr. Cashin: Last year's vote was \$10,000; this year it is down to \$7,000. We don't know where the Relieving Officers are being cut off. I hold that this House should know where these Relieving Officers are going to be cut off from, not to give the Government \$7,000 to go out and appoint Relieving Officers wherever they like. That is what we are voting for here. I made that point two or three times, and no member of the Government has decency enough to get up and agree with me.

Hon. Secretary of State: (*re Able-Bodied Relief*)

We have not got down to that yet, but we hope to as soon as we have sufficient time. It is a big problem as you all realize. The whole question of handling relief has been an exceptionally big one. A great many people in the country have not realized that, otherwise criticism would not have been so persistent as it was. We feel that under the arrangement, many hundreds of thousands of dollars have been saved. We have three men out in the field to-day, and they are doing their utmost to get returns for the food that is being given out. In previous years no returns whatever have been given; the food was given and that was all. But the question of taking up and ascertaining just where Relieving Officers will be appointed must be a question for the immediate future. We are not in a position to make any pronouncement to-day.

Mr. Puddester: I would like to ask the Secretary of State if he does not think that a great deal of hardship was occasioned by the cutting of the permanent and casual poor in January.

Hon. Secretary of State: I think so. It was a case of trying to cure an ill.

Mr. Puddester: In most of the places the business people advanced to widows and orphans the amount [for] the quarter before that quarter was due. I know in my District every businessman there who supplied widows and orphans with [the] quarterly allowance is minus that amount, because they all had their amounts in advance from the businessmen. The businessmen are the losers. The widows get the goods, but the businessman is without the cash because it was cut off when he least expected. Therefore it entailed a great deal of hardship in my District on the businessmen who advanced the amount to the widows and the poor, and those getting the dole. I don't think those get the dole. I agree there must be abuses; I agree that there should be some other system; I agree with an investigation over the whole country to see where abuses can be remedied, but it is a hardship on a businessman who advances a widow or a recipient of this charity three months in advance and then is minus that amount when he is expecting it to come to his account. In January it was a hardship on him and it was a hardship on the widows, who perhaps did not have it taken up from the businessmen. I am not so sure that the key men are so flawless as the Secretary of State thinks they are, and are sufficiently informed and sufficiently able to conduct an investigation as far as Relieving Officers are concerned. I know the key men, when it suited themselves, have changed the orders of the Controller, and I think you will find now that it is not all cocoa that is being given out, and not all fat back pork, but other things are being given and it is called fat back pork and cocoa. I agree it is a pretty hard thing to keep always in the right road, but an effort was made during the first month and a great effort, but I think there is quite a lot of laxity as the days and months go by; there is quite a lot of laxity creeping in, and you are giving out more able-bodied relief now in proportion to the need than you gave out in December and January because of the laxity, and because of interference of people who should try to keep the thing down instead of trying to enlarge. Therefore some key men at least I have very little confidence in.¹⁰²

Mr. Emerson: I would like to ask the Secretary of State the position in regard to Old Age Pensions. Annually we have been voting \$160,000 and presumably seeing that there was a drop balance of \$12,000 a year, all the applicants for Old Age Pensions have been satisfied. Might I ask why it is not so? I know that in my District there were quite a considerable number of applications for Old Age Pensions by people who had reached the age and who were in poverty. In spite of the fact that these applications were all in and were quite satisfactory, apparently you carried forward a drop balance. Why was that?

Hon. Secretary of State: The Old Age Pensions have been given on a per capita basis and in some Districts the demand for these has been greater than the District would be entitled to, and in other Districts the number seeking the allowance would be very much less and in that way the \$12,000 are accounted for.

Mr. Emerson: It comes down to this, that although the Legislature provides \$160,000 for Old Age

¹⁰² "Mr. Puddester pointed out that it was a hardship on the widows of the country to have the vote for the widows reduced so much. These poor women were getting a bare existence and now they are placed on the dole. It was not fair to these women and it was not fair to small businessmen ..." *Daily News*, March 29, 1932.

Pensions, you introduce a system to allow people who are entitled to it to be left to starve simply because somebody in another part of the country did not want it. It is a ridiculous practice. When you say that you are going to cut that down to \$148,000, does that mean to say that each district will now have a per capita on the basis of \$148,000? That is the system; \$160,000 has been divided per capita among the Districts. Are we going to divide the \$148,000 because we are going to have another drop balance? I hope you are going to introduce a system that is sensible and not be satisfied with carrying on as apparently your predecessors did. I would expect from the Hon. Minister some novel suggestion to do away with what is obviously a ridiculous practice. If the practice as at present exists is carried on by the Minister, he is simply going to reduce the amount per capita in the Districts and there will be a drop balance again, and there will be fewer in the Districts that need it most getting it. Let the Minister under the circumstances see that that practice will be abandoned. I think that as you are asking us to vote for the money, you might tell us how you are going to spend it.

Hon. Secretary of State: We will spend it as equitably as possible.

Mr. Emerson: Do you mean in accordance with the practice in the past, because I assume that you spent it as equitable as you thought proper last year and did not deliberately expend the money inequitably; I take it to the best of your ability you spent it equitably then. I want to know whether you will change the system and see that those that require it get it. The object of it is to see that everybody in this country over a certain age entitled to it shall get a pension up to the extent to which the fund will go.

Mr. Quinton: I think we will appreciate that when a certain amount of money is voted, it was largely to prevent some politician from getting more than his share of the amount. I think the most of the trouble originated with the redistribution of seats some few years ago. I know for a fact that in my own District it is an important matter with me, because I stressed it several times. I have been blamed for having more old age pensions in my District than in the other three of Bonavista Bay because it happened that there were more old men right in Bonavista South. I don't think that is quite fair; there is a certain amount allocated for Bonavista South and a certain amount for Bonavista Centre, and the money for Bonavista Centre is not all spent, but all the old age pensioners for Bonavista South could not be provided for. There should be some redistribution of those Old Age Pensions take place, and I would like to ask the Secretary of State when reorganization is to take place; is it when a redistribution of seats takes place, or annually, or how?

At 6:30 the House rose for recess.

After recess¹⁰³ the vote for the Public Charities Department was again taken up.

The Secretary of State repeated that it was impossible to give a list of the relieving officers who will be retired. [*Daily News*, March 29, 1932]

¹⁰³ "The session resumed at 8:30 p.m." *Evening Telegram*, March 29, 1932.

Mr. Emerson: Do you expect to get through [able-bodied relief] the next year for \$50,000? Have you any reason to show how you can get it down within even approaching distance of \$50,000? After all, if it was a matter of \$75,000 even one would not mind; you have to make a guess if you had the ordinary conditions to deal with. I would like to hear from the Government Minister in charge some justification for the belief that they are going to get within \$50,000. I don't want to overestimate the danger of the situation, but I look upon that estimate there as absolutely ridiculous, and I would like to know what the foundation is for the belief that you are going to get within measurable distance. Can the Minister enlighten me?

Hon. Secretary of State: We can't say definitely. Nobody can say.

Mr. Puddester: How did you arrive at the \$50,000?

Mr. Emerson: Why not \$10,000?

Hon. Leader of the Opposition: Mr. Chairman, the only reason that vote is reduced to \$50,000 is for the purpose of balancing the Budget. The Hon. Minister in charge of these Estimates here knows just as well as we do, that it can't be done for \$50,000. If you are going to consider economy you will be lucky if you can get away with able-bodied relief for not more than \$750,000. You have no constructive policy, you have no idea of how we are going to get people employed, yet you are going to cut down this vote to \$50,000. I am in [receipt] of some resolutions passed at a meeting held in Greenspond dealing with fishery matters, widows' allowances and soldiers' pensions, which are very apropos: (*reads resolutions*).

It is a mere farce putting in those figures; it would have been better to have left it blank and put a note of interrogation there. This vote of \$50,000 is done for no other purpose than to help balance the Budget. There is no constructive policy from the Government; until we can get such a constructive policy, so far as the fisheries are concerned, mining and agriculture and all the other sources of employment are concerned, you may just as well put that down to \$750,000 again and count yourself lucky if you get out of it for that figure.

Mr. Puddester: How will it be if \$50,000 is not sufficient? How does the Minister expect to get authority for any over-expenditure?

Hon. Secretary of State: That will be a case of legislation.

Mr. Puddester: We have passed a Bill called a "Control of the Treasury Bill," what is it for? You have the Estimates here before you now; you have arrived at that figure of \$50,000 for able-bodied relief from the 1st [of] July, 1932, until June 30, 1933. We all know that \$50,000 can't begin to cover the expenditure for next year. Well now, why vote \$50,000? It will have to be five times \$50,000 and more. Therefore the old practice will have to be resorted to, so much per month from some account to go to the Charity Department to pay for expenditure on able-bodied relief. Is not that the position? And they passed a Control of the Treasury Bill. Either this is a farce or the

Control of the Treasury Bill is a farce; one thing or the other, and we are not practicing what we preach.

Mr. Emerson: Following up that question of the dole again. Two years ago, when the question of the approaching Winter and what was going to be done was being considered by people who could consider anything at all, I wrote the Government on the question of work in the late Fall and Winter. I wrote the Government through the Minister in charge of the present Estimates, and at the same time I wrote the Minister of Finance of the day. Outside an acknowledgement, I got no satisfaction whatever. Last year I did the same thing with the same result, except that there was a long letter from Mr. Mews telling me that the Government had decided not to give work, because if they got anybody to do work it would be more expensive. In other words, it was better to give out the dole and not seek to get any returns, than to try and get returns for the money. I noticed, however, that as soon as they put it in the hands of Mr. Magor, one of his first cries was that work was to be done. To-day some work is being done in return for the receipt of dole. I don't know why it should be necessary to bring experts here to put in force a system which is so obvious and so clear. In any event, nothing was done by the Government until some stranger came and told them what to do. In last year's Estimates no provision was made for able-bodied relief, and in the year before. In neither year did the Government appreciate the situation until it was driven into their way by being right on top of them. Neither in 1930 nor in 1931 was any step taken by the Government to install a system in connection with this. No information was sought; no effort was made to curtail expenditure until late in the Fall of the year, and then in a hurry when the Government was bankrupt of courage as well as ideas, they tried to get Mr. Piercey, they tried to get Mr. Miffen to take it out of their hands, and ultimately they had to hand it to Mr. Magor. Unless the stupidity of the members of the Government is greater than that of any other people in the Island, they must know that even though this year is a great improvement or will be a great improvement upon last year, even if that is true, then you are still going to be faced with a very large expenditure for able-bodied poor relief. What have you done in the way of working out a plan to meet that? Has anything been done at all? Has it been considered by the Executive? I don't believe it has, because if it had been, I would have expected the Minister in charge to have told the Committee about it. Has anything been done? May I ask the Minister now?

Hon. Secretary of State: Nothing [definite].

Mr. Emerson: Nothing definite or indefinite. Have you considered easing the situation by the growing of vegetables? Has that been up before the Government? I mentioned it in passing the other evening when we were considering the votes for Lands and Fisheries. \$10,000 is allowed for agriculture; how that is going to be expended is not explained. Unless some policy is put in force now, you will delay until you find that the whole trouble is on your shoulders again, and you have got no plan to meet it. The Government should have a plan now, and be able to lay it before the Committee. I don't know whether any works are going to be done with a view to relieving, or whether any proposal such as I mentioned about agriculture is going to be carried out. If it is you have got to get the seed, and that ought to be here now. You imagine that you are going to conquer the relief business by waiting until Winter without plans and without money; it is folly; it results in

far greater expenditure than is necessary. All plans to deal with the situation ought to be in hand in the Summer. Unless that is done you are going to have extravagant expenditure. The giving of this dole is the most grave danger that the country has to face to-day; it is demoralizing; it ought to be grappled with as a major problem that the country has to face. Every year when this thing was being handled, the Prime Minister was away.

This is one of the most serious problems that this country has to face. The Prime Minister has done nothing, the Executive has done nothing and neither has the party. I warn this House again that they are going to find next year, if the present Government is still in power, that there is going to be a tremendously heavy burden on this vote and it will be wastefully expended.

Mr. Puddester: On this vote and on the Old Age Pension vote, which I think ought to be put back to where it was last year, on a per capita basis, in those districts that have not exercised their full pensions during the past number of years. If they have more old men in the coming year than they had last year then you are going to have to reduce the Old Age Pension Vote or else have a supplemental supply. I think this vote should be put back and the Old Age Pension Vote should be made \$160,000 instead of \$148,000. I would remind you that one of the men of the Government party¹⁰⁴ stood up in his seat a few weeks ago before he left the House and said he wanted his vote registered against these cuts. He would be away when the votes came before the House. If he were here, he would stand up in his place and vote against these cuts; if he were away, he wanted his vote registered as being opposed to these reductions in these three votes especially.

Hon. Leader of the Opposition: Surely there is some policy to put before the country. Surely the Hon. Minister has some plans. I remember reading in an English newspaper the other day that whereas it costs £50 a year to keep a man on the dole it costs the country £600 to keep him on public works. From an economical point of view then, it is cheaper to keep the people of the country on the dole than to put them at unproductive work. It is obvious then that productive work is necessary, and it is up to the Prime Minister then to let us know what are his plans to bring this about.¹⁰⁵ I might say that we have our own plans all cut and dried but we are not going to divulge them. If the Government has no programme outlined, they should be manly enough to resign and give somebody else a chance.¹⁰⁶

Mr. Cashin: With regard to the old age pensions, I see that the vote now is being allocated per capita to each District. The position now is in voting a lump sum, that some people in some Districts who are getting pensions now, and deserve them, will be deprived of them because equally deserving cases in other Districts cannot get them because of lack of funds.

While I'm on my feet I want to go back to a statement I made this afternoon, to the effect that

¹⁰⁴ *The Daily News* and *Evening Telegram* reports, March 29, 1932, identified the member as Mr. Ken Brown.

¹⁰⁵ "... it is up to the government to do something in the way of encouragement to fishery and agriculture." *Daily News*, March 29, 1932.

¹⁰⁶ "... and permit a businesslike administration to take charge." *Evening Telegram*, March 29, 1932.

recommendations made by the Economic Commission had not been tabled in the House. I have now a copy of these recommendations which I am now going to read to the House (*reads*).

I would like to know why this was withheld.

Hon. Secretary of State: I was unaware that this letter was not amongst the file. I had a search made in the office and this information is now being copied.

The Secretary of State in reply said that as soon as the House rose for recess he had got in touch with the office and found that the matter referred to had been omitted and he ordered a search to be made. It was now being copied for the information of the House. [*Daily News*, March 29, 1932]

Mr. Cashin: Now, Mr. Chairman, as far as that \$50,000 for able-bodied relief is concerned, I make the statement now that it will be spent before next September. By the end of the next fiscal year the amount will be up to \$1,000,000, and what prospects are there for keeping it down to \$50,000 next year? The Districts of St. John's East and St. John's West got little from old age pensions in the past, but this year [the old men in these Districts] will be compelled to look for it as they are entitled to do. How are you going to give it to them, except by taking it from the Districts where the old men are already getting them?

Mr. Quinton: I think it is a crying shame to reduce this vote for old age pensions by \$12,000. Jobs can be found for heelers, who are not entitled to them, money can be found to give out to spongers, but there is no consideration for the poor worn-out fishermen, who were the producers of this country. I want to go on record as being unalterably opposed to a decrease in this vote.

Mr. Puddester: Apparently the old age pensioners will have to organize and come to St. John's in a body – because as far as this Government is concerned they only recognize the law of force – and threaten the same as the soldiers did, the \$18,000 would be put back here in a hurry. Unfortunately, members of the Opposition cannot move for increases in the Estimates, as if they could members of the Government would be asked to vote on this matter. I repeat that the only law the Government knows is force. Force seems to be the only thing that can, perhaps, scratch a main artery. There is also another body – the teachers – who if they could be organized with the old age pensioners to break a picture or two in the Prime Minister's Office, they would have no trouble in getting the money that was taken from them. The Government would not mind balancing their Budget. The bit of force would do the trick and the votes would be put back, no matter where it came from.

Hon. Leader of the Opposition: Mr. Chairman, since the reduction for old age pensioners is \$12,000, why not cut out the High Commissioner's Office, which is costing over that sum, if the Government cannot find the money in any other way? I think it is deplorable to have a Government in power without any policy, and their only idea is to levy taxes which the majority of the people will never be able to pay. The able-bodied relief will be no better next year than it was this. That kind of thing is the very opposite to political economy. Real political economy, if practiced properly, will enable the people to produce and increase their earning power and consequently

increase the revenue. But the present Government from the Prime Minister down does not seem to have one constructive thought in their minds. There is nothing in the Speech from the Throne, nothing in the Budget and nothing in the Estimates which will give any hope of providing employment for the people of the country. Remember, if the people are not put to work the country must sink into oblivion.

Mr. Tobin: Mr. Chairman, I too wish to go on record as against decreasing this old age pension vote. At the present time I have seven or eight forms made out for old age pensions, but I realize that it is absolutely useless to bring the applications to the Finance Department. A few years ago I had occasion to go to the Minister of Finance, and he told me that there was no possibility of having those men put on the list, as the vote was taken up. Now I agree with the suggestion of the Leader of the Opposition that an ideal way to meet the decreased vote would be to take away the vote for the High Commissioner's Office and transfer it to the vote for old age pensions. I think, Sir, it ill becomes us to come in here and with a stroke of the pen cut down that vote for old age pensions of the producers of this country who have kept some of us in this House through their industry and toil. I, therefore, have very much pleasure in supporting the arguments advanced by my colleagues respecting this vote.

Mr. Byrne: I would like also to register my protest against any reduction in this vote for old age pensions. Similarly, with regard to able-bodied poor relief, this vote of \$50,000 is entirely inadequate to meet the demands upon it. Now what strikes me forcibly is the apparent indifference of the men on the Government side, who have just as much responsibility as we have and who come in here and allow votes like this to go through without uttering a word in defence of what they are doing, or showing what the prospect is for the next year. Surely you know that \$50,000 is not going to take care of the multitude of people who through unemployment are starving throughout the country. Why, last year alone it cost nearly \$500,000 for able-bodied relief, and now you calmly sit down and expect to get by for \$50,000. St. John's alone will cost that amount. One would not mind if the Prime Minister would stand up and tell us again that he was going to breathe the life into certain new industries whereby there would be no unemployment this year, but the Government have no policy for work and no hope for the future except poor relief and dole. The Government know full well they are going to be hundreds of thousands of dollars short in this vote for relief, but the reason is that the experts want to balance the Budget, and this is one of the ways in which they hope to do it. I say, Sir, that the way our financial records and business is being conducted at the present time is a raw deal to the working class people in this country.

We are here quibbling now, Sir, about \$10 reductions while at the same time the higher salaries are being increased by \$1,000, and along with that the Government has no constructive programme whatever. There are hundreds of unemployed in this country to-day with an outlook of utter hopelessness. It is being taken too much for granted by the members of the Government that all they have to do is to let the Opposition do all the talking, while they sit idly by and let votes like this go through without either saying a word in defence of what they are doing, or showing what prospect there is for the future. But what are they going to say when they go back to their Districts? Are they going to say that they had not enough independence to stand up and vote against it? Are they going to blindly follow whatever is laid down by their leader? The situation in St. John's at the

present time is simply appalling, and over 1,800 men are looking for relief and absolutely without hope. The Leader of the Opposition asked that some hint even be given of the Prime Minister's plans. But they are left even without hope. Nothing but dole, and they are not even sure of that. The Prime Minister doesn't even say if he has something in his mind, and leaves nothing but the same hopeless outlook from week to week. No promise of anything is given, and it looks as if the Summer will bring forth nothing but hungry women and children and disheartened men.

While I am on my feet I feel I should say something about the widows' mite. The Government has done some pretty small things, but this is the smallest thing that has yet been done. Surely with the help of the experts some other way could be found, without taking the widows' mite, which God knows is small enough. As the Leader of the Opposition has pointed out, the High Commissioner's useless Office could have been done away with without cutting off these worn-out old men. The High Commissioner's Office was never worth the money anyhow. Three years ago the Prime Minister said there was no necessity for a High Commissioner, but what was wanted was a practical man who would act as a liaison officer. But what has happened? You ignominiously discharged the then High Commissioner, but afterwards you changed your mind and decided to retain the office when it was never more useless than it is at present.

Hon. the Prime Minister said they were trying to put in the estimates the actual amount that was going to be spent on old age pensions. Last year \$160,000 was voted for old age pensions and \$148,000 spent. The \$12,000 was a drop balance. It will make no difference if the vote is put back to the original amount of \$160,000 which he believed the House and Opposition desired to do. [*Daily News*, March 29, 1932]

Mr. Cashin: He must take Members of this House to be children. It was down to \$148,000, but the actual expenditure would be about \$130,000. I will tell you why; because it is on a per capita basis. If you cut it down to \$148,000 and you put it on a per capita basis, the man getting an old age pension to-day would lose it. I will take the Prime Minister at his own argument. One argument justifies the other. Surely goodness when you are prepared to pay \$470 for a flagstaff out of the Department of Public Works, you should be able to vote \$160,000¹⁰⁷ for old age pensions.

Mr. Cashin: If the Prime Minister is sincere in his argument perhaps he will outline his plans for keeping the vote for able-bodied relief down to \$50,000.

Mr. Puddester pointed out that last year shipwrecked crews cost over \$5,600 but this year the vote was reduced to \$4,360. How was this estimate arrived at, unless it was simply guess-work? [*Daily News*, March 29, 1932]

Hon. Leader of the Opposition: (*re elimination of votes for charitable societies*)

Would the deletion of these votes not be considered a hardship on [the] Harbour Grace, Carbonear, Twillingate, and St. John's St. Vincent de Paul and Dorcas Societies? Surely there must be a lot of people depending every year on the Dorcas Society for assistance. Won't these people be

¹⁰⁷ In the transcript, \$160,000 is typed, crossed out by hand, and \$50,000 written in.

in a very bad position? Have you made enquiries and did you find that these people said, "Yes, we can do without this money?"

Hon. Secretary of State: They don't say that.

Hon. Leader of the Opposition: Don't they justify the expenditure?

Hon. Secretary of State: Of course they justify the expenditure. We think these small votes can be dispensed with without causing any great hardship. As to the Harbour Grace Industrial School, we had a communication from the gentleman in charge of that. He has voluntarily stated that they want to help us in that particular. They are prepared to forego that grant.

Hon. Leader of the Opposition: Take the others that are purely charitable.

Hon. Secretary of State: In the Department of Public Health there is one salary dropped, as you will see. In connection with the International Grenfell Association, the Department has had some correspondence with Sir Wilfred Grenfell, and we have had no reply, asking him whether the Association would be prepared to forego the grant this year for \$15,000. We have had no reply. We propose to insert \$10,000. If the reply is the one we hope to get, that \$10,000 will then go to the drop balance.

Mr. Emerson: What date is the letter to Sir Wilfred Grenfell?

Hon. Secretary of State: I think about February 12th. I understand Sir Wilfred himself is in Europe; we are not likely to get a reply from him for some weeks yet.

The grant for the training of the blind, deaf and dumb has been removed. The vote for the Quarantine Officer at Channel has been transferred to the Customs Department, I understand, to be managed by the Customs.

In connection with salaries, there has been an omission. It is found in conversation with my honourable friend Dr. Mosdell that the intention was to place another typist there, but the amount overlooked; it is \$540. I understand that the young lady concerned has been engaged at the General Hospital.

Dr. Mosdell: That is only a transfer from the Department of Public Works. It was in Public Works last year. It is cut out from Public Works and put instead to Public Health.

Hon. Secretary of State: The amount for [the] Tuberculosis Dispensary, that has been eliminated for the time being. Dr. Mosdell was then responsible for these Estimates and he will, I am sure, be only too glad to give us any information necessary as we go along.

Mr. Emerson: Is Dr. Brehm drawing his salary now?

Dr. Mosdell: He is not drawing that from the Department. He is paid \$100 a month by the City, but

the Department gets no credit for it. The Department pays him by cheque.

Explanations and details asked for in connection with this Department were explained by Dr. Mosdell ... He stated that in his opinion the general public health of the country will cost about \$300,000, whereas the estimate was merely \$190,000.

Mr. Emerson asked how this could be explained. Nothing has been said as to how the government plans to keep within that vote. Dr. Mosdell said the trouble was that was all the money available.

Mr. Cashin asked for an explanation of an amount of \$407.25 paid last year for a flag-staff for an outpost courthouse.

Mr. Quinton asked why the vote for the Tubercular Campaign Dispensary was being cut out altogether. He asked if any reports had been submitted by the doctor in charge of field work in this country. [*Daily News*, March 29, 1932]

Mr. Cashin: Mr. Chairman, I move that this vote of \$12,650 for the High Commissioner's Office in London be deleted from the Estimates. I believe it is in the best interests of this country to have that vote wiped out. As was shown here this afternoon, it has not been a source of 5 cents revenue to the Colony directly or indirectly, rather to the contrary it has been a source of extreme expenditure. Last year it cost nearly \$20,000, and no returns got from it. With regard to the vote for old age pensions, I contend now that if the vote is put down for \$148,000, only about \$130,000 of it will be spent, because the vote is put down on a per capita basis.

At the present time the old age pension is on a per capita basis and several Districts did not take their per capita share, consequently there was a \$12,000 drop balance. That means that next year we will be spending \$148,000 on the same per capita basis, and the Districts that did not have their full allocation this year will not have them next year, and the Districts that had their full allocations last year will have less money from which they can fill their allocations next year. It means that 240 old men will be cut off by the present Estimates, and if any Member of the House has any red blood in his veins he would not stand for this. I realize that Government members, some of them at any rate, feel the same way as I did and this is the place to express their feelings. I move that the High Commissioner's vote of \$12,600 be eliminated.

Mr. Bennett: Mr. Chairman, I rise to second the motion made by the Hon. Member for Ferryland. I spoke on this matter this afternoon and I am in accord with the contention that this office has done nothing to justify its existence. The biggest argument that I see against expending this money is that we cannot afford to spend it at the present time. At a time such as this, every cent that we spend should be spent in this country, and it should be spent in the right direction. It has been shown that this Department has spent over and above this vote the sum of \$15,000 or \$16,000 in incidentals, this \$12,000 does not at all represent the cost of this office to the country, this vote of \$12,000 is only incidental. If this vote was wiped out we would have an additional \$30,000 or \$40,000 that could be used to alleviate distress and to help out pensioners, poor unfortunate old men who are doddering on the edge of the grave. These are the facts to be faced. I will be glad if anyone will advance any argument why this office should continue, and I will be glad to withdraw anything I have said.

Lady Squires: I don't see how anyone interested in the fisheries, especially the fresh fisheries of Newfoundland, can advocate the closing of this office. I visited the High Commissioner's Office last Summer in connection with our salmon. The salmon industry is a very important one in my District, Lewisporte, and the High Commissioner's Office did very good work in connection with the placing of our fresh fish on the market. I think that by keeping this office open we can put more money in the old men's pockets than by giving it out as dole. I think that this would be the greatest mistake that we could possibly make. Our country is a fishing country and I think that we should try to place our country on the map as a fresh fish country.

Mr. Bennett: In reply to the Hon. Member for Lewisporte, I may say that I have no doubt that what you say is true, but we want facts and figures and concrete examples.

Lady Squires: You can get from W. T. Jones some very interesting examples of how our salmon sold, and also from the Hudson's Bay Company. I visited Billingsgate Market one morning at 7 o'clock last Summer with Mr. Davies, and we went to 28 stores and we saw last year's catch and this year's catch and we discussed how absurd it was to sell last year's catch at sixpence per pound less than this year's catch. It certainly would tend to spoil our markets. There were several well known families in London who have been sent samples of our salmon through the Newfoundland Office. After all, you can't do everything in six months. There is a great mass of details to be worked out. Take the case of cod liver oil for instance, all this takes time. You cannot expect doctors to make this change over night with the conservative English mind. It will take some little time for them to show the public the superior quality of the Newfoundland oil. I think that the Newfoundland Office is doing very good work, and that there is a very enthusiastic man in charge in the person of Mr. Davies, who is making a very real effort to place our products before the British public. Mr. Davies and this vote are [money] very well spent.¹⁰⁸

Mr. Cashin: I would like to point out that the Newfoundland Office is not responsible for placing this salmon, the Hudson's Bay Company are the pioneers in this work and they have considerable salmon over there now in cold storage, and they fostered the salmon industry, not the High Commissioner's Office. There is [no] evidence here to show that the High Commissioner's Office ever helped directly or indirectly to sell one pound of salmon. On the contrary they have spent a great deal of money advertising cod liver oil and they have not sold one gallon in any part of Europe.

[Recess]

Rt. Hon. Prime Minister: Before we rose at 6 o'clock, the Hon. Leader of the Opposition made some reference to smoked salmon, I looked up my files and I find two letters from two firms, Messrs. J. Bennett, and George Taybor Ltd., in Billingsgate, to Mr. Davies, the Bennett firm says: (*reads*); from the George Taybor firm in March (*reads*). As a result of the observation of the Hon. Leader of the Opposition I turned up that information. I think that the High Commissioner's Office

¹⁰⁸ The transcript contains two slightly different versions of Lady Squires' statement.

justifies itself.

Mr. Cashin: That Tabor Company is a distributing company for the Hudson's Bay Company.

Hon. Leader of the Opposition: Mr. Davies had to contend with tremendous obstacles in connection with the sale of Newfoundland cod liver oil. It is admitted that our oil is better, but its colour is against it. Its colour is light straw colour, while the Norwegian oil is water colour and the large stores that do the distributing of patent medicines such as cod liver oil, etc., are interested in the Norwegian fisheries, and the placing of this product has been a hard pull. There is no doubt but that England is our best market if we could get it, but the point that interested me is that the best man has been dismissed. He was Secretary for some time until the present Government got into power, and they decided to dismiss him and put an inferior man in his place. He is not competent to take on the work of secretary. If I had any hope that Piccott would be put back there I would be in favour of supporting this vote. I don't think this Trade Commissioner's Office would be successful unless it were properly staffed, and it is not properly staffed to-day. It is all very well to say "Show me the savings," but the Trade Commissioner's Office is not a sales department; they are to bring buyer and seller together. I feel it is worth another year's trial. It is worth letting them know that if they don't show results in the next twelve months we will wipe them out. If ever we have arrived at a time in the history of our country when we must expand markets, it is to-day. We must expand markets and increase production, and the only way to do it is by going into the market and looking for customers. If the Prime Minister can promise me he can fix up Piccott, I believe this office can do some good work during the next twelve months. Don't increase the vote; let them all have their salaries reduced pro rata, so that there will be no increase in the vote.

The motion was put and defeated on a straight party vote.

Mr. Cashin at this stage of the proceedings remarked that only six members of the Government were present. Did they realise that they were paying away hundreds of thousands of dollars? He asked the Chairman to summon the members from the Government rooms. [*Evening Telegram*, March 29, 1932]

Mr. Cashin asked what pay Mr. Magor was going to get for his services in Newfoundland, and the Prime Minister was unable to say. **Mr. Puddester** was of opinion that Mr. Magor will ask for a sum in proportion to what he will claim to have saved for the country. He claims to have saved a half million on the Railway and a large sum in the Post Office and his bill will be in proportion to these amounts, and a very large sum it will be.

The Opposition objected to going any further with votes as it was then after eleven o'clock. Eventually a compromise was reached and one page was passed, after which the committee rose. [*Daily News*, March 29, 1932]

Hon. Minister of Posts and Telegraphs: In approaching these Estimates I hope to have the sympathy of the House. We are forced to it, and we have to carry on the services with a very much reduced vote. I was told by the Financial Controller that the Department of Postal Telegraphs should

make an effort to bring its expenditure within its revenue.

This meant increased postal rates. After going through this, the committee of officials of the Post Office took up the estimates of the outport post offices, and made a report whereby we could effect a saving of \$20,000. Then the committee of officials took up the outport telegraph offices, they spent almost a week on them, and I may say that they viewed the matter from a purely business standpoint as regards the revenue, etc., of each office. They did not know friend or foe. They had in mind the fact that the country couldn't carry on, that the country was in a starving condition as a country, and everybody had to be satisfied with less service and put up with some inconvenience for the time being. There had to be sacrifices on the part of everybody. That was the spirit with which the officials tackled this matter, there was [no] politics attached to it, there was no sentiment, it was done from a purely commercial point of view. After going through the outport offices, we found that the reductions that could be effected would not meet the situation without dealing with the administration at headquarters. We had to deal with the personnel at headquarters, and some men had to be retired. I don't think that it is necessary to delay the House with any further general remarks on these estimates; I will explain them more fully when each vote comes up. I would like to assure this House that we have done the best we could for all concerned. The first vote is on page 53.

Mr. Quinton: I would like, before we go any further, to draw the attention of the Minister to the fact that my Question No. 154 has not yet been answered,¹⁰⁹ and I think that it should have been answered before we proceed with these votes.

Hon. Minister of Posts and Telegraphs: That will take a long while to get prepared. It covers the whole thing, but I will look it up for you to-morrow.

The Minister of Posts stated ... the Inspector's place is wiped out.

Mr. Emerson: Is he pensioned?

Min. of Posts: Yes. He's supposed to be.

Mr. Emerson: How much is he going to get?

Min. of Posts: He is supposed to get \$1,485. But he didn't know if he will get that much or not. [*Evening Telegram*, March 29, 1932]

Mr. Emerson: I would like to draw the attention of the Minister to the fact that his Postmaster General's Report has not yet been tabled. That should have been tabled before we proceeded with these Estimates. Where is Mr. Magor's report? What about the enquiry that was held in your Department? That has not been tabled. The House is entitled to it. Is it a secret document? It was asked for in a question and we have not got it yet. What are you going to do about it? It should have been tabled before we deal with a single vote.

Hon. Minister of Posts and Telegraphs: I'll get the report for the House as soon as possible.

¹⁰⁹ This dealt with offices to be abolished.

Mr. Emerson: We will have that report before we deal with a single vote, before a single vote passes.

Mr. Emerson demanded [that] a copy of the department's report be tabled.

Minister of Posts refused to give a reply to the request.

Hon. the Prime Minister was called but gave very little satisfaction regarding the Postmaster General's report.

Mr. Emerson thought that no vote should be considered until the Minister tables his report.

Fully half an hour was spent debating the subject. In the meantime the Prime Minister stated he would adjourn the sitting at 11:30 p.m.

Mr. Emerson did not think that the Prime Minister intended to keep his promise and insisted that the report be tabled, according to law, and the rule of the House should be observed before any vote was taken. [*Evening Telegram*, March 29, 1932]

Mr. Greene: I think that matter is not relevant.

Mr. Cashin: I will show you how it is relevant. I'm speaking of the Estimates, and if you turn to page 69 you will see that there is \$238,000 paid by the Post Office to the Railway. That is how the Post Office affects the Railway.

As I was saying, reports have been withheld. They have not been withheld by Mr. Halfyard; he is the only Minister that has come in here and frankly laid his cards on the table. The Finance Minister told no such story. You have been frank, but your report should have been tabled. If you want to give a ruling, Mr. Chairman, give a ruling on this, on whether the report should have been tabled. Give a ruling on that. The report has not been tabled because Mr. Penson has been holding it up. It has been drawn to the attention of the Chairman and he should do the right thing, the Committee should rise, to be strictly technical.

When the vote for the Asst. Cashier and Accountant was debated, the Minister was asked why he was not called upon to accept the usual reduction.

The Minister of Posts replied that he is a very capable and honest official and when we have such an official we should appreciate it.¹¹⁰ [*Evening Telegram*, March 29, 1932]

Mr. Quinton: The Prime Minister intimated that these men would be replaced.

Mr. Byrne: I would like to point out that this is one of the men, and the Prime Minister said that they would be given sympathetic consideration. [*Fragment from transcript*]

¹¹⁰ "This answer caused a round of laughter from the members on the Government side as well as the Opposition members and strangers. The same prevailed when reference to the vote for the statistical clerk and travelling auditor were called. It was decided to [postpone] all reference to this vote ..." *Evening Telegram*, March 29, 1932.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed certain Resolutions and asked leave to sit again on to-morrow.

On motion this report was received and adopted and it was ordered that the Committee have leave to sit again on to-morrow.

On the motion to adjourn, ... **Hon. Mr. Lewis** rose in his seat ... He stated that yesterday morning at ten o'clock he had called on the Prime Minister and tendered his resignation as a member of the government and as a member of the party. The Prime Minister asked him to take the day to reconsider the matter and he had done so and wished to state now that he was unable to come to any other conclusion than to resign from the ministry and party. He felt he should state his reasons to the House and to the country and doing so spoke as appears [below]. [*Daily News*, March 29, 1932]

Mr. Lewis: Mr. Speaker, on the opening day of the present session of this Honourable House of Assembly, I heard for the first time officially from the ex-Minister of Finance and Customs of the falsification of certain Minutes of Council alleged to have been passed at a previous meeting of Committee of Council. On the 17th day of February, the day on which the House resumed its sittings, Mr. Cashin, in a prepared speech, reiterated categorically the charges which he had previously made. Forthwith a motion was made by the Leader of the Opposition for the appointment of a Parliamentary Committee to investigate and report to the House on the subject matter of the charges in question, and an amendment was subsequently moved and carried to the effect that the enquiry take the form of an Address to His Excellency the Governor, praying him to investigate and report to the House on the matters in question.

I was present on both occasions, and I supported the amendment on the grounds, as will be seen if reference is made to Hansard, that in my opinion the charges were of such a grave and serious character, and so much would depend upon the finding and report, that the most unimpeachable tribunal should be created, and the most impartial and exhaustive investigation be conducted. I further stated that no shadow of political bias should be permitted to colour the deliberations of the commission.

I awaited with intense interest the Governor's report, and on Tuesday of last week his findings were passed to Mr. Speaker. I find from that report that His Excellency is satisfied that the records of Council were in order, that he was not deceived, and that no Minutes of Council had been falsified. It is stated, however, that for some reasons the enquiry has not been an inquiry such as the House requested should be made. The result is that the point at issue, namely, whether or not certain Minutes of Council actually passed Committee of Council, has not been dealt with, and the charges are neither proved nor disproved.

In consequence of the foregoing, I find myself in a very invidious position, one where in spite of the fact that no investigation has been made on the question as to whether or not certain Minutes did pass Committee of Council, I must accept the position that everything was regular, a situation in which I am not prepared to place myself.

I realise fully that I am precluded because of my oath of office from disclosing the secret debates of Council and I do not intend to violate that oath. If I am released from that obligation, I shall be very glad to deal extensively with the subject matter in question in this House. But I am

satisfied that my oath of office does not preclude me from stating whether any particular Minute did not pass Council, if as a matter of fact it did not. Any other conclusion would lead to the very alarming position that the oath of secrecy might under certain circumstances be used as a cloak for the clouding of most blatant irregularities, which in some instances may even be highly subversive of the interests of the State.

I wish to state, however, that I am dealing with but one particular Minute, namely, that alleged to have been passed on the 22nd day of December, 1931. My reason for dealing with this particular Minute is because of the fact that my name was mentioned as having been present at the meeting in question. I was present at that meeting. I was not present at the subsequent meeting held at Government House for the confirmation of the Minutes of December's meeting. I, with the exception of the Secretary of State, am the only member of the cabinet in this position. The Minute alleged to have been passed on December 22nd, appropriating the sum of \$15,000 for certain legal fees, was not passed either generally, or in detail. If I remain a member of the Government under the circumstances I would be condoning a practice that is subversive of every principle essential to the proper functioning of government of any organised state of society. Honesty, honour, integrity, and even justice are impugned, and my remaining would make me participis criminis to any action which I am not prepared to condone, much less sanction.

It may be asked why I have not expressed myself on this question before to-day, but in view of the fact that the whole matter had been referred to His Excellency the Governor, it would be both highly improper and premature for me to take any action before the result of that investigation was made known. I had expected that the commission investigating this whole matter would have given an opportunity to each of the members of the Executive present at the meeting of December 22nd, to state on oath whether or not the Minute in question had been passed.

In tendering my resignation to-day I feel that I am doing but my plainest duty to the people of this country, any other course would be a mockery, if not a crime against every principle of constitutional government. I am prepared to take the consequences of my action and let the public judge whether I have done right or wrong. I feel in this instance that "Because right is right, to follow right were wisdom in the scorn of consequences." [*Evening Telegram*, March 29, 1932, p. 6]

Mr. Lewis: I therefore resign from my seat in the Government, and would ask the Sergeant-at-Arms to remove my seat to the centre of the House.

It was moved and seconded that when the House rises it adjourn until to-morrow, Tuesday at 3 p.m.

The House adjourned at midnight to sit again at 3 o'clock this afternoon [March 29]. [*Evening Telegram*, March 29, 1932]

Tuesday, March 29, 1932

The House met at three o'clock in the afternoon pursuant to adjournment.

Mr. Smith: Mr. Speaker, I ask leave to present a petition from the inhabitants of Burnt Head in the District of Port de Grave on the subject of a Post Office. I ask that it be referred to the department to which it relates.

Rt. Hon. Prime Minister: Mr. Speaker, I have just received a letter from Messrs. George Summers and Patrick Murphy, the President and Secretary respectively, of the Truckmen's Protective Union, asking that gasoline for use in motor trucks in St. John's be placed on the same basis as gasoline for fishermen.

Hon. Leader of the Opposition: Mr. Speaker, I desire to say that I am also in receipt of a communication from these people on the same subject, and I trust their request will receive earnest consideration from the Prime Minister. These truckmen have to earn their livelihood by use of these trucks, and I think they are entitled to gasoline free of tax.

Hon. Leader of the Opposition: Mr. Speaker, I should like to ask the Prime Minister if he has heard anything of the strike at Corner Brook. If half what we hear is true, this is a most deplorable condition of affairs. It seems to me that this very, very rich Company, which made over \$3,000,000 last year, is exploiting the men of Newfoundland to make these tremendously exorbitant profits. I know that the Company gets their steamers loaded at Corner Brook at a very low rate of wages, and when these same steamers go to the Southern States they are unloaded by "niggers," who are paid twice the rate of pay Newfoundlanders get at Corner Brook. I think the Prime Minister should take some interest in his constituents who are being exploited in every direction by this wealthy concern. For the last three years the men in the woods did not average a dollar a day for their labours. Now the men are being exploited in the mills and the papermakers have their wages reduced, and altogether I think this is a frightful state of affairs. I do not know whether the two members of the Government who occupy seats in this House, and who are directors of the Company, represent the Company in this House, or whether they represent the Government on the Board of Directors in Corner Brook, but we hear nothing of them making any stand for the Newfoundlanders. Surely these two gentlemen can give us some information that will hold out some hope for those unfortunate people, who are made nothing more than serfs.

Rt. Hon. Prime Minister: Mr. Speaker, in reply to the Hon. Member's enquiry as to the situation in Corner Brook, I may say that I received a telegraphic communication just before lunch to-day respecting the strike, and I immediately sent a cable to the Magistrate asking him to ascertain the cause of the trouble, and to ensure the entire facts surrounding it. Other cables have also been exchanged, but the actual facts and the cause of the trouble are not yet known in St. John's.

Hon. Leader of the Opposition: Don't you think the whole labour situation in that territory needs being enquired into? The A.N.D. Company seem to get on very well with their workmen, but it

seems that there is nothing but trouble as between the International Power and Paper Company and their employees, notwithstanding that this Company have made, and are making huge profits out of the sweat of the Newfoundland people at Corner Brook.

Mr. Scammell: Mr. Speaker, the Hon. Leader of the Opposition in the first instance addressed his enquiry to this side of the House and the Prime Minister in due order replied to him first. As regards the last situation that has arisen at Corner Brook, I might say that it came upon us suddenly. We had no idea that there was any trouble with the papermakers at Corner Brook, and they took action suddenly. I have heard a lot this session from Opposition members regarding dissatisfaction amongst workmen at Corner Brook. Now, nobody knows better than the Hon. Leader of the Opposition himself that last year we passed legislation here which was bound to obviate any serious situation arising in the lumber woods. Personally, my conscience is absolutely clear upon the matter, but if there is anything I can do in regard to what has occurred in Corner Brook to-day, I can assure the House that I will leave no stone unturned to do it.

Mr. Emerson asked if the government or directors of the company were aware of the rate of wages being paid to the loggers by the International Power and Paper Co.

Mr. Scammell said that last year when he assisted in framing the logging bill he was aware of all the facts.

Mr. Emerson did not agree. The rate of wages being paid the loggers was not in the bill.

Mr. Scammell: The men in the woods were known to me and I had no complaints as to the rates of wages. It is not usual to go looking for trouble.

Mr. Emerson: Were the directors of the company officially informed, by the company, of the change of rate of wages?

Mr. Scammell: No.

Mr. Emerson: Then it is about time you were. One would think that after being paid \$3,000 a year for it, greater interest would be taken. [*Daily News*, March 30, 1932]

Hon. the Minister of Posts tabled the Report of the Postal and Telegraph Department for the year ended June 30, 1931.

Notice of motion for the appointment of a Select Committee to investigate the charges made against Rt. Hon. the Prime Minister and the Hon. the Secretary of State with respect to the alleged falsification of certain Minutes of Council.

Hon. the Speaker: The point I made yesterday is the point I have in mind now, on page 293 of May's *Parliamentary Practice* you will find, Chapter 11 (*reads*).

We have reference to it here, Rule 69 (*reads*). If you will read Chapter 11, there are certain cases quoted where it was decided that in a motion, like a previous one brought up some months

after, this rule was held to apply.¹¹¹

Mr. Emerson: The point I make is that there is no rule here covering it.

Hon. the Speaker: What is your interpretation of “session”?

Mr. Emerson: It is difficult to construe; we sometimes use session and sometimes use sitting.

Mr. Puddester: I rather think this is more a matter for the House to decide.

Hon. the Speaker: Yes, I just wanted to find out the attitude of Members on this question, I wanted to find out what Members had to say about this matter.

Mr. Puddester: We are on the negative and we can't move that it be reconsidered. When the question is somewhat different it can be proposed again. It is now varied, and where there is a technical difficulty the House must decide ... (*reads*).

Hon. the Speaker: The House has yet to decide whether this is substantially the same question or not. If it is substantially the same question, under the rule it cannot be considered again by the House.

Mr. Puddester: My point is that the question was varied in drafting (*reads*). The House must decide whether or not it is the same question, our point is that it is not.

Mr. Emerson: It must be remembered that the idea behind the moving of this motion is that this motion [was] never voted upon, an amendment in the nature of an alternative was moved for an alternative form of enquiry.

Hon. the Speaker: I wonder if the Clerk will look up his Minute in that connection, I think it was March 22nd, and see what is entered (*Minute read*).

Mr. Emerson: The Minutes must be wrong; the amendment was that all words after that be struck out, and the following substituted therefore.

Hon. the Speaker: The House agreed to follow the procedure adopted in May's *Parliamentary Practice*. That is, put the amendment first and then put the main question. The ordinary procedure is to put the question; the words proposed to be struck out stand part of the question, which may be resolved in the affirmative or in the negative. If resolved in the negative, that disposes of the matter.

¹¹¹ “Mr. Speaker ... had consulted May's *Parliamentary Practice* and in his opinion a matter which was substantially the same as that previously dealt with could not be considered again at the same session. If the House decided the question was not the same as had been disposed of, it would be voted on; if not the motion was out of order.” *Daily News*, March 30, 1932, p. 5.

So there are two questions to be put.

Mr. Emerson: We dealt with it in a different way by an amendment which read that the words after that be struck out. On that the House divided, and it was ordered that the words after that be struck out, and the following substituted therefore.

Hon. the Speaker: May I direct your attention to this on page 298 (*reads*)?

Mr. Emerson: If anything, that is rather in favour of the position that I am stating to the Chair. Take the whole sentence as it stands.

Hon. the Speaker: (*Reads from May's Parliamentary Practice*).

Mr. Emerson: Take the whole question as it stands (*reads*).

We will stop there for a moment. The position is that an enquiry was ordered into a particular part of these charges by His Excellency the Governor. He has dealt with it and that has not, does not prevent a Bill or, in this case, a motion dealing with matters raised by other clauses of the motion being introduced and read a second time.

Hon. the Speaker: Yes, that would be the other clause. Where one clause is dealt with, it does not prevent amendments on another clause.

Mr. Emerson: The position set forth is that only a portion of the matter has been dealt with by the House, and the motion now is that further enquiry be held into the other matters.

Hon. the Speaker: I think in this matter the question for the House is first, has this question been before the House already? Has the House disposed of it? The rule is directed at questions before the House. It does not matter how they were disposed of outside the House. When we are dealing with them, we must find out not whether anybody else has dealt with them, but whether we have already dealt with them in some form. I think the question is for this House to determine whether this question is substantially the same question as this House disposed of. I have to take the responsibility of ruling that this question before the House was disposed of on February 23rd. The question for the House to determine is whether this question now before the House is substantially the same as that before the House on February 23rd. The matter before the House on February 23rd was disposed of; the records of the House will show the disposition. The question is now whether this question is substantially the same as that before the House on February 23rd, and that is a matter for the House to determine.

Mr. Puddester: One part of it was disposed of. Our contention is that the other part was not disposed of.

Hon. the Speaker: The same question may not be twice offered. It is a question of procedure in the House.

Mr. Emerson: One has to bear in mind the terms of this notice of motion and the terms of the notice of motion of [*omission*] we can leave the Governor's name out of it. Let us say that the House requested Mr. Jones to make an enquiry into ten or twelve matters. Mr. Jones comes back with a report on one of them. Mr. Jones having failed for some reason to deal with the question, the House asks him to deal with it. That is a matter before the Chair to-day.

Hon. the Speaker: The way I look at it is this: a motion was before this House that a Select Committee be appointed to enquire into this. The amendment was, if I may put it that way, that His Excellency the Governor be appointed.

Mr. Emerson: No.

Hon. the Speaker: If I may put it that way, the motion was that the matter be referred to His Excellency the Governor; that carried. Now the question is before the House again that a Select Committee be appointed on a number of charges. It is for the House to determine whether it is the same matter or not. That is the way I look at it. It is a bit complicated. I don't say whether I am absolutely correct. It is a matter for the House to determine whether I am or not. It seems to me that we have already disposed of the matter.

Mr. Scammell: Did not the Address that we carried up to the Governor cover all these points?

Mr. Emerson: Yes, but the one that was carried back to us did not. That is the whole point. If your Honour will permit me to point to the fact that the notice of motion on February 23rd is substantially different, and was tabled for different reasons as appears from the form of the notice of motion itself. The notice of motion was that there be appointed a Select Committee: (*reads notice of motion*).

That was the Select Committee that was asked to enquire into that charge, because the Hon. Member for Ferryland had made that charge in his speech. Now then, the House then decided that they would ask the Governor to deal with the matter, or deal somewhat with the matter. We now come back, the mover of the motion comes back and asks that the House having decided that an enquiry should be made, an enquiry should be made, bear in mind, and having asked His Excellency to do it, and he having informed the House that he is unable to do that, because of that he asks the House to take the only other step and that is to appoint a Select Committee for entirely different reasons under entirely different circumstances on a matter that was not before the House on that occasion.

Hon. the Speaker: I am concerned only with the procedure.

Mr. Emerson: Would it not be better to permit it to go, and let the House decide whether they will appoint a Select Committee? The best judge of the whole matter is the House itself, especially as it involves matters of discipline.

Hon. the Speaker: I would not be prepared to do that, because on every question coming up I

would be asked not to rule but let the House decide. The Speaker's job, whether it is pleasant or unpleasant, he must try to carry it out. If he goes wrong it is for the House to correct him.

Mr. Emerson: What is the authority for throwing the burden upon the House as to whether this is substantially the same question?

Hon. the Speaker: I agree with the Hon. Member for Bay de Verde.

Mr. Emerson: What is the authority for suggesting that this is a matter for the House to decide, whether it is substantially the same question? Is not that for the Speaker?

Hon. the Speaker: The House will determine whether it is substantially the same question or not. On page 292 (*reads*).

Mr. Emerson: I take it that the House would determine by its vote.

Hon. the Speaker: It is a question whether the House can entertain it. It is a question of fact for the jury, I think.

Mr. Emerson: Before you give any ruling on that point, I would just like to call your attention back to the circumstances that arose on that day. There was a motion moved by the Leader of the Opposition that an enquiry should be held by this House, and reasons were given by Members on this side as to why that was the proper procedure and so on and so forth. An amendment was proposed to that by the Prime Minister himself, to the effect that this matter would involve a breach of the oath of secrecy, and that therefore it should be sent to the Governor. I can't see how it can be said that in sending that to the Governor, that this question of the original motion has been disposed of. There was an amendment, an alternative method suggested, and I think Members on the other side of the House were quite satisfied that as long as an enquiry was held [*omission*].

Mr. Winter: The original matter was not disposed of. It was merely held in abeyance. Surely, this House can come back to a matter if the original suggestion proves abortive.

Hon. the Speaker: This House decided to address his Excellency rather than appoint a Committee. My ruling now is that the House has to decide whether the same question was asked before or not.

Hon. Leader of the Opposition: As far as the ordinary layman is concerned the question is clear, and should not be avoided by quibbles. The charge has been made that the Prime Minister obtained certain moneys by forged Minutes of Council. The truth or falsity of that charge is what we should have to decide. If the Hon. Members opposite think their leader is innocent they should vote for the appointment of this Select Committee, and have the matter cleared up once and for all. Couldn't we have a straight vote as to whether we shall appoint a Select Committee or not? We are only baulking the ends of justice by splitting hairs in order to prevent the appointment of a Select Committee.

Hon. the Speaker: My view of the matter is that it is a question for the House to determine. If the House decides that this is substantially the same question, that is the end of the matter.

Mr. Puddester: My view is that it is entirely a technical matter, but technicalities should not be allowed to baulk the ends of justice. If the Hon. Member is guilty, this is the tribunal before which he should be tried. There is further evidence before the House now. The Hon. Member for Harbour Main says that that Minute of Council was not passed at a meeting when it should have been, and that is further corroboration of the charges made by the Member from Ferryland. I don't think that Hon. Members should burke their responsibility by relying on technicalities. What we should have now is a fair and square enquiry. I realize that some of the Hon. Members are in an awkward situation and it is not an easy matter for the House to decide. As far as we are concerned, I can assure the Hon. Members that we have no other motive but that we think a straightforward enquiry should be held.

Mr. Emerson: Mr. Speaker, I take it that you have definitely decided as to the procedure, that the question to be put to the House is whether this motion is substantially the same as the previous question or not. In considering the question which you are now going to put to the House, I think it is first of all necessary to have a clear understanding as to what we are going to vote on. On February 23rd last after due notice, a motion was made in this House that a Select Committee be appointed to enquire into the charges made by the Member from Ferryland, and at that time there was no question in the minds of anybody but that a full, strict, and impartial enquiry should be held, and the question then was not if the charges were going to be enquired into, but how there were going to be enquired into. The only question at the time was the method of the enquiry. The only difference at the time was the nature of the enquiry and the tribunal, consequently the only question decided at that time was whether His Excellency the Governor should hold the enquiry or not. After a number of days a reply was received from His Excellency the Governor, saying he could enquire only into the matter as to the records of the Committee of Council, in so far as he was concerned, had been falsified.

After many days, there was read by the Speaker a reply sent to him by His Excellency the Governor, and which in effect stated that he was only able to enquire into that aspect of the very serious charges as to whether the records of the Committee of Council, in so far as he was concerned, and for which he was responsible, were in order or had been falsified. That is all His Excellency replied to this House, as to what should be enquired into, and there is not a single argument as to what should be enquired into, and there is not a single argument adduced to show that the Governor felt that he could make an examination into the substance of the charges. The House desired an enquiry into the charges as set out in the motion made before the House on February 23rd last, and asked His Excellency to enquire fully into the facts and to find out the truth or falsehood of the charges made. You will remember that the Address moved by the Prime Minister set forth the terms of the charges themselves, so that I say the House anxiously sought a full enquiry into the facts, and I take it that the House is just as anxious now that an enquiry should be held. The Governor in his reply informed us that, in his opinion, he is not in a position to make the enquiry this House asked for. I respectfully, but none the less firmly, submit that His Excellency is entirely wrong in his contention. Can it be for one moment suggested that he and no one else has the right to

enquire? I put it to the House now that the House can enquire into the charges. Furthermore, His Excellency adds that we had unwittingly requested him to make this enquiry. I do not know and frankly I do not care whether His Excellency had the right to enquire or not. The two points that interest us here to-day are: Can we have the enquiry? And do we want the enquiry? It would be perfectly ridiculous to say that this House of Assembly must lie down under a fraud committed by members of His Majesty's Executive Government. Now up to last midnight, the matter remained almost [in] question as to whether or not the Member for Ferryland was truthful in his charges. To-day the matter stands upon a more grave footing, because we have a second ex-Minister of the Crown, who, after waiting for weeks expecting the enquiry to be held and expecting to be examined upon oath, and after receiving His Excellency's reply, telling the House that what the Member for Ferryland stated in one charge, at least, was entirely correct. Are you going to examine into these charges now? Or are you going to say that the House has finally and definitely dealt with this matter and that you are satisfied, without hearing a single statement from the Executive either upon oath or otherwise, not even from the parties who are charged? You either are going to say that because the Governor has refused the enquiry, that therefore this House is not going to enquire. Or are you going to say, yes, let a Select Committee of this House be appointed to hold the enquiry?

Mr. Byrne: I am just looking for information; if the motion is lost, does that mean that we can't deal with it again, that we can't refer back to it again?

Hon. the Speaker: I would not go so far as to say that, if the motion is defeated it is for the House to determine what steps should properly be taken.

All those of the opinion that this motion is substantially the same as that on the Order Paper of February 23rd, say "aye," contrary "nay."

Mr. Speaker submitted to the House this question, viz:

(a) Whether this question is substantially the same as that before this House on February 23, 1932, which question the House resolved in the affirmative on the following division: affirmative: Hon. the Minister of Finance, Hon. the Minister of Posts, Hon. Mr. Bradley, the Minister of Public Works, the Minister of Fisheries, Mr. Brown, Mr. Earle, Mr. Starkes, Mr. Fitzgibbon, Lady Squires, Mr. Scammell, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr. Strong, Mr. Greene, Mr. Smith, Mr. Murphy, and against it: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Byrne, Mr. Cashin, Dr. Mosdell, Mr. Fudge.

(b) Whether this House disposed of that question on February 23, 1932, which question the House resolved in the affirmative, when on division there appeared in favour of the affirmative: Hon. the Minister of Finance, Hon. the Minister of Posts, Hon. Mr. Bradley, the Minister of Public Works, the Minister of Fisheries, Mr. Brown, Mr. Earle, Mr. Starkes, Mr. Fitzgibbon, Lady Squires, Mr. Scammell, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr. Strong, Mr. Greene, Mr. Smith, Mr. Murphy, and against it: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Byrne, Mr. Cashin, Dr. Mosdell, Mr. Fudge.

The motion of Mr. Alderdice was therefore ruled out of order.

Hon. the Speaker: That disposes of this matter as far as the Chair is concerned.

Mr. Quinton asked if any report had been received from the doctors in charge of the outbreak of disease at Lethbridge and other places. He had information there was some dissatisfaction. The Secretary of State said he would make enquiries. [*Daily News*, March 30, 1932]

Mr. Cashin: Mr. Speaker, I would like to draw to your attention the reply to my question to which I got an answer yesterday. Question No. 256, March 22nd, I asked this question with reference to the Railway (*reads question*). The point I make is that all public moneys and all vouchers therewith should be accounted for, and all information in connection with same should be tabled, otherwise the Government would be able to cloak up everything. We have got to find these things out and I want to know how I am going to get that information.

Hon. the Speaker: If it is not done, the House will order it answered.

Mr. Cashin: It goes on to say (*reads*). I claim that all such reports should be public information, the public owns these utilities and this information should be placed on the table of this House, and I make the motion that the information I requested in my question No. 256, March 22nd, be tabled in this House.

Rt. Hon. Prime Minister: As a matter of business, the Railway Commission felt that this detailed information should not be made public at this stage of the reorganization proceedings. Any Member can get this information if he wants it at the Railway for his private information. The programme that is contemplated for the Railway is not yet complete. It is like taking a cake that is half-baked in an oven and taking it out and looking at it. If any Member wants this detailed information he can get it, but it was felt that to table this information when we were halfway through the Railway reorganization programme would not be in the best welfare of the country generally.

Mr. Cashin: The position is that if we follow out the suggestion of the Prime Minister, we won't be able to get any information on any matter at all. I asked a question and I want the information tabled, and there is no earthly reason why it should not be tabled.

On motion of Mr. Cashin, seconded by Dr. Mosdell, it was ordered that the answer to Mr. Cashin's question on the Order Paper, Number 256, be furnished to the House.

The Chairman from the Committee of the Whole on Supply reported certain Resolutions, which were read a first time, as follows:

<i>Civil Government</i>	<i>\$69,283</i>
<i>Public Charities</i>	<i>\$445,188</i>
<i>Public Health</i>	<i>\$266,606</i>

It was ordered that the said Resolutions be read a second time on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act

for the Further Amendment of the Revenue Act, 1925" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Amend the Act 20, George V., Chapter 36 entitled 'An Act Respecting a Tax on Goods Imported into Newfoundland and Amendments Thereto'" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Act 20 George V., Chapter 36 entitled 'The Income Tax Act 1929.'"

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: Mr. Chairman, when this Bill was in the Committee stage, I called attention to the fact that Section 5 would be the subject of some amendment, and that the amendment might be of such importance that the Section would have to be redrafted. After conferences with the solicitor for insurance companies, the Deputy Minister of Justice, and the Deputy Minister of Finance and Customs, it was discovered that a mere verbal change was all that was needed. Section 5(b) reads "Every Company ..."

Hon. Leader of the Opposition: Mr. Chairman, I want to repeat what I said before when these Resolutions were before the House. I think it most unfair to make this Bill retroactive. Many people who are responsible for taxes last year are almost on the dole this year. I therefore move that the section in question be altered from January 1st 1931, to January 1, 1932. Those people have no money to pay these taxes and that's the whole truth of it.

The amendment proposed by the Leader of the Opposition that foreign sweepstake companies operating here pay 15 per cent instead of 12 per cent was not accepted by the Prime Minister. [*Daily News*, March 30, 1932]

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 motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Pursuant to order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole on Supply.

*Mr. Speaker left the Chair.
Mr. Smith took the Chair of Committee.*

Postal Telegraph Estimates.

In reply to a question by **Mr. Byrne**, the Minister stated that after a question by Mr. Byrne as to the travelling expenses of Mr. W. Newbury, travelling auditor, an enquiry had been ordered. The accountant, Mr. Smith, was satisfied that the accounts as presented were alright.

Mr. Byrne asked how the accounts were audited and whether vouchers were presented in all cases or not.

Minister of Posts and Telegraphs could not see why this man was singled out for persecution and criticism. He could give a satisfactory explanation to any item in his accounts.

Mr. Byrne reminded him that at present three men were in the penitentiary on evidence produced by Mr. Newbury and as he was a public official there was no reason why his actions should not be enquired into.

Mr. Emerson asked why Mr. Ivany, who was removed from the Auditor General's Department to the Money Order Office, had his salary increased by \$500 a year.

Mr. Puddester explained that the reason was that the Minister wanted Mr. Ivany to take the job but he refused unless he was given enough salary. He agreed with the Minister that the job deserved a good salary and that Mr. Ivany was a good man for the job. He asked why Mr. Goobie had been picked out to be dismissed. He was one of the best assorters in the department and why was he singled out? The man can do his work and yet after 21 years of service he is put on the street at \$400 a year. He asked that Mr. Goobie be given the job back again. [*Daily News*, March 30, 1932]

Mr. Puddester: I ask that the man Goobie be put back. If there must be somebody dismissed, then dismiss the youngest man that came in, and not the man who has been there for 21 years and able to do his work and cut him down to \$400.

Hon. the Minister of Posts: The pension here is \$750.

Mr. Puddester: There is going to be 40 per cent cut off that.

Mr. Cashin: We just arrived here at the Orderly, wiped out. Who is that?

Hon. the Minister of Posts: Morrissey.

Mr. Cashin: Why is Morrissey put out? I want to know the reason why.

Hon. the Minister of Posts: One reason is that we are going to try to do without him.

Mr. Cashin: The Government are prepared to throw a returned soldier on the street and save \$960 and devote the money to be allowed to be wasted by Minute of Council. They are prepared to throw Morrissey on the street, who enlisted in 1914 when some of the same individuals slacked here on

this side of the country.¹¹²

Hon. the Minister of Posts: You told us that before.

Mr. Cashin: You are going to hear it again now.

Mr. Byrne: You are going to hear it again from me. The Prime Minister misled me, if he did not mislead Mr. Quinton. We took it from him; he gave it as a promise that these seven men would be given reasonable consideration. This man we are talking about has one eye gone, and like all people with only one eye, he is going around in dread that something is going to happen to the other and he will be totally blind. I am going to tell the Prime Minister that after last night I don't believe he meant what he said, when he assured me that these men were going to be given reasonable consideration. That is why I asked this afternoon, because I did not believe it. I ask you, just from a humanity point of view, to reconsider this. This is a married man who did not wait to be driven into service, who went early, and who was given a job when he came back, and you are now driving him on the street, and as the Hon. Member for Ferryland just said, and you said you heard it before, and you are going to hear it again before the House closes; there is enough money being taken belonging to Morrissey and the other seven men, enough money being taken deliberately and undeservedly out of the Reparations Account being paid by Germany to keep Morrissey in his job for the rest of his life.

Mr. Quinton: The Prime Minister some few days ago assured me that he would see that these men were replaced. When occasion arises, Morrissey goes out now with a glass eye. I challenge any man on the other side of the House to stand where Morrissey stood when he lost that eye. This country has got some guts left. I want the assurance of the Prime Minister and the Minister of Posts that Morrissey goes back in these Estimates.

Rt. Hon. Prime Minister: There was no such assurance given that any man who lost his position would go back in the same job.

Mr. Quinton: Tell us the job he is going back to.

Rt. Hon. Prime Minister: That is impossible. In one case it was possible to look after one man; he did not go back to the same job.

Mr. Cashin: What other jobs are vacant?

Rt. Hon. Prime Minister: This thing does not occur until the end of June.

Mr. Cashin: That is why I speak about it now. Is there any other vote in these Estimates which is

¹¹² "He was a returned soldier, who had enlisted in 1914 and had served while people who manipulated minutes of council were slacking over here." *Daily News*, March 30, 1932.

not occupied by any individual? If there is not, you have got to take it. Where are you going to get the money to pay Morrissey at the end of June?

Mr. Bennett asked if any definite reason existed as to why the job should be abolished.

Mr. Puddester referred again to the shabby treatment accorded Mr. Goobie and asked the Minister to re-consider the position. The Minister promised to do so. Mr. Puddester reminded him that the present Government's days were numbered, and that the wrong that was now being done to Mr. Goobie would be corrected as soon as a new government took office. He also referred to the retiring of Mr. Moore of the Registration Department and asked why was this man retired and others, with not half the service to their credit, kept on. Mr. Moore did not want to be retired, and why pension those civil servants who are quite capable of doing their work. If the department is overmanned, surely there is another way to economize other than by enabling men to live on a country by drawing a pension. Mr. Goobie and Mr. Moore were both first class officials. Why not put off those who have no families, before touching the married men, he said. In Mr. Goobie's case, he was picked out from 15 or 20 men and given the axe, without any mercy – a gross piece of injustice that would in short be corrected.

Mr. Quinton read a letter he had received about the expenses of the travelling auditor and submitted that according to this letter the accounts had been cooked. It was apparent the Minister condoned the actions of one official and treated another in a totally different manner. He was dismissed from his job and his reputation was taken by imputation.

The Prime Minister desired to proceed again at night and told the chairman to leave the chair until 8 o'clock, when **Mr. Cashin** called attention to the fact that an important function was taking place which some members desired to attend. **The Prime Minister** suggested that members from both sides pair off. Not sufficient progress was made in the estimates. After much discussion he decided to adjourn the House ... [*Daily News*, March 30, 1932]¹¹³

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 motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

It was moved and seconded that when the House rises it adjourn until to-morrow, Wednesday, the 30th instant, at 3 p.m.

¹¹³ *The Evening Telegram*, March 30, 1932, did not report the attempted night sitting.

Wednesday, March 30, 1932¹¹⁴

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Speaker informed the House that he had received the following communication from His Excellency the Governor:

Mr. President and Honourable Members of the House of Assembly:

I have the honour to refer to the Message which I addressed to you on the 22nd of March and further to inform you that I presided at a special meeting of the Executive Council which was duly summoned on my authority by formal notice and was held on the 11th of March when there were present:

Right Honourable Sir Richard A. Squires, P.C., K.C.M.G., K.C., Honourables Sir Tasker K. Cook, Dr. A. Barnes, Ph.D., W. W. Halfyard, F. G. Bradley, K.C., Dr. A. Campbell, M.D., F.R.C.S., P. J. Lewis, and J. J. Bindon.

The Members in Council assembled being under their Oath of Office, of which the form is recited in my Message to you of the 22nd of March, were formally invited to submit to me any information which they might have to lay before me on the subject of the Minutes referred to in the Address from your Honourable House which was presented to me on the 1st of March. No member submitted to me any information on the subject of the said Minutes.

*(Sgd.) J. Middleton,
Governor.
Government House
St. John's
30th March, 1932*

Mr. Cashin asked about the way "strangers" are admitted to the House. The doors are locked. Policemen who are practically armed are on duty, and it does not seem to [be] the right way to treat people and should not be.

Mr. Speaker pointed out that this year there was a larger number of "strangers" than ever before, and it was undesirable to have the passages blocked. As a matter of fact "strangers" have no right to be in the House at all. In England, visitors are admitted only as a matter of privilege. There were no such restrictions here, and though visitors were welcome they had to conduct themselves in the proper manner while here.

Mr. Alderdice reiterated what had been said. Discrimination was being shown to a marked degree, and some people were allowed in every day and others were kept out.

Hon. the Prime Minister said only ladies were always given the privilege.

¹¹⁴ There is no transcript for March 30, 1932. Unless indicated otherwise, this account of proceedings is taken from *The Daily News*, March 31, 1932.

Mr. Emerson said that was not so. Ladies were always given preference and it was not necessary to wait for the present Government to come in power for this. The truth was that men were admitted and favour was shown.

Mr. Alderdice again asked the Prime Minister if he had heard anything in reference to the strike at Corner Brook. The position as far as he could see was serious and may have big consequences. Yet as far as could be seen no steps were taken to cope with the situation. This company is making huge profits; last year their profits were \$3,000,000 and yet they were trying to make their employees exist on starvation wages.

Hon. the Prime Minister said he had a message from the Corner Brook magistrate who stated the strike was occasioned when the company reduced the staff of paper makers. These men were removed to other positions in the company. There was hope of an early settlement.

Mr. Brown agreed with what had been said by the Leader of the Opposition. He had a message regarding this strike, and he would state it was caused by a wrong move on the part of the company who were not forced to make these changes in their staff. At present the production of paper at Corner Brook is one ton per man per day, whereas in Grand Falls it averages at about a ton for two men per day. They are making the cheapest paper on the North American continent, and yet they are seeking to take advantage of the existing conditions to reduce costs and make more profits at the expense of the workmen, and it was a disgrace to allow this to go on. Last year he had said in the House that the men in charge of this company were a crowd of crooks and he would repeat this; they were "gangsters" of the worst type. Last year the company made profits amounting to \$3,000,000 and it was not good enough to endeavour to make more this year at the expense of the employees. The A.N.D. Co., whose operating costs are greater, would not do what this I.P. and P. Co. are doing. With the exception of Mr. Harris, all the others connected with the A.N.D. Co. are gentlemen and he had always received the utmost courtesy from Mr. Jones, the manager, and all the staff who were always ready to produce facts as well as the men were ready to show their side of the question. In the past few weeks a man named Mr. Addy was sent to Grand Falls to discuss the existing situation. He was a fine man, and it was arranged that on his way west he should stop off at Corner Brook and address a meeting. Notices were put up in the mill calling this meeting, but under orders from the company the notices were torn down. It showed the attitude of this company to organised labour. The company had got Corner Brook for nothing, and the country was behind a guarantee of \$10,000,000, and yet they want more.

Mr. Emerson referred to the fact that a few days ago, discussing the conditions under which the men employed by this company were working, had pointed out that in the woods the wages were \$1.75 per day, or contracts could be awarded for which \$1.75 per cord would be paid. A cord of wood was considered a good day's work. Out of this sum the men had to pay 69 cents for board and 1¼ cents for doctor's fees and besides they had to pay for all tools, etc. The result was that they were left with about \$1 per day to buy clothes and support their families at home. Last year \$47.50 per month was paid, but this year the company sees that not more than this sum is possible. There

would have been a strike of the woodsmen long ago but for the conditions that are existing all over the country at the present time. Nor is this the first cut the men in the mills have received. Some time ago wages were reduced and working hours lengthened, and with all that going on there is no information for the House, either from the Prime Minister, representative of the District, or from the directors of the company. It is a scandalous condition of affairs. The House should be informed as to what is going on; there should be some means of finding out if the company or the men were right in the attitude taken. On this subject he had been handed a message that had been received from Corner Brook which stated that a meeting of citizens was held which endorsed the attitude of the paper makers. The company was starving the people into submission, and yet the country has two directors who are members of the House and they are unable to make any statement on the matter.

Mr. Brown re-iterated what had been said by Mr. Emerson regarding the rates of pay and stated the men were not getting money enough to live on. Merchants who were attempting to carry on the men from month to month are unable to continue to do so. The men should be paid enough to exist on and any industry that is unable to pay a living wage to its men has no right to exist. This company was taking advantage of the existing conditions in the country to starve the workers into submission. He knew the International. He had attended two conventions and knew the class of men who were connected with the company and the opinion he had formed was that they were crooks.

Hon. the Prime Minister said that the Government had decided to send a representative to Corner Brook to ascertain what is the true state of affairs. He had been informed that negotiations are pending and there was hope of a settlement.

Mr. Alderdice thought the present Prime Minister, who had so much influence with the International Power and Paper Co., would be able to arrange to have work continue whilst the negotiations are progressing.

Mr. Puddester agreed that there should be a statement in the House as to the actual condition of affairs. The directors of the company should know what is going on as that is their job, and they must have known what was going on for some time past and what was antagonizing the men. The men had to take their grievances to the company and the directors of the company should know what is going on. He invited Mr. Godden to tell what he knew about it.

Mr. Godden pointed out that the strike was as big a surprise to the company as it was to the whole country, but he felt that it will not have the same far-reaching effect as had been feared by some people. The men in Newfoundland are always ready to be reasonable in talking terms, and he felt that negotiations would begin soon and have a satisfactory ending. He had always made it his business to have supplied to him a resume of what takes place at the meetings of directors, because most of the meetings were held in the United States where nearly all the directors live. He could not see why there was need for predicting dire calamities. The company had seen fit to curtail expenses and in September had reduced wages 10 per cent. They had reduced later than anyone else in

Newfoundland. The lowest rate of wages paid in the mill is 22 cents per hour. In the woods, men are working on the sub-contract system which had been satisfactory. He had many men from his District working for this company and they were satisfied with the arrangements. He had hope that the strike would be settled in 48 hours, though he had no information on the subject.

Mr. Puddester was surprised that Mr. Godden had admitted that. He should have information.

Mr. Brown pointed out that there was no need for the strike at all, and it was as serious as had been pointed out. If one section of the staff was not working they were holding up the whole plant. The company had made huge profits on exchange alone in the past few months. There is no question that the company is to blame for this strike. In Grand Falls the lowest rate of wages paid is 30 cents per hour and at that rate existence is just possible.

Mr. Moore took exception to what Mr. Godden has said about the men being satisfied. He had opportunities of seeing more men from the District of Trinity in a week than Mr. Godden does in twelve months, and he knew that men from that District were far from satisfied with the existing conditions. Conditions in the District of Trinity South to-day are worse than ever they were before. Men are forced to shoot their cattle and horses because they have not the means of feeding them, and only last week eight horses were shot. Men have gone to the woods and have not been paid enough to keep themselves, and many of them returned from there in debt. Day after day he sees these men and knows the conditions that are existing.

Mr. Godden stated that there are hundreds who are satisfied. It is impossible to get everyone satisfied.

Mr. Moore the trouble is that no one is satisfied and no one is making money.

Mr. Alderdice pointed out that last year the company had a surplus of \$2,920,626 for the first six months. Profits are being increased, and in face of that the company is seeking to make things unbearable for the men. The International Co. had fought hard to prevent the Gander going through because they knew that as soon as that mill was started they would have to increase their wages from 25 to 50 per cent. He was sorry the directors of the company knew so little about the conditions that are existing over there. In fact Mr. Scammell had said in the House on Tuesday that the men had no complaints to make. No man can live on 22 cents per hour; it is not a living wage and it is the duty of the government to insist that these conditions be altered.

Mr. Cashin asked if the profits of Corner Brook were going to the holding company or were being placed to the credit of the Corner Brook plant. As he understood it, the profits were going to the holding company and were being used to bolster up some other mills of the company that were not so profitable.

Mr. Emerson asked who the Government was going to send to Corner Brook.

Hon. the Prime Minister: That has not yet been decided.

Mr. Emerson: Who decided that anyone should go, was it you or the Government?

Hon. the Prime Minister: The Government.

Mr. Puddester: When was that decided?

Hon. the Prime Minister: To-day.

Mr. Puddester: What time to-day?

Hon. the Prime Minister: Some time to-day.

Mr. Puddester: Yes, since the House opened. You just had a consultation with the members around you.

Hon. the Prime Minister: No.

Mr. Puddester: Yes, I saw it.

Mr. Cashin enquired about the question he had asked for which no answer had yet been forthcoming, despite the fact that the House had voted that it must be answered. The Secretary of State replied that the information was being prepared.

Mr. Puddester enquired about a question he had asked in connection with an investigation into certain matters in the Post Office. He had been told that it was not in public interest to have this question answered. This question had to do with an investigation held by the Inspector General and Mr. Penson into I.O.U.'s and other matters, and one would think that it would be desirable to have this matter see the light of day. Continuing, he asked what was going to be done about opening up [the] Bay de Verde branch railway. He had numerous requests from his District asking if this railway was going to be opened up this Spring. The people in this District have no means of transporting goods to or from parts of the District. He had a communication from one man who had 200 barrels of potatoes to ship, and he cannot get them out. There are thousands of barrels of potatoes in this District, and they must stay there unless some means is provided for them to be shipped. He would be glad to have something to communicate to these people who are so anxious to have something done, and he asked the Secretary of State to take up the matter with the Railway Commission and give a definite reply in the next day or two.

Mr. Lewis gave notice that he would on to-morrow move that Resolutions of this House passed on February 23, 1932, in so far as they, or any of them, negatived the motion, or motions, for the appointment of a Select Committee to inquire into certain charges against the Rt. Honourable the Prime Minister and the Honourable the Secretary of State, be rescinded.

Hon. the Secretary of State tabled certain signed copies of Report of Railway Operations for the year ending June 30, 1931.

Mr. Tobin gave notice of question.

Mr. Alderdice gave notice of question.

Mr. Emerson gave notice of question.

Rt. Hon. the Prime Minister gave notice that he would on to-morrow move the House into Committee of the Whole to consider Resolutions relating to the adjustment of certain pensions to former Civil Servants.

Rt. Hon. the Prime Minister gave notice that he would on to-morrow move the House into Committee of the Whole to consider Resolutions relating to a Temporary Reduction in the Salaries of certain Civil Servants.

Pursuant to order, certain Resolutions from Supply were called.

On the motion that the vote for Civil Government, \$69,283.85 be read a second time, it was moved in amendment by Mr. Puddester, seconded by Mr. Cashin, that the following Votes be deleted from the resolutions of the Department of the Secretary of State, viz:

<i>High Commissioner's Office</i>	<i>\$12,650</i>
<i>Two Moving Picture Censors</i>	<i>\$618.75</i>
<i>Press Dispatches</i>	<i>\$270</i>

Mr. Puddester felt that the country cannot afford to keep the High Commissioner's Office open. Nova Scotia and British Columbia had closed these offices in England and we could very easily arrange with the Secretary for Dominion Affairs to have our interests looked after in England, without the expense of keeping this office open.

Mr. Cashin seconding the amendment said there was no evidence of the office having done any good for the country. Nothing had come to the revenue of the country from the office though it was costing upwards of \$20,000 to keep it open. Here is an opportunity for the members of the Government to get up and say what good the country is getting from the office. The vote for the sending of Press Dispatches should also be cut out. This was \$270 that was being used for no other purpose than to permit the Prime Minister to send his filthy propaganda throughout the country. It is the stock in trade of the Prime Minister to set man against man and sectarianism whenever and wherever he can. The censorship of moving pictures is unnecessary. The pictures are censored before they come here and there is no justification for spending the money in this country. The Solicitor General had voted to abolish the High Commissioner's Office six months ago, and now he has not got stamina enough to tell the House why he has changed his mind. It was an insult to the country to have Mr. Davies filling this office.

Whereupon the House divided and there appeared in favour of the amendment: Mr.

Alderdice, Mr. Puddester, Mr. Emerson, Mr. Moore, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Byrne, Mr. Cashin, Mr. Fudge, Mr. Lewis, and against it: Hon. the Prime Minister, Hon. the Secretary of State, Hon. the Minister of Finance, Hon. the Minister of Posts, Hon. Mr. Bradley, Mr. Earle, Mr. Starkes, Mr. Fitzgibbon, Mr. Skanes, Lady Squires, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr. Greene, Mr. Smith, Mr. Murphy; so it passed in the negative.

The original motion that the said vote be read a second time and concurred in was then put.

Whereupon the House divided and there appeared in favour of the motion: Hon. the Prime Minister, Hon. the Secretary of State, Hon. the Minister of Finance, Hon. the Minister of Posts, Hon. Mr. Bradley, Mr. Earle, Mr. Starkes, Mr. Fitzgibbon, Mr. Skanes, Lady Squires, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr. Greene, Mr. Smith, Mr. Murphy, and against it: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Moore, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Byrne, Mr. Cashin, Mr. Fudge, Mr. Lewis; so it passed in the affirmative and the said Resolution was read a second time and concurred in.

On motion that the vote for Public Charities \$445,188.50 be read a second time, the following amendment was moved by Mr. Alderdice, seconded by Mr. Emerson:

That this House deplores the action of the Government in reducing the Vote for Widows, Orphans, and the Infirm from \$240,000 to \$185,000, a reduction of \$55,000 in a vote that has always been inadequate, and censures them for so doing.

Mr. Alderdice, moving the amendment, stated that despite the statement made in the House by the Prime Minister and the Secretary of State that the country was being defrauded in the matter of widows' allowances, this was not true. There was no proof of such frauds being perpetrated. There was a sort of melancholy pride in the fact that these poor women were getting some recognition for what their late husbands had done for the country. He believed that the vote for widows' pay should be replaced to what it had been before. Old women who are without means of support should not be placed in the humiliating position of having to walk miles to get dole as they are to-day; little enough was given them under the widows' allowances but it was a gross injustice to deprive them of that which is theirs by right. The other day after much agitation by the opposition, the Prime Minister had consented to replace the \$12,000 which had been reduced from the old age pensions, and the same should be done in the matter of the widows' pay. Let the full vote be allotted, and if it was found that it was unnecessary to spend it all, the balance could be held over.

Mr. Moore desired to know what the system was going to be in connection with the widows in the future. Were these widows to be allotted their cheques as formerly, or had they to seek the dole?

Hon. Secretary of State said that an investigation is now being held in this matter. It was found that in some cases frauds were being perpetrated and these were being eliminated as far as possible, and afterwards the same system as formerly would apply so far as those who were found to

be alright were concerned.

Mr. Alderdice asked did the Secretary of State seriously mean to say that the widows of the country were dishonest?

Hon. Secretary of State said he did not say that.

Mr. Puddester, from the statement you have made, either the widows, the orphans, or the infirm are dishonest. Who do you mean, it is just as well to tell the House just what you do mean in this connection. If an investigation is being made into alleged dishonesty, someone must be suspected.

Mr. Emerson seconding the motion said that it was just another case of the Government forcing their ideas on those who were unable to protest by using force. If the widows could organise and use force this vote would not be reduced. The widows had no sponsor in the Government ranks and for that reason they had to suffer. The House had just voted \$12,000 for the High Commissioner's Office and one wonders what influence Mr. Davies has on the Government or the Prime Minister that he can have his demands acceded to. The reductions proposed show that 2,200 persons are to have their pensions abolished, and according to the statement made by the Secretary of State, 2,200 persons are fraudulently getting these pensions. If the investigation is not finished, as had been said, and when it is finished it is found that not as many as 2,200 can be cut out, what provision had been made to supply the extra number who are not now provided for? The trouble was that the Government had just made a guess as to the number of widows who will get the pensions. The vote should be returned to the original amount and if it was found it was unnecessary to spend all the money, it was an easy matter to handle.

Lady Squires, in opposing the amendment, championed the Government's decision to continue the High Commissioner's Office as it is in London, and wished to be placed on record accordingly. She saw visions of much good work being accomplished there.

Questioned as to whether she would prefer this office to that of providing for the poor widows and infirm in Newfoundland, she stated her sympathies were also with them. She reviewed the work done by Mr. Davies during the recent exhibition held in London. [*Evening Telegram*, March 31, 1932]

Mr. Cashin supported the amendment. There was no need to reduce the vote by such a large amount. These widows, who have no other means of support, are deserving of some consideration and they should get it.

Mr. Winter also supported the amendment. He would like to see particulars as to how it was decided to cut out this large sum which involved as many as 2,200 widows. He did not believe that there was anything like that number getting the allowance fraudulently and agreed that it was simply another matter of the widows not being able to show force.

Mr. Puddester also supported the amendment. Widowed mothers should be given some help in order to live. Apparently it was alright for members of the Government to vote themselves \$5,000 and \$15,000 amounts in a fraudulent manner, but it was impossible to give the poor widows of the country sufficient to eke out a mere existence. According to the reduction, 2,200 will have to be without the amount paid, and he would much prefer to see the vote kept to the old standard and when it is allotted as before, to see the allowance increased wherever it is possible. After all, \$24 a year is small enough without having that much reduced to a much smaller amount. It is disgraceful to have that vote reduced, especially by a government that has been spending money like water, and when they feel the first pinch they have to exercise their economies on the poor widows of the country. The Government can find money for everything else they desire but nothing can be done for those who most deserve it.

Whereupon the House divided and there appeared in favour of the amendment: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Moore, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Byrne, Mr. Cashin, Mr. Fudge, Mr. Lewis, and against it: Hon. the Prime Minister, Hon. the Secretary of State, Hon. the Minister of Finance, Hon. the Minister of Posts, Hon. Mr. Bradley, the Minister of Fisheries, Mr. Brown, Mr. Earle, Mr. Starkes, Mr. Fitzgibbon, Lady Squires, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr. Greene, Mr. Smith, Mr. Murphy; so it passed in the negative.

The original motion that the said vote be read a second time and concurred in was then put.

Whereupon the House divided and there appeared in favour of the motion: Hon. the Prime Minister, Hon. the Colonial Secretary, Hon. the Minister of Finance, Hon. the Minister of Posts, Hon. Mr. Bradley, Hon. Mr. Lewis, the Minister of Fisheries, Mr. Brown, Mr. Earle, Mr. Starkes, Mr. Fitzgibbon, Lady Squires, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr. Greene, Mr. Smith, Mr. Murphy, and against it: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Moore, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Byrne, Mr. Cashin, Mr. Fudge, Mr. Lewis; so it passed in the affirmative and the said Resolution was read a second time and concurred in.

The Resolution respecting Public Health, \$266,806, was then read a second time and concurred in.

Pursuant to Order, and on motion of Hon. the Minister of Posts, the House resolved itself into a Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

... the Posts and Telegraphs Department vote was again taken up.

Mr. Cashin asked about the position of Mr. Bradbury, superintendent of mail clerks and routes. This job was created in 1921 or 1922 and was abolished in 1925, being unnecessary. It was

recreated in 1928 and is not any more necessary now than in the years it was not filled. If economy was the idea, there should be consistency.

At this stage it was pointed out that there was no quorum in the House and only six members of the government were in their places.

Mr. Cashin claimed that the Government members had been told to leave by Hon. Mr. Bradley. Mr. Cashin referred to the vote for mail services and asked what was being done to provide mail services for places to where there are no railways running now. One branch railway lost \$70,000 last year and is kept on, whilst [the] Trepassy branch that lost \$50,000 is cut out. Why was that?

Mr. Puddester asked if any hope could be held out to Mr. Goobie that he would be reinstated. He also asked why the vote for the Sydney-Port aux Basques route was reduced by \$3,878. The Minister replied it was an attempt to get the Canadian postal authorities to assort their mails before coming here. He was not sure this will work satisfactorily. Certain it was that it will never be possible to do the work so well as now. It will mean that mails will have to be assorted on the *Caribou*, or come to St. John's and be redirected over the country again.

Mr. Quinton stated that from a list submitted, 161 postmasters were being dispensed with and 60 postmasters are being paid off. He maintained that if pensions were going to be given it is just as well to carry on the offices in these places.

He considered it unfit and unbusinesslike to deprive these small communities of a service of trifling cost to the State but of importance to the people in these settlements, particularly when the office was being closed to give the [postmaster] a retiring allowance. He was informed that two places in Bonavista South, Canning's Cove and Red Cliff, were to lose this service and he asked the Minister to reconsider the matter ... [*Evening Telegram*, March 31, 1932]

Mr. Cashin held that votes for each separate office should be passed. It was improper to vote a lump sum because no one knew what this Government was going to do with the money.

The Minister said the hope was to get the services performed for the money voted. If the offices were voted separately it would mean that at no time would it be possible to alter present intentions, even if it was thought better to cut out a post office somewhere and replace it with one at some other time

Mr. Cashin had every confidence in Mr. Halfyard, but that was insufficient. He was cash keeper of the country and one morning found that the "till" had been broken open and \$7,500 stolen. Was there anything to prevent the same thing from happening again, especially with an administration like the present one in power?

Mr. Alderdice asked for consideration of the post office on Quidi Vidi Road. All the post offices in the East End of St. John's, with the exception of the main one, are abolished. Mr. Byrne

also objected to this office being abolished. Mr. Tobin referred to the office in Logy Bay which is being taken out. The man here is doing the work free. At 6:30 the Chairman left the Chair till 8 o'clock.

The Chairman left the Chair at 6:30 p.m.

The Chairman resumed the Chair at 8 o'clock.

... the Estimates were again taken up.... the Labrador Offices vote was taken up. This vote is reduced \$1,700. [*Evening Telegram*, March 31, 1932]

Mr. Alderdice and **Mr. Puddester** discussed the system of contracting for mails and showed that in some cases sub-contracts had been entered into and no value was being obtained from the contractors.

Mr. Bennett asked the member for St. Barbe to give an opinion, as Mr. Skanes last year contended the mail couriers were already overworked. He might be able to explain why the total vote was reduced approximately \$37,000. The vote passed. [*Evening Telegram*, March 31, 1932]

Mr. Bennett made reference to the reduction in votes for mail clerks on steamers and showed that if the services were to be kept efficient, these cuts were too drastic.

Mr. Emerson wondered if it was necessary to have mail bags cost so much. Wasn't it possible to have these bags made at the penitentiary? The rents paid for post offices were discussed at some length and particular reference was made to that being paid at Wabana Mines, Bell Island, where the building was not considered adequate for the work being done.¹¹⁵

Attention was then directed to the Telegraph branch. In the general staff four positions are abolished. One position was cut out, but since the Estimates were presented it was decided to continue the service of a fourth chief clerk. **Mr. Puddester** suggested the same treatment be accorded assorter Goobie in the Postal staff. **Mr. Byrne** likewise submitted the opinion that orderly Morrissey should be similarly treated. [*Evening Telegram*, March 31, 1932]

Mr. Cashin made reference to the subsidies being paid to the coastal steamers and wondered how the services could be maintained at reduced subsidies. He instanced the S.S. *Argyle* which earned \$58,000 last year, including \$25,000 for mail subsidy. If that subsidy was reduced the earnings would be reduced, and how in view of this could it be claimed that the budget was going to be balanced? The *Prospero* running from Lewisporte is losing money, and should be operating from St. John's to make a profit. He desired to know why St. Mary's, Trepassey and Ferryland are not provided for in the Estimates. When branch railways are closed down it doesn't mean the people should be isolated. He believed that when the branch railways are losing money they should be

¹¹⁵ "... it was learned that the owner of a shack on Bell Island is receiving \$800 rent per year for its use as a Post Office. The Minister of Posts replied that he hoped to improve conditions." *Evening Telegram*, March 31, 1932.

closed down.

The subsidies were again considered at the request of **Mr. Cashin** who requested some information regarding the Placentia Bay Service, which this year is set down for \$15,000, approximately \$20,000 less than that paid last year. He asked information re the *Glencoe's* operations, and pointed out that if the amount asked for subsidies this year stands as it is, it will mean a loss to the Railway of \$500,000.

Mr. Murphy stated he was going to get his demands agreed to.

Mr. Cashin pointed out that it was impossible to operate the *Argyle* at \$15,000, and unless Mr. Murphy has an assurance, otherwise he was going to be sadly disappointed. He insisted that the Prime Minister or some other member of the Government should supply information as to the Government's policy. He wanted to know what services were contemplated. He asked the Prime Minister, who is sponsoring the Estimates, but who was absent from the House be sent for. He pointed out that the Bonavista branch railway operated all the year and netted a loss of \$70,000. He demanded that St. Mary's Bay, Ferryland and Trepassey be given the same consideration as other sections. There was nothing in the Estimates to show that these Districts would receive fair treatment. [*Evening Telegram*, March 31, 1932]

Mr. Puddester replying to a statement made by Hon. Mr. Bindon that he and Mr. Cashin had suggested the closing down of the branch railways, told the House what he had said, in fact, which was if the Government continued its extravagances, branch railways and other things would have to be done away with and that is exactly what happened. Services had to be closed down because of the manner in which the Government had handled matters. Money was thrown away for every purpose and the Member for St. Mary's himself had sold enough mail bags to build a road from St. John's to Trepassey. The same applied to Mr. Bradley who has also interjected. This Member had insisted that the Hodgewater Line had to be built at a cost of hundreds of thousands of dollars. Money was taken from reparations, even sections of Government House grounds were taken to build garages on. Soon there will be nothing left to take, even the Colonial Building is not safe and the desks, goodness knows, might be gone to-morrow. But no consideration is given to the people who are served by the branch railways.¹¹⁶

Mr. Cashin again returned to the subject of a service for Ferryland and insisted on knowing what was going to be done.

In reply the **Prime Minister** said it was impossible to do anything on this subject at the moment. The matter was being discussed by the Railway management with a view to getting the best possible service for the money that is available.

¹¹⁶ "Members of the Government could get Government House grounds to build garages for themselves. Others \$5,000 from Reparations Account. A lively 'battle of words' ensued for ten minutes." *Evening Telegram*, March 31, 1932.

Mr. Cashin could not see how anything was possible. Certain amounts had been allocated and they were insufficient, and how was money going to be found for other services which are not provided for. The trouble was the Government did not care for certain sections of the country. [He] reaffirmed his claims and for the benefit of the Prime Minister repeated statements made previously when dealing with the subject. He knew that it was the Government's intention to rush through the business of the House and to h-h with the consequences.

Mr. Alderdice stated the Government should know how much money they are going to spend and how much they will allocate for the various services.

Mr. Emerson endorsed the stand taken by Mr. Cashin. No boat or trains are provided for the District of Ferryland. He thought Ferryland was getting a raw deal.

Mr. Murphy declared the schedule of the *Argyle* for the 1932 service was as made known to him by the Railway department.

Mr. Cashin stated that Ferryland was deliberately cut out by people who stole money from the Government and others who condoned the dishonesty. He defied the Minister of Posts to say such is untrue. He was not talking politics as he contemplated getting out of it. He closed his remarks by stating that the Leader of the Government was dishonest and spineless.

When it came to the vote for Port aux Basques and North Sydney, C.B., he asked why the Canadian Government did not contribute to this service. **Mr. Halfyard** replied in the negative.

Mr. Cashin: Well, then, I will tell you. Such a payment was blocked by the Prime Minister because he (the Prime Minister) was not permitted to collect a commission on any money paid by the Canadian Government. He challenged any member of the cabinet to state differently. The Government was subsidizing a vote for the A.N.D. Co. for Millertown branch, a concern that made \$1,000,000 profit last year. The hour was now 11 o'clock, he moved that the Committee rise.

After another long delay, further debate on the subsidies was deferred until to-morrow. The Committee then returned to the Telegraph Department votes and passed the central staff and operating staff votes.

Mr. Emerson asked for information respecting the different reductions in the salaries of certain outside operators. He asked why the Horse Islands vote was reduced from \$600 to \$240. The official, Otis Bartlett, has been promoted.

Mr. Alderdice asked why all did not receive the same cut. He referred particularly to the Gambo operator whom he was told was a good official but had been reduced 22 per cent, whilst others were cut only the usual 10 per cent.

Mr. Cashin wanted to know why the Cape Race office was wiped out. He contended it was the most important office on the North American continent.

Hon. Mr. Halfyard replied he would get the desired information to-day. [*Evening Telegram*,

March 31, 1932]

Mr. Alderdice felt the matter was simple. If the Government knew how much money they are going to spend they must know how they are going to spend it, and it was useless for the Prime Minister to come in the House and say plans were not formulated. If that was so, how could the amount be arrived at? The discussion continued till midnight and the Telegraphs vote was passed, but that for steam subsidies was held over till to-day [March 31, 1932].

Mr. Alderdice, before the committee rose, called the Estimates as read, "A fine piece of fiction." [*Evening Telegram*, March 31, 1932]

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed certain votes and asked leave to sit again.

Mr. Bennett gave notice of question.

Mr. Strong gave notice of question.

It was moved and seconded that when the House rises it adjourn until to-morrow, Thursday the 31st instant, at 3 p.m.

The House then adjourned accordingly.

Thursday, March 31, 1932¹¹⁷

The House met at three of the clock in the afternoon, pursuant to adjournment.

Rt. Hon. the Prime Minister moved and Mr. Alderdice seconded the following Resolution, which was passed unanimously:

RESOLVED: That this House wishes to record the expression of its deep regret at the death, this morning, of Dr. Charles J. Howlett, Mayor of the City of St. John's.

Hon. the Prime Minister moved that the House place on record an expression of regret at the passing of His Honour Mayor Howlett, and that an expression of sympathy be tendered the relatives of the deceased. The late Mayor had passed on in the prime of his life and real vigour and activity, and his death was sincerely regretted by the whole community. The Prime Minister referred to the early life of the deceased and of his activity in connection with various institutions in the city, making particular reference to his connection with the Catholic Cadet Corps, St. Bonaventure's College and the Rotary Club. He was connected with the Playground Association at its inception and was responsible for inaugurating much of the early work of that association. His work since becoming mayor of the city was outstanding, and the Duckworth Street pavement and other work of like nature will stand as a monument to his name.

Mr. Alderdice seconded the motion. He knew something of the aims and aspirations of the late Mayor Howlett and felt that in a way he had fallen in the paths of duty. He had instructions from his physicians that he must give up active work, except in so far as it affected his office work, but he felt that it was better to die fighting as in any other way, and even up to a few days before his death he was actively engaged in the work of the mayoralty to which he had applied himself with such outstanding success. The several improvements that he had been responsible for as far as the city was concerned will stand forever as an example of what he had done, and what he had hoped to accomplish. The sidewalks on Duckworth Street and LeMarchant Road, the paving of Duckworth Street, the improved sanitation in the city, not to speak of other improvements which he instituted since taking over the office about two years ago, were of themselves outstanding instances of the manner in which he applied himself to the task which he had set for himself. He was the prime mover in the institution of Civic Relief in the city the past Winter, and the success which has attended the efforts of that organization were in large measure due to the ground-work which he laid. It was deplorable that men of his stamp should pass away; his life was an example to those who undertake positions of a public character. Since assuming the office of mayor he worked on an average of fourteen hours every day and gave all his spare time to the position. His relatives, who will more sorely miss him than anyone else, have the sympathy of [the community and he would like to add to it the sympathy of¹¹⁸] the members of the Opposition, and his own personally.

¹¹⁷ There is no transcript for this session. Unless otherwise indicated, this version follows the report in *The Daily News*, April 1, 1932.

¹¹⁸ *Evening Telegram*, April 1, 1932.

Mr. Alderdice asked if the Prime Minister had any message from Corner Brook. He felt that arrangements could be made to have the men return to work whilst negotiations are being carried on.

Hon. the Prime Minister stated he had no information as yet. He announced that Mr. C. J. Fox, K.C., and Mr. K. M. Brown will leave by the afternoon express for Corner Brook on behalf of the Government, and Mr. C. E. Hunt, K.C., on behalf of the company.

Hon. Acting Minister of Finance tabled Report of the Board of Liquor Control, 1932.

On motion of Mr. Puddester the "Act Respecting Sunday Observance" was withdrawn from the Order Paper.

Mr. Puddester moved that the Sunday Observance Bill be stricken from the Order Paper. He stated that in moving the second reading of the Bill some days ago he had said that the second reading had been delayed in order to give an opportunity for members to study the Bill, and for an expression of public opinion on the subject. The Bill was now before the House for many days and he felt that public opinion had been sufficiently crystallized. At least as far as he personally was concerned, there had been many expressions of opinion, some abusive, some offensive and others who did not see the object of the Bill at all. He desired to say now that he had received instructions from the people who were responsible for the Bill to withdraw it from the Order Paper, as it looked as if the public were unanimously against it. In moving the second reading he had stated that there was no desire to make the bill obnoxious, but to make it a Bill that would protect men's consciences and not offend them, and for that reason the intention was to eliminate Section 4 and substitute another one so as to prevent the operation for gain of pool rooms, bowling alleys and the like on Sundays. It was intended also to clear up the situation with regard to allowing busses and taxis to operate on Sundays, and to leave no doubt as to the purchase of gasoline and motor oils. It will not now be necessary to introduce these amendments, as it appears from the press correspondence that the public are still satisfied with the observances that we now enjoy.

Some of the objections to the Bill were of a very personal nature, and whilst one can stand a lot a criticism of that kind, it does not seem fair that a half-dozen backers of the Bill in the House should be criticized so severely for what people outside the House decide to do, and then fail to back. Those who sponsored the Bill are convinced that the man whose conscience does not permit him to work on the Sabbath Day should not be penalized for so doing, and on Monday told he would no longer be given work. In April 1931, the president of the Lord's Day Alliance had called on him with a Bill asking him to introduce same which was identically the same as the one before the House, with the exception that it had a section forbidding garden parties on the Sabbath Day, and they were prepared to back that Bill. One year later when this Bill was introduced, a statement was given to the newspapers, signed by the president and secretary of the Lord's Day Alliance, damning the Bill and inferring that they were only concerned with an economic measure which gave one day of rest in seven to the worker. It were better that the Lord's Day Alliance had said nothing. Why did they ask him in April 1931 to introduce the measure, and then desert him a year later when he did introduce it? Their preparation of the Bill a year ago had given encouragement to another body to proceed. The Bill was intended principally to deal with industrial working conditions in several

places. It was realized that at present there is unrest in Corner Brook which may spread to other towns, and there was no idea of adding to the turmoil in any way whatsoever, by creating bitterness perhaps, nor do anything to jeopardize the peace and harmony of the communities. It was felt that another year a general act may be introduced giving individual towns power to enact these laws for themselves. He was sorry that people who were loud in their demands for an act did not see fit, not one solitary one of them, to write a word on behalf of the Bill.

At this point a deputation of citizens of St. John's appeared at the Bar and presented the following petition, which being read by the Clerk, was referred to the Department of State for further consideration:

To the Honourable The Speaker and the Honourable The Members of the House of Assembly:

*THE PETITION of the undersigned
HUMBLY SHEWETH THAT*

- 1. Your Petitioners represent the unemployed population of St. John's numbering more than 2,300 and responsible for the lives and comfort of over 6,000 people.*
- 2. It has been found impossible to subsist on the dole ration which has been lately further decreased through the imposition of taxes on flour, etc. and as a result your Petitioners are suffering from malnutrition and semi-starvation which seriously interferes with their capacity for work.*
- 3. Your Petitioners are in constant fear of being thrown on the streets because of non-payment of rent and numerous landlords have threatened eviction proceedings against your Petitioners for the above reason.*
- 4. Your Petitioners are of the opinion that now Spring is approaching strong efforts should be made to provide Public Works such as bridge-building, road work, etc., also provision should be made for the cultivation of the soil and the growing of vegetables.*
- 5. Realizing the necessity of immediate steps being taken in the above matters your Petitioners request that they be dealt with at the earliest possible opportunity.*

Your Petitioners Therefore Humbly Pray That Your Honourable House Will Make Arrangements For

- 1. An increase in the present dole ration of at least 50 per cent.*
- 2. To insure that no unemployed person will be ejected because of inability to pay rent.*
- 3. For the immediate commencement of Public Works and land cultivation etc., in order to provide vegetables for the coming Winter.*

4. *An immediate attention to this Petition.*

And as in duty bound Your Petitioners will ever pray, etc.

(Sgd.) JOHN CADWELL, *Chairman*
DAVID FOLEY, *Secretary*

Hon. the Prime Minister thanked the deputation for the orderly manner in which they had presented their requests. In the absence of the Secretary of State in whose Department the matter of relief was handled, he would say that the matter would be taken up as soon as possible.

Mr. Alderdice supported the prayer of the petition and hoped that matters would be expedited. It may be some days before the Lands and Fisheries Department would have any land development scheme formulated, and if public works were contemplated they may take some days to outline, but one thing could be arranged immediately, and that was that no more evictions would take place. Day after day he was hearing of people being thrown on the streets because of non-payment of rents, and he felt that in this regard some measure might be taken without delay.

The Petroleum Products and Dominion Loan Resolutions were deferred, as was the consideration of the Income Tax Act.

The second readings of the Press Dispatches, Customs, and the Timber Lands and Water Powers Act were also deferred. [*Evening Telegram*, April 1, 1932]

Pursuant to notice and leave granted, and on motion of Mr. Emerson, the Bill entitled "An Act to Amend the Companies Act" was introduced and read a first time, and it was ordered that the said Act be read a second time.

Mr. Emerson moved the second reading of the Act to amend the Companies Act. He explained that under the present Act limited liability companies are not permitted to reduce their capital except in the ordinary course of their business, and in the sale of shares by commission or on discount, it has been held that this had amounted to a reduction in capital. In England and Canada this position is not taken, and the purpose of the present Bill was to provide against that. In England shares were permitted to be sold at a discount of 10 per cent and in Canada at a discount of 99 per cent, but the present Bill struck a medium of 20 per cent. The changes were desirable and he hoped the Bill would have the support of the House. He did not propose to have the Bill go into committee at once but to have it referred to a select committee from the whole House to discuss it and report back. The Bill passed second reading and the following select committee was named: Messrs. Emerson, Winter, Bradley, Godden, and the Speaker.

Pursuant to notice, Mr. Lewis moved and Dr. Mosdell seconded the following motion, viz: That the resolutions of this House passed on February 23, 1932, in so far as they, or any of them, negatived the motion, or motions, for the appointment of a Select Committee to inquire into

certain charges against the Right Honourable the Prime Minister and the Honourable Secretary of State, be rescinded.

Mr. Lewis in moving the motion he gave notice of on the previous day stated it was made for only one purpose – to give the House and the members an opportunity to vindicate their honour and integrity, and the good name of the Assembly. Principles are at stake and there is a collective and individual responsibility. Party loyalty is one thing but the members had to remember their duty to the House, themselves and the people who sent them there. On two previous occasions the House had opportunities to deal with the subject matter of this enquiry, and twice this opportunity has been neglected. On the first occasion it was because an alternative motion had been made, and he had supported that alternative because he believed it was the best thing to do. The present motion was to expunge from the minutes of the House all records of what had happened before and then, having clarified the situation, give the House a clean sheet to deal with the matter as if it had been suggested for the first time. Charges had been made that minutes has been falsified, and the charges hit at the very principles of good government. At the moment he was not concerned with whether or not the charges were true, but all he desired was to have them investigated to see whether there was any justification for the charges, and thus clear the good name of the House.

On Wednesday a message had been read in the House from His Excellency the Governor, which stated that a meeting of the Governor-in-Council had been held at Government House, and it was suggested in the message that an opportunity had been given to members of the Council to give an expression of opinion on the charges made. If he was released from his oath of office, he could say exactly what had happened at Government House, but under the circumstances he was unable to do so, but he would say that he was not asked, on that occasion, to give any information on that subject or anything else.

He realised that there was a bond of party fidelity, but that should not be asked to go so far as to besmirch the characters of the members of the party. If there was no justification for the charges that were made, why were such pains taken to stifle the enquiry into them? The position is indefensible and no man can justify the position that is being taken. As far as he personally was concerned, he was satisfied he had done the right thing and he was not attempting to preach to any member of the House as to what he should do on the matter, but he was concerned about the name of the House and did not want to see it tarnished as long as he was a member of it, and for that reason he thought it was only fair to say to the members of the Government now, that no later than three days ago, the Prime Minister had admitted to him that the minutes in question as submitted to His Excellency were not exactly as were passed in the Executive Council meeting, except in a general way.

Dr. Mosdell supported the motion.

Mr. Puddester supported the motion and did so simply because he felt that unless some enquiry were held into the charges, the ends of justice were being balked. If there was nothing in the charges it would make no difference to the men charged if an investigation was held and a report presented to the House; if there was guilt, it was only right and fair that the accused should be dealt with in the proper manner. He felt that the right thing was being done in demanding a fair and

square investigation. If the enquiry was not held the accused would go free, and if steps are not taken to enquire there will be a feeling that the ends of justice have not been served. There is no doubt that the House has the right to enquire into such matters. The Executive Council is only a committee appointed by this House, and for all its activities the Executive is responsible to the House, which can claim the right to be the judge and jury of the members of the Council. That is all that the motion asks. Charges have been made and they have not been denied. Only one thing is asked, that an opportunity be given to ascertain whether or not the charges are true.

Mr. Winter desired to go on record as supporting the motion for three reasons. The first was that the House is the only right and proper tribunal to enquire into such charges. Secondly, because he believed that the House as a whole wanted an enquiry, and that was the reason they agreed with the idea of an alternative to the first motion made by the Leader of the Opposition, and believed then that was the best method of enquiry. It was now shown that was not the proper way. Grave charges had been made by one member of the House and they had gone unchallenged, and in so far as they had not been denied they were proven. His third reason was that even if it was held that the charges made originally had been disposed of, circumstances has since arisen which gave a different aspect. Another member of the Executive Government had since made a statement in the House that in so far as one minute was concerned, the charges made were true.

This was not a matter of politics, and it was regrettable that the motions had to come from the Opposition side of the House. They should have been made immediately by the Prime Minister and seconded by the Secretary of State. The whole matter was so befogged from the start, and so stupendous was it, that it was impossible to find a precedent in any other House. The position was similar to that of a grand jury, and they were asked simply to decide whether there was evidence enough to send the matter for trial. If the matter was allowed to stand as it is, the House would be in an absurd position. They had gone to the Governor and were told by him that he cannot enquire in the manner asked of him, and wasn't it right for the House to see that the enquiry it desired was held? Is this House to go down in history as the most corrupt parliament? No objection had been made to the investigation into charges made against other members of the House, but when the charges are made against the Prime Minister and the Secretary of State they are stifled and unchallenged. It was a perfect outrage. All that was asked was an opportunity for members to vindicate themselves and to have that at once.¹¹⁹

Mr. Emerson, supporting the motion, stated that there was no question of a vote of censure, the House was simply asked to vote to say that they would like an enquiry to be made into charges that were laid against two members of the crown. Suppose five or six members of the House gathered at a private residence or a party, and the next day charges were made that certain things had happened at that gathering, which were not true, would any member refuse to have that cleared up? Would any member refuse to deny that such charges were true? That is the simplest form in which to look at this matter. Scandals had been charged against the Prime Minister and Secretary of State,

¹¹⁹ "The member for Harbour Main had in his address corroborated the charges that the Minutes of Council had been falsified. Loyalty to the party in this instance must not be considered. Was the Prime Minister himself loyal to his colleagues and position if he expected them to vote and stifle this enquiry. He appealed to the members of the House to be faithful to their oath, to be loyal representatives of the people." *Evening Telegram*, April 1, 1932.

and they have not been denied by these gentlemen nor have they been challenged. Are not members of the House anxious to enquire for the good name of the country, the House, and good government? His Excellency the Governor, who in his reply to the House emphasized the sacredness of the oath of office, had made an ex-parte statement to the House which placed a former member of the Executive Council in a position wherein he is not permitted to reply, but that Member had stated in the House that in so far as one minute was concerned, the charges were true and to-day he had stated again that the Prime Minister had admitted that a Minute was signed by His Excellency in a form different from that passed at the Executive Council meeting. Yet nothing had been said in reply by either of the principals involved. No member of the Executive Government had attempted to challenge or deny the charges, and was the House to conclude that the Members were unwilling to have these things cleared up to the satisfaction of all.

Mr. Alderdice supporting the motion thought the matter was very simple to honourable men. Charges of dishonesty were made and an opportunity was now being given to these gentlemen to vindicate themselves. This day will go down in the records of the country and will be remembered for years to come. One is sick of hearing, day after day, such allegations as thief, crook, being thrown across the House and they [have] not been disputed and it was a terrible position for the House to be placed in wherein such charges could be made and nothing was done to refute them. This matter will be referred to again and again until members were sick of trying to defend a man who is now being cloaked.

Mr. Alderdice viewed the matter as a very simple one to determine. Here we have a man charged with a dishonest action, who will do all possible to prevent his vindication. Any man charged with such an irregularity or offence would lose no time to establish his honesty and good name.

... in a very impressive speech stated: "This day will go down in the records of the country, and will be remembered for years to come." He felt sure Lady Squires would support her husband in this instance. Lady Squires replied she would. Mr. Alderdice expected she would.

Coming back to the charges as set forth he designated them terrible and should be investigated. Those alleged to have committed them had nothing to fear if they were innocent. If the committee was appointed the majority would be selected from the Government side of the House, as is the custom in all cases. He asked every member of the House irrespective of party feelings to view the matter in a dispassionate manner and vote accordingly.

Mr. Strong said he listened to the discussion long enough. He realised now more than ever before the House was a gas-house. He was brought to order by the Speaker and compelled to retract his statement regarding the Member for Bay de Verde. He had his own convictions and his own opinions and he cared for no man. He said they were in a majority by the grace of the people and no one could buy him over.¹²⁰

Mr. Lake in the heat of the moment made some reference to the Leader of the Opposition

¹²⁰ "Mr. Strong's speech created much amusement by reason of his gesticulations and it was some little time before order was regained." *Evening Telegram*, April 1, 1932.

but in the confusion which reigned it was impossible to catch his words in the press box, but whatever he stated he was asked to retract by the Speaker who ruled his remarks unnecessary or uncalled for. [*Evening Telegram*, April 1, 1932]

Whereupon the House divided and there appeared in favour of the motion: Mr. Alderdice, Mr. Puddester, Mr. Emerson, Mr. Moore, Mr. Winter, Mr. Quinton, Mr. Tobin, Mr. Bennett, Mr. Byrne, Mr. Cashin, Dr. Mosdell, Mr. Fudge, Mr. Lewis, and against it: Hon. the Acting Minister of Finance, Hon. the Minister of Posts, Hon. Mr. Bradley, Mr. Downey, the Minister of Public Works, the Minister of Fisheries, Mr. Brown, Mr. Earle, Mr. Starkes, Mr. Fitzgibbon, Mr. Skanes, Lady Squires, Mr. Scammell, Mr. Winsor, Mr. Archibald, Mr. Godden, Mr. Strong, Mr. Greene, Mr. Smith, Mr. Murphy, so it passed in the negative and was ordered accordingly.

Mr. Speaker informed the House that he had received the following message from the Legislative Council acquainting the House of Assembly that it had passed the Bills sent up entitled respectively: "An Act for the Confirmation of a Certain Loan in Connection with the Western Marine Railway from the Bank of Montreal" and "An Act to Amend the Highway Traffic Act 1925" without amendment.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Hon. the Prime Minister asked permission to have Mr. Hutchings, Deputy Minister of Customs, take a seat at the committee table so as to explain the various votes.

Mr. Cashin was in accord, but felt the other experts should also be invited to attend. He would like to know why the recommendations he made were not carried out. He referred particularly to a recommendation he had made in regard to a Collector at Cape Broyle. He had recommended that the salary of the Deputy Minister of Customs should be \$3,600 per year. His position was the most important in the country.¹²¹ Why was the assistant deputy minister reduced by only 10 per cent and the deputy by 20 per cent? The salary of the First Clerk was also reduced by 20 per cent, and the people who are responsible for these cuts do nothing but stay in their offices and be impertinent to members of the House of Assembly. The same applied to the position of travelling auditor.

Mr. Emerson agreed that where salary cuts were more than 10 per cent explanations should be made.

Mr. Cashin again asked for the Customs returns and the Prime Minister stated the returns

¹²¹ "He wanted to know why the Deputy Minister of Customs salary was reduced below the level [of] that of the Minister of Justice, increased to \$5,000." *Evening Telegram*, April 1, 1932.

were in the hands of the printers.¹²²

Mr. Emerson desired to know why the returns were delayed so long before being sent to the printers. The returns were made up to June 30th last year and should be in printed form when the House opened.¹²³

Hon. the Prime Minister stated that in connection with the position of Chief Examiner, that the holder of this position, Mr. Gibbs, has been recommended for a pension, though he had also been recommended for suspension.

Mr. Cashin stated there was no justification for the recommended suspension. There was no necessity for the appointment of a hardware man being appointed in the Department. There was a necessity for two dry goods men. This man Penson who was running the Department should be in the House to make explanations as to these recommendations. He desired to know when men were laid off from the Tidewaiters Department, and why one position was now being filled by a man who had been brought up from Hampden for the purpose. Why was that? He referred to men who had been laid off through force of circumstances and were now being replaced by political pull, and it was being done by Mr. Penson.

The Chairman left the Chair at 6:30 p.m.

The Chairman resumed the Chair at 8:00 p.m.

... and the Estimates of the Customs Department were again taken up.

Mr. Emerson asked if anyone could give the names of the steamers which are visited by Dr. Campbell, and for which visits he received \$5 per visit. This is not a tax on steamers coming here, but is paid as a preventative measure. The point he wished to make was that Dr. Campbell is being paid for visiting steamers, and he does not make these visits. There are times when Dr. Campbell has to send to the Customs Department to know what steamers came in so as he could present his bills.

The vote for Quarantine and Sundries this year is \$7,000. [*Evening Telegram*, April 1, 1932]

The vote for immigration was being reduced from \$2,200 to \$500, and Mr. Cashin asked how this \$500 is to be distributed and the Prime Minister said he did not know how it will be divided.

Mr. Puddester thought the money for immigration should be voted opposite their names.

¹²² “[Mr Cashin] wanted to know why the first recommendations were changed. Mr. Cashin claimed that Mr. Penson is holding up the Customs returns deliberately.” *Evening Telegram*, April 1, 1932.

¹²³ “He charged Mr. Penson with faking the Budget and that Mr. White got his job on the recommendation of Mr. H. Macpherson, a director of the Martin-Royal Stores Ltd. of which concern Mr. White was an employee. Men years in service and good officials were laid off and because of political pull new appointments were made.” *Evening Telegram*, April 1, 1932.

As a matter of fact he was of opinion the vote was unnecessary at all, as the officials in charge should do the work as a part of their regular duties.¹²⁴

Mr. Scammell asked for information regarding this vote but no answer was forthcoming.

Hon. the Prime Minister could not say who will be paid the \$500 voted for Immigration. It seemed to him it was the intention to pay this sum to someone after the House closes.

Mr. Quinton asked who is the Quarantine Officer.

Hon. the Prime Minister replied Hon. Dr. Campbell. He did not know if the doctor visited any steamers but he was paid for this work.

A summary totalling \$145,804 was read.

Dealing with the Examining Store, **Mr. Cashin** estimated the revenue for this month of March would be somewhere around \$175,000 less than recorded last year. Mr. Cashin continued his remarks by asserting that Mr. Piercey who was recently appointed with a salary of \$3,000 was not going back to the job again. A hardware man was not necessary in the department.

The Premier wished to make it clear that there was no suggestion of any wrong doing on the part of Mr. Gibbs, the chief examiner. Mr. Gibbs had been recommended for a pension, but for some reason or other he has been reinstated. [*Evening Telegram*, April 1, 1932]

Mr. Moore, referring to the vote for the examining store, said that in the Budget speech it was stated that by making adjustments in the staff of the examining store the revenue would benefit to the extent of \$250,000. He would like to ask whether changes are also being made in the staffs at Corner Brook and other ports of entry. Unless that was so, the inference was that only in St. John's was there laxity of system.

Mr. Cashin stated he had gone into the matter thoroughly and found nothing wrong. There was no question of dishonesty on the part of anyone. The only dishonest thing was the Budget introduced by Mr. Penson, who had made the recommendations for changes in the Department.

Hon. the Prime Minister explained that as far as outport collectors were concerned, the idea was to have certain offices placed on a certain basis.

Mr. Cashin asked if this was so, why there was a difference between the salaries for Aguathuna and Argentia. In his opinion the salaries should be based on revenue collected and preventative service accomplished. The collector at Stephenville Crossing had his salary reduced by 50 per cent, and it was pointed out by **Mr. Emerson** that this was not just, and that this severe

¹²⁴ "Mr. Puddester remarked that last year \$2,200 was voted and paid to already paid civil servants. He contended they got their jobs and should be contended with what they are getting." *Evening Telegram*, April 1, 1932, p. 18.

reduction was for other than economic reasons.

On the matter of Preventive Service it was pointed out that the sum of \$18,000 was insufficient to operate the S.S. *Daisy* for more than 4 months of the year. The sum of \$90,000 for Refunds and Rebates was not large enough, said **Mr. Cashin**, the amount required would be nearer \$130,000. The **Prime Minister** admitted this was merely guess work.

Mr. Moore referred to the rate for a tidewaiter at Carbonear. His salary formerly was \$92.50 per month and is now reduced to \$50 per month. This man has to go to the railway station whenever a train arrives, and he is really doing the work of three men.

After considerable discussion on various individual votes in this department, it was passed.

The Posts and Telegraphs Department was then reverted to and [the] Steamships Subsidies vote was taken up.

Mr. Cashin desired to know what was going to be done in this connection for Trepassey, St. Mary's and Ferryland.

The Minister of Posts and Telegraphs said provision will be made to have the S.S. *Argyle* give a fortnightly service to St. Mary's and Trepassey. Nothing had been done in supplying a service for Ferryland.

Mr. Cashin called to mind the system that obtained a few years ago, when the *Portia* was operated by Bowring Bros. every fortnight, and she called at three or four places on the Southern Shore. The *Prospero* operated from St. John's and both ships made money, whilst to-day a different state exists. Then there were fewer steamers in other parts of the country, but better service was given.

Mr. Tobin felt the people of Ferryland had been done an injustice. The least they could expect to get was to have a steamer call at one place at least on the Southern Shore.

Mr. Alderdice regretted the lack of policy on the part of the Government. No agriculture, no fishery, no development programme. In other words we are going from nowhere to nowhere. He brought up the matter of Canadian steamships and others of foreign registration who enjoy certain privileges which our steamers are refused, and said the Government should look into the matter.

Hon. the Prime Minister said he was in touch with the labour and longshoremen's unions regarding this matter. He complimented the Leader of the Opposition for the suggestion.

Mr. Cashin replied that the Prime Minister had no such intention any more than he had of flying. He said the Assessor had much difficulty in getting anything from these concerns because they had no office in Newfoundland. Mr. Cashin asked the Prime Minister if any agreement or policy regarding the railway and train services this year had been arrived at.

Hon. the Prime Minister regretted no such policy had been decided upon. [*Evening*

Telegram, April 1, 1932]

After much discussion on the matter this vote was passed.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed certain Resolutions, and asked leave to sit again.

On motion this Report was received and adopted and it was ordered that the Committee have leave to sit again on to-morrow.

At 11:15 the House adjourned until this afternoon [April 1, 1932] at 3 o'clock.

It was moved and seconded that when the House rises it adjourn until to-morrow Friday, at 3 p.m.

The House then adjourned accordingly.

Friday, April 1, 1932¹²⁵

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Downey presented a petition from Alfred A. Montgomery and Edgar C. Irish, Lumbermen, praying for certain concessions in aid of proposed industries, which was received.

Mr. Downey gave notice that he would on to-morrow ask leave of this House to waive the Rules respecting Private Bills.

Mr. Downey gave notice that he would on to-morrow ask leave to introduce a Bill entitled "An Act Authorizing the Making of a Contract between the Government of Newfoundland and Alfred A. Montgomery and Edgar C. Irish, of Portland, Maine, in the United States of America."

Hon. the Acting Minister of Finance presented the Report of the Select Committee on Holyrood Pond Fisheries, as follows:

The Select Committee appointed to consider the Bill respecting an extension of time for the furtherance of the Holyrood Pond Fisheries Limited, operations, beg to submit that they have considered the said Bill and recommend its adoption.

*(Sgd.) R. G. Starkes
P. J. Lewis
L. E. Emerson
H. W. Quinton*

On motion this report was referred to a Committee of the Whole House on to-morrow.

Mr. Tobin gave notice of question.

Mr. Puddester gave notice of question.

Mr. Emerson gave notice of question.

Mr. Cashin reminded the House that he had not yet received an answer to the question regarding the Railway which the House ruled should be answered.

The following three orders were deferred:

Rt. Hon. the Prime Minister – To move that a Select Committee of this House, consisting of five members, be appointed to examine into and report to this House on the matter of a redistribution of seats with a view to reduction of the number of members of this House.

Rt. Hon. the Prime Minister – To move the House into Committee of the Whole to consider Resolutions relating to a temporary reduction in the salaries of certain civil servants.

¹²⁵ The transcript is not available for April 1, having been destroyed in the riot of April 5. The account given here is taken from *The Daily News*, unless otherwise indicated.

Rt. Hon. the Prime Minister – To move the House into Committee of the Whole to consider Resolutions relating to the adjustment of certain pensions to former civil servants.

Mr. Winter and **Mr. Emerson** brought to the attention of the Speaker several questions asked some weeks ago but so far have not been answered.

The Ways and Means, Petroleum Products Resolutions, and Dominion Loan Resolutions which were to be considered in Committee, were deferred. [*Evening Telegram*, April 2, 1932]

Verbally answering a question of Mr. Puddester, the **Prime Minister** stated that the services of the Inspector General in connection with poor relief were given voluntarily.

The Chairman from the Committee of the Whole on Supply reported certain Resolutions, which were read a first time as follows:

<i>Department of Customs</i>	<i>\$431,858.95</i>
<i>Department of Posts and Telegraphs.....</i>	<i>839,496.37</i>

The said Resolutions being read a second time, it was moved and seconded that the House concur with the Committee therein and the said Resolutions were agreed to.

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act in Relation to the Amendment of the Act 20, Geo. V., Chapter 36, entitled The Income Tax Act 1920."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Hon. the Prime Minister explained that in the matter of foreign companies operating lotteries here, the tax would be 12 per cent. The Leader of the Opposition had asked for a tax of 15 per cent.

Hon. Mr. Bindon said that from the lottery recently held under the name of the Government, a sum of \$80,000 was due to the Exchequer. They had already paid in \$25,000. In reply to Mr. Emerson, the Acting Minister of Finance and Customs said the Government is interested financially in the sweepstake being held in June.

Mr. Emerson was of the opinion that this was a disgraceful state of affairs. The Acting Minister was asked to bring down the agreement existing between the sweepstake companies and the Government.

Mr. Puddester thought the Lottery Act should be amended to prevent people going all over the country to get permission from Magistrates to operate these lotteries.¹²⁶

¹²⁶ "Some discussion took place relative to the amounts paid and still due by the proprietors of a recent lottery conducted. The acting Minister of Finance informed the House that he had already received \$25,000 on account. He hoped to receive \$80,000. Mr. Emerson suggested that a greater amount should be collected as the proprietors or

The Bill passed committee stage and will be read a third time on to-morrow.

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 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 to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Mr. Cashin asked to have the vote for the Finance Department deferred till Monday. He had some general remarks to make in this connection.

Hon. the Prime Minister did not see eye to eye with the wishes of Mr. Cashin at first, but after deliberation it was decided to leave over certain votes and the total until Monday.

The Committee then took up the vote of the Department of Pension Commissioners.

The departmental summary this year is \$455,290 as compared with \$634,050 last. [*Evening Telegram*, April 2, 1932]

In reply to Mr. Puddester's question the **Prime Minister** stated the position of Chairman of the Board [of Public Health] is now vacant, Dr. Mosdell having resigned.

Mr. Cashin pointed out that pensions this year were beginning to turn on the down grade and that the full amount to be paid will be about \$19,000 less than last year. The Prime Minister stated that the additional estimates will provide for getting the pensions back to the original amount, as was promised to the veterans.

This vote was passed without further comment.

Mr. Alderdice asked if it was possible to have the Education vote recommitted. He had some suggestions to make in this connection.

managers were outsiders and it might not be so convenient to locate them if they left here owing any sums to the department. Mr. Alderdice was of the opinion that 90 per cent of the amount should be collected immediately." *Evening Telegram*, April 2, 1932.

Hon. the Prime Minister in reply said that was not possible but the matter referred to could be considered when additional estimates are taken up.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed certain Resolutions and asked leave to sit again.

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

The remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises it adjourn until Monday, April 4th at 3 p.m.

The House then adjourned accordingly.

Monday, April 4, 1932¹²⁷

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Alderdice asked what news the Prime Minister had from Corner Brook.

Rt. Hon. the Prime Minister said he had a message from Corner Brook stating that Mr. Charlton and others had arrived there, and preliminary conferences would take place.

Mr. Alderdice asked the Minister of Lands and Fisheries if there was any intention to introduce any legislation regarding the Salt Cod Fish Bill this year. The Minister replied [that] the matter was under consideration. Mr. Emerson asked if the correspondence in this connection would be tabled.

Mr. Bennett asked if the committees appointed to enquire into the charges against Hon. Dr. Campbell and Mr. Skanes had any reports to make. These committees have been appointed for some time past.

Mr. Emerson asked the chairman of the committee regarding the charges against Dr. Campbell to make a statement, otherwise he would do so.

Hon. Mr. Bradley pointed out that two meetings were held, but since that the matter had come before the Supreme Court, and his own opinion was that under these conditions nothing further would be done.

Mr. Alderdice said that the position seemed anomalous. In the Supreme Court the position taken was that proceedings should be stayed because the matter was before a committee of the House, and now the position is that because it is before the court proceedings of the committee [it] should not go on.

Hon. the Speaker said the matter was one that concerned the privileges of the House, and the fact that it was before the Supreme Court could not affect the work of the committee.

Mr. Emerson agreed and also reminded the House that a question had been asked about the enquiry into the charge against the Member for St. Barbe. He desired to know what was done about that.

Mr. Winter as a member of that committee said that as he understood it the enquiry was delayed because the chairman of the committee was busy with the estimates of his Department. He

¹²⁷ The transcript is not available for April 4, having been destroyed in the riot of April 5. The account given here is taken, unless otherwise indicated, from *The Daily News*, April 5, 1932.

did not know why the committee could not now meet.

Hon. Mr. Halfyard said he would make enquiries and see what could be done.

Mr. Alderdice gave notice that he would on to-morrow ask leave to introduce a Bill entitled "An Act to Amend the Salt Codfish Act, 1931."

Rt. Hon. the Prime Minister gave notice that he would on to-morrow ask leave to introduce a Bill entitled "An Act to Amend the St. John's Municipal Act, and Acts in Amendment thereof."

Pursuant to notice, and on motion of Mr. Downey, seconded by Mr. Greene, the House waived the procedure required in connection with private Bills in connection with a proposed private Bill relating to Pulp and Water Power Development in Newfoundland.

Whereupon, pursuant to notice, and on motion of Mr. Downey, the Bill entitled "An Act for the Establishment of a Pulp and Paper Industry at St. George's and for the Confirmation of an Agreement between the Government and Alfred A. Montgomery, Banker, and Edgar C. Irish, Lumberman," was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Mr. Emerson gave notice of question.

Mr. Byrne gave notice of question.

Mr. Alderdice understood that a number of dole orders were unpaid and that Mr. Penson refused to pay them unless certain Bills were passed in the House.

Rt. Hon. the Prime Minister said this matter was to be taken up and would be adjusted in a few days.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act in Relation to the Amendment of the Act 20 Geo. V., Chapter 36 entitled 'The Income Tax Act, 1929,'" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Mr. Emerson pointed out that the Loan Bill and Petroleum Bill were now before the House several days, and nothing had been heard about them. He desired to know when these matters were to be taken up.

Rt. Hon. the Prime Minister said these things had to wait for a few days more as details were to be worked out.

Mr. Alderdice said the position was that much uncertainty was existing. There was a feeling

that a monopoly was to be created in connection with gasoline, and that the price would be increased by 10 cents a gallon. Surely the Government could make some announcement in this connection.

Rt. Hon. the Prime Minister said details had to be worked out by Sir Percy Thompson.

Mr. Emerson: Is it a matter of detail now, or one of principle?

Rt. Hon. the Prime Minister: It is a matter of detail.

Mr. Emerson: That is not true, and I challenge you to deny it.

Rt. Hon. the Prime Minister: I have no further pronouncement to make at the moment.

Pursuant to notice and on motion of Hon. Mr. Bindon, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the Act 18 George V., Chapter 3 (1927) entitled 'An Act for the Confirmation of an Agreement between the Government and Holyrood Pond Fisheries Limited.'"

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Mr. Alderdice asked if the company were seeking any new concessions, but was told that was not so, only an extension of time was asked.

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 on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Mr. Emerson on the motion for the moving the House into Committee of the Whole on Supply, desired to make some comments. He pointed out that the members of the Opposition had not obstructed the proceedings of the session in connection with either the Budget or Supply, and that they had said nothing with regard to the Speech from the Throne, nor had anything been said on any subject that called for adverse comment, so that he felt there was no need for making apology at

this stage.

He extended a hearty welcome home to Hon. Sir William Coaker, Member for Bonavista East, and wondered if that gentleman realised the great responsibility that now rests on his shoulders. Whilst he was away he undoubtedly endeavored to keep in touch with affairs generally in the country and in the Legislature, but he would be the first to admit that he was out of direct touch because of his absence from the country, and he felt sure that he would now give the benefit of his experience and attention to what has happened during his absence. He has been away so many months, and his attendance at Executive meetings was so small, because of his interest in the large business which he was interested in, kept him away, [so] that he cannot have the same knowledge of what has happened as those who have been in the country continually, but generally he knows what has happened, and in detail he can find out from his colleagues in so far as he trusts them.

In the matter of the Budget, he had been quoted as saying that he had said that Mr. Penson had faked the Budget, and he wished to make it clear that he had made no such statement; there had been no faking of the Budget as far as Mr. Penson was concerned, and none by the Prime Minister, but it was simply a Budget of prophecy, compiled by experts. The experts had come to the country to compile the Budget and had been instructed to do so, but the blame for it rested on the shoulders of the Government. The Government was responsible for the information given to the experts. They had come from a country whose position justified their thinking that the information they would receive would be most accurate and full; that they would have the help and advice of the Executive Government, the ministers who are not members of the Executive and all the members of the Government. If they had been left to prepare the Budget without that assistance, the responsibility was not theirs but the Government's.

But there was evidence that they were not given that assistance. When the experts arrived the Economic Commission of the Government, which had been working along similar lines for some time before, was withdrawn from giving assistance. Two members of that Commission were now on the Opposition side of the House and of the two that were left in the Government, Mr. Bradley had refused to say anything so far, but the House was hoping to hear from Sir William Coaker. The two who had left the Government had stated they were deliberately excluded from rendering assistance.

Since the Budget has been introduced, opportunity has been afforded to give grave consideration to the condition of affairs in the country, and he would like to ask what has occurred to justify the belief that the revenue of this country will be anything like that which has been prophesied? Those in charge must know what the results are likely to be; they must know the condition of the trade of the country and what the earning power of the people is and what will increase or decrease it, but what information did the experts have? The Estimates have been increased by over \$200,000 since they were tabled, and the Budget had not provided for these additional amounts. From an official source, the *London Times* has stated that the deficit will be \$2,000,000, but nothing has been said as to where it will be provided for. If we don't meet our obligations then we are lost, and the country will be in a state of chaos. He would go further, and say that we cannot meet our obligations by June 30th, 1932, and it means we shall have to appeal to the financial interests and ask the banks to vary their terms and give assistance.

As long as the present Prime Minister is in power there is no prospect whatever of any financial interests giving help to Newfoundland, and anyone who has travelled knows that is true. To those who are in the House for 25 years, the responsibility then is tremendous, and he hoped that

he will wield his power with care. Everyone in the House has his responsibility, whether it is large or small, and the greater the position of power the greater the obligation. When the Member for Bonavista East started his political entity 25 years ago, he did so for the good of the country, and whilst it will be admitted that in his 25 years he has made his mistakes, it will also be admitted that he did so with the hope of bettering Newfoundland. He is now in a position no man ever was in, and he asked him to consider it wisely. He is now coming to the end of his power, and if he exercises it wrongly now, historically he will be damned forever. If he uses it properly, the name of Whiteway will pale in significance.

The House went into Committee on Supply and the Finance Department was taken up.

Mr. Emerson asked about the \$2,500,00 Loan Bill, the interest on which is not provided for in the Estimates.

Rt. Hon. the Prime Minister in reply said that the Loan Bill and Petroleum Bill were interlocked and will come before the House at the same time. He assured Mr. Alderdice that there would be no increase in the price of gasoline.

The Railway deficit was not included in the Estimates and **Mr. Cashin** pointed out that they should be. He sought an explanation of the Estimates and as the Prime Minister was unable to give it, he felt that Sir Percy Thompson and Mr. Penson should come to the House and give explanations as Mr. Hutchings did in connection with the Customs estimates.

Mr. Emerson pointed out that the Estimates call for a deficit of \$1,500,000, which is being provided for in the Oil Bill, but he asked what about the other \$900,000 in the Loan Bill and why the Railway deficit was not provided for.

Mr. Cashin pointed out that the loan was going to be raised at 5 per cent, yet the estimates provided for 5½ per cent. He believed that the idea was to raise \$4,000,000 instead of \$2,500,000 and that was why the interest was provided for at a larger rate of interest. If the Railway can't pay the interest on its debt now, it will be harder next year when subsidies on the ships are reduced.

Mr. Puddester asked where the Estimates provided for the \$60,000 election expenses.

Rt. Hon. the Prime Minister said that would be provided for in additional estimates. In reply to a further question of Mr. Puddester he said it was the intention to have an election this autumn. Mr. Puddester pressed for a definite statement about an election so that the people of the country may know. The Prime Minister stated definitely it was intended to hold an election this autumn. Mr. Puddester told the House the Prime Minister would hold an election when it is expedient for him to do so. He was also asked if it was the intention to raise a loan for \$2,500,000 and then ask the Bank of Montreal for provide a temporary loan for \$1,600,000, as Mr. Cashin has said.

Mr. Cashin asked about the salary of the Governor. He offered to take a cut of \$1,500 but it was not shown in the Estimates. He felt that the salary of the Governor here should be on the same level as that paid to the Governor of Nova Scotia.

He asked how long the job of Controller of the Treasury was going to last. The salary being voted was \$9,000 a year, and he felt there were people in the country to-day and in the Finance Department who are more capable of doing this work, and yet they are paid only \$3,000. Mr. Sinnott is more competent, but he is paid no \$9,000 and a suite of rooms at the Newfoundland Hotel.

Mr. Puddester believed in having one man of outstanding financial ability to take charge of the affairs, but he could not see the necessity of three experts. Mr. Magor had done nothing at the Railway, nothing at the Post Office, except what he was told to recommend. Mr. Magor he had nothing to say against, but he was too big for Newfoundland and he was of opinion that he was brought down here so as the Government could have someone to pass the "buck" to, as they had not the courage to do themselves what they were asking Mr. Magor to take responsibility for.

Mr. Cashin claimed the Estimates for the Railway should be in the House in the usual way. Information he had asked for in that connection had not yet been given.

Mr. Emerson asked for details of the pensions that were being voted and was promised they would be given as soon as possible.

Rt. Hon. the Prime Minister said the annual pensions will remain as they are and a Bill will be introduced covering the new ones for this year. Then a general Bill will be introduced readjusting all pensions.

Mr. Puddester pointed out that the agreement with the banks was that an expert should remain here, and that expert will be Sir Percy Thompson at a salary of \$17,500 a year as provided in the vote now under discussion. Mr. Penson was Controller of the Treasury and an employee of the Government, and he cannot fill the position as outlined in the agreement with the banks. Mr. Magor, as he had pointed out, had done nothing since he came except what was pointed out to him in the Railway and Post Office. He is now on a mythical mission in Canada to get people financially interested in the construction of fabricated steel here, but did not point out where the market for this fabricated steel was going to be obtained. In Newfoundland we build an average of one building in two years.

Mr. Emerson agreed with Mr. Puddester and quoted from the agreement with the banks to the effect that an expert had to be in charge of the finance of the country after July next.

Mr. Alderdice pointed out that Sir Percy Thompson had permitted over \$20,000 for the Humber Constituency to remain in the Canadian Bank of Commerce while it was needed so badly in Exchequer Account, and as long as that remains there he is not doing his duty to the country.

Rt. Hon. the Prime Minister said the money belonged to the District.

Mr. Puddester and **Mr. Emerson** disagreed. The Prime Minister had spent more in his District than any other member of the House. When other members had money remaining over it was used as a drop balance and had to be returned to the Exchequer Account.

Mr. Cashin also pointed out that it was all wrong to take this money and put it in special accounts to the credit of the District. If all members did that where would the country be?

Mr. Alderdice moved that the salary of Sir Percy Thompson be reduced from \$17,500 to \$10,000 because he has been remiss in his duty in permitting over \$20,000 to remain in the Humber Trust Account when it should be in Exchequer Account. The Prime Minister has no right to hold this money any more than any other member has.

Rt. Hon. the Prime Minister said if the motion was simply to reduce the salary he would vote for it, but he would not support the motion as at present made. The Leader of the Opposition should be praising the efforts of Sir Percy Thompson, who was doing his best.

Mr. Alderdice agreed Sir Percy was doing his best, and no one has thrown more obstacles in his way than the present Prime Minister.

Mr. Emerson said the people of the Humber Constituency were given no voice in the matter of the money that is in that account. The District has been helped at the expense of other districts, and this money was being left for an election fund to be used as the Prime Minister desires.

Sir William Coaker pointed out that if the vote was passed it would amount to a vote of censure on Sir Percy Thompson. He would vote for the reduction but would be careful about voting for censuring a man sent by the British Treasury. There was no proof that he had been remiss in his duties.

Mr. Alderdice replied that the Prime Minister had stated that Sir Percy had never discussed this Humber Constituency Account with him.

Rt. Hon. the Prime Minister suggested that the vote be left over till further enquiries be made.

Mr. Puddester in reply to Sir William Coaker pointed out that Sir Percy Thompson was being voted \$17,500 a year from July 1st and under the agreement with the banks a man had to be kept here. The British Treasury had not sent a man, as stated; it had been asked to recommend a man and had loaned that man to Newfoundland, and having done so the Government of this country was responsible for his actions.

At 6:30 the House took recess till 8 o'clock.

The House resumed at 8:40.

Mr. Emerson asked if there was not some general scheme for the expenditure of the \$35,000 in the Estimates for steamship subsidies. He realised it was difficult to give details but there should be a general scheme.

Rt. Hon. the Prime Minister explained that with the exception of contracts which had been entered into, the subsidies had been taken from the Post Office Department and appear in the Finance Department estimates as subsidies.

Mr. Emerson stated his question was not answered, and again asked what was going to be done with the \$35,000.

Mr. Cashin was of opinion that this \$35,000 was to be added to the \$238,000 already voted in the Post Office Department, which would make the total \$273,000. The whole thing was indefinite. He asked why the Solicitor General was being voted \$1,000 a year more than any other Deputy Head.

Rt. Hon. the Prime Minister stated that \$4,000 a year was little enough for a solicitor of any standing.

Mr. Cashin pointed out that the recommendation of the Economic Commission [was] that salaries of members of the House of Assembly be reduced to \$500 a year, which he felt was quite sufficient. He moved that the \$30,000 a year voted for salaries be reduced to \$20,000.

Mr. Alderdice seconded the motion. He would like to see a larger amount voted for outport members of the House.

Rt. Hon. the Prime Minister thought a reasonable adjustment might be made between any members living in St. John's and living in the outports, but felt that \$750 a year was little enough for members who desire to represent their Districts in the proper manner.

Mr. Emerson pointed out that the sessional pay was simply an indemnity for attendance at the House and not in the manner pointed out by the Prime Minister. He was agreed that outport members should be given consideration because of their having to keep up two establishments whilst the House is in session. The notice of motion for redistribution of seats was simply a sop held out to the Leader of the F.P.U. party in the House. The House of Assembly is too large and there is no need for 40 members. If the Prime Minister was sincere when he gave the notice of motion re distribution of seats he would have brought in a bill. When we are cutting down salaries it is up to the members of the House to show their sincerity by cutting down salaries and the number of members. He moved an amendment to the amendment that the number of members be reduced from 40 to 30.

Mr. Cashin then withdrew his amendment and supported the amendment moved by Mr. Emerson.

Rt. Hon. the Prime Minister opposed the motion and suggested the vote pass as it is until the redistribution bill is brought in.

Mr. Emerson asked the Prime Minister to state definitely whether or not a redistribution bill will be introduced this session.

Rt. Hon. the Prime Minister said he anticipated one. In reply to Mr. Alderdice, he stated it was the intention to hold an election this Fall. Mr. Emerson's motion was then put and defeated.

Mr. Cashin then moved that the \$30,000 voted for members' salaries be reduced to \$20,000. This amendment was defeated and Mr. Cashin now moved that it be reduced to \$24,000. This too was defeated.

Mr. Puddester pointed out that formerly \$730 was voted for a law clerk and now that is being deleted, and \$300 is being voted for a law clerk and \$1,000 for drafting bills. He moved that both of these votes be deleted. The motion was defeated.

Mr. Cashin: I said in the beginning of my remarks that I proposed tearing the mask of hypocrisy from the face of the Prime Minister and from those associated with him. This I propose to do under the heading of the vote for the Liquor Control Department. We all remember the first session of the present Government, with which I was associated at that time, when it made its initial bow in the Legislature to the public of Newfoundland. You will remember the incident of what was commonly called 'the Scotch Orphans.' At that time I refused to give any information to this House (although I had it in my possession) as I felt that the best interests of the Customs were preserved by my withholding the information. I consider still my attitude was right because of the fact that I feared legal proceedings which would involve the Customs Department, but I did not fear the result of such legal proceedings.

Before I go any further, I want to state that I have no objections whatsoever to the leader of the party accepting funds from any individual or individuals for party purposes. All parties in this country have been financed this way. The procedure has been that when parties are financed by individuals, that if the party is returned to office that the party should distribute the patronage to these subscribers, provided, however, that the prices for goods and the qualities of these goods are up to the standard.

In the present connection the Prime Minister received moneys from the Distillers Corporation and the Consolidated Distilleries, Limited, of Montreal, towards his campaign funds. He did not inform his associates that he had received these moneys. Personally I did not partake in these funds. For the information of the House I read herewith a letter addressed to every member of the Executive Government, which letter is dated November 7th, 1929. This letter speaks for itself and is as follows:

P.O. Box East 1291

St. John's Newfoundland
November 7th, 1929

Hon. A. Barnes, B.Sc., Ph.D., M.H.A.,
Colonial Secretary
St. John's, Newfoundland.

Sir,

For several months now we have been endeavouring to get some settlement of the two matters in which we are jointly or severally interested, viz:

The 200 cases of Whisky seized and the pre-election promised contracts with the Board of Liquor Control.

In order not to embarrass your Government in any way we have tried to get these matters discussed through Mr. Godden with whom, along with the Premier, the original deal was made. Ever since last February, however, we have been put off from week to week and month to month, which has resulted not only in a great loss in time and money to both our Companies, but also the loss of business, as the brands in which we were and are interested have been practically taken off the market here and replaced with brands of outside Companies, which have never in any way contributed to either the country or party finances.

A few weeks ago it was suggested that the whole matter be allowed to remain over until the return of Sir Richard Squires, and being at all times anxious to meet the wishes of your Government we readily agreed to this.

We feel that, in view of all the circumstances surrounding these two matters, we are entitled to have them discussed by the Executive Council and request that this be done at the first meeting of the Council after this date, as now that the Premier has returned to Newfoundland we cannot think of any reason for further delay.

We are at all times at your disposal for any further information you or the Council may require

and remain, Sir,

Yours respectfully,

(Sgd.) F. S. Blair,

Manager Eastern Trading Co., Ltd.,

Agent Distillers Corporation, Ltd.

(Sgd.) Percy A. Hand

Agent Consolidated Distilleries, Ltd.

Copies to:

Hon. Sir R. A. Squires, K.C.M.G., K.C., LL.B., M.H.A.

Hon. P. J. Cashin, M.H.A.

Hon. W. W. Halfyard, M.H.A.

Hon. Sir W. F. Coaker, K.B.E., M.H.A.

Hon. A. Campbell, M.D., M.H.A.

Hon. F. G. Bradley, LL.B., M.H.A.

Hon. H. M. Mosdell, M.D., M.H.A.

Hon. P. J. Lewis, M.H.A.
Hon. Tasker Cook, M.L.C.

It involves the Prime Minister and Mr. Godden. The deal which the Prime Minister proposed to negotiate through the Government in the Spring of 1928 I shall read, as follows:

Draft Memorandum of Agreement between:

The Board of Liquor Control for the Dominion of Newfoundland (party of the first part)

And,

Eastern Trading Company, Limited, of St. John's, Newfoundland (party of the second part)

WHEREAS the Party of the First Part has been created to purchase, import, possess, and sell in its own name, liquor in the manner set forth in the Act 15 George V., Chapter 9.

AND WHEREAS the Party of the First Part is desirous of obtaining for a period of years a constant supply of spirits, wines, beer, and alcoholic liquor, of good quality, from a reliable source capable of meeting its demands:

AND WHEREAS the Party of the Second Part is able to meet these requirements;

NOW THEREFORE THIS INDENTURE WITNESSETH

that in consideration of the promises and of the covenants and conditions hereinafter contained, the parties hereto agree as follows:

1. The Party of the First Part covenants and agrees that for a period of four years it will purchase from the Party of the Second Part fifty (50) to sixty (60) percent of its requirements in the way of spirits, wines, beer, and alcoholic liquor, as these words are defined in the Liquor Act, 15 George V., Chapter 9; and the Party of the Second Part hereby covenants and agrees to sell to the Party of the First Part fifty (50) to sixty (60) percent of such requirements of the party of the First Part.

2. That all spirits, wines, beer, and alcoholic liquor shall be of a standard and of brands satisfactory to the Party of the First Part.

3. The prices of all commodities shall be fixed by mutual consent of the parties at the beginning of each year of the duration of this contract in advance, and shall continue throughout the ensuing year. Failing an agreement as to any or all commodities, the price shall be fixed at the prevailing prices for similar commodities landed at Saint John's, Newfoundland.

4. The Party of the First Part agrees to pay in case to the Party of the Second Part on or before the tenth day of each and every month for all the commodities delivered up to the end of the preceding month.

5. As aforesaid, this agreement shall remain in full force and effect for the period of four years from the date of the signing thereof.

EASTERN TRADING CO., LTD.,

Manager.

St. John's, Newfoundland.

This agreement never came into effect. The Prime Minister received from these companies approximately \$15,000 as campaign funds, and I claim that he received such funds under false

pretenses. He did not make any earnest endeavour to give them any business which he had promised to give them in early part of 1928, before the General Election. Mr. Godden can confirm my statement. He was personally with the Prime Minister in Montreal when the matter in question was discussed.

The question regarding the 200 cases of Teacher's Whisky is simple. They arrived in Newfoundland and I received the information that they contained bottles labeled with the Controller's labels. The Liquor Controller had given no order for these goods. I thought that the cases had been shipped in transit and I seized them on that account. After the receipt of the letter from Messrs. Blair and Hand, which I just read, an informal meeting of the Executive Council was held in the Secretary of State's office. The Prime Minister was not present at this meeting which was not held under the secret oath of the Executive Council, it was just an informal gathering to discuss this matter. One or two members of the Executive wanted me to return the 200 cases of whisky, which I refused to do. Furthermore, during all this transaction, Mr. F. G. Bradley, the present Solicitor General, who was a member of the Executive and who might have been called upon at any time to give a vote in connection with this transaction, was privately acting on behalf of the Consolidated Distilleries, Ltd. I hold copies of the correspondence between the Deputy Minister of Customs and these gentlemen in connection with this matter, which correspondence I shall lay on the table of the House for its information.

The point I want to make with reference to this large deal is this: that the Prime Minister is a downright hypocrite. When we assumed office in 1928 one of the first actions of ours was to amend the Liquor Law in order to keep people from purchasing too great a quantity of liquor. This was nothing more or less than a political move of the Prime Minister to cater to the prohibition people in this country. He was not sincere in this matter. He is not a prohibitionist. If he is, then he confirms his hypocrisy because if he is a prohibitionist why does he accept money made from the sale of liquor? Why secure his election campaign expenses from these people who sell liquor? Some of the money which the Prime Minister used in his election campaign in 1928 was secured under false pretenses from liquor managed concerns and distributed in an election way for expenses amongst other prohibition candidates in this country. What can we hope for the future if such an individual remains leader of a political party in our midst? He is dishonest as evidenced in these facts, and no member on the Government side of the House to-day can deny that this statement is true.

Mr. Emerson pointed out that in November last a minute of council was passed setting forth the same terms as are contained in the Treasury Control Bill recently passed by the House, which set forth that no money should be spent without written authority from the Controller. In December \$7,500 had been paid for lawyers' fees without such written authority, and up to January 19th the Controller had refused his approval of that payment.

Rt. Hon. the Prime Minister said he had no explanation to make.

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider certain Resolutions relating to the adjustment of certain pensions to former Civil Servants.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. the Prime Minister stated that the plan adopted in so far as pensions voted in the past and to be voted this year, the following scale of reductions will apply. Pensions of \$100 or less remain intact. From \$100 but not over \$200, 10 per cent; \$200 and not more than \$300, 20 per cent; \$300 and not more than \$500, 25 per cent; \$500 and not more than \$1,000, 30 per cent; more than \$1,000, 35 per cent.¹²⁸ In so far as Sir Percy Thompson was concerned, he would put the amount of his salary down to \$5,000 as that would be sufficient to reimburse him for his services for the remaining time he will be here.

Mr. Alderdice, speaking at the close of the Estimates, could see little hope for the country. The member for Ferryland had said that the present Prime Minister was deliberately ruining the country, and there seemed to be much in that statement though he could see no object for making such an effort, except it was to bring us into confederation, and even then he could not see why Canada should want us. The Government had elucidated no constructive policy and the agreement made with the banks was simply one to meet the purposes as they were with the present Prime Minister in power. He could not see how the people were going to get through even the coming Summer. The mercantile concerns can see no hope and nothing has been done to provide the wherewithal for the people to live. In the face of what has happened and the prospects, he could not envy the people in the state they are in. The members of the present Government have a tremendous responsibility, in that they are standing behind the present Prime Minister and assisting him to frustrate the serious charges that have been made against him in the House. If the Prime Minister had acted properly, he would have immediately demanded that an enquiry be instituted, but instead

¹²⁸ "Hon. the Prime Minister then tabled the following resolutions relative to civil service pensions:...

All pensions granted to persons formerly in the public service payable by virtue of any statute, including the Retiring Allowance Act of the present session, and all pensions which shall be granted between the closing of the Legislature and the date of expiry of this Act, shall be paid subject to reduction in accordance with the following scale:

- A) Pensions of \$100 per annum or less shall be paid in full.
- B) Pensions of more than \$100 per annum and not more than \$200 per annum shall be paid less a deduction of 10 per centum, provided that no such pension shall thereby be reduced below \$100 per annum.
- C) Pensions of more than \$200 per annum and not more than \$300 per annum shall be paid less a deduction of 20 per centum, provided that no such pension shall thereby be reduced below \$180 per annum.
- D) Pensions of more than \$300 per annum and not more than \$500 per annum shall be paid less a deduction of 25 per centum, provided that no such pension shall thereby be reduced below \$240 per annum.
- E) Pensions of more than \$500 per annum and not more than \$1000 per annum shall be paid less a deduction of 30 per centum, provided that no such pension shall thereby be reduced below \$375 per annum.
- F) Pensions of more than \$1,000 per annum shall be paid less a deduction of 35 per centum, provided that no such pension shall thereby be reduced below \$700 per annum.
- G) Nothing herein shall apply to pensions to former members of the Constabulary and Fire Department.

These resolutions shall have effect as from the first day of April, A.D. 1932, and until the 30th day of June, 1934. That a Bill be introduced to give effect to these resolutions." *Evening Telegram*, April 5, 1932.

of that, with a servile crowd behind him, they have assisted in what the Member for Bay de Verde termed balking the ends of justice. He could not see any way out of the dilemma so long as the present state of affairs exists. What is wanted is a patriotic, interested, and capable government, and he was prepared to stand behind anyone who will take the reins of power with that in view. The responsibility rests with the members of the Government party, and the day is coming when their names will go down in everlasting shame for standing behind Sir Richard Squires and assisting in damning the country. It is terrible to stand by and see the country drifting on the rocks. The country is like a big business with the people the shareholders, and the Prime Minister is the managing director who is conducting affairs in a manner that is bringing ruin to the business. It is in that light that the banks look on us and [it] is for that reason that the banks will give us no more money and are treating us as a fraudulent bankrupt. The members of the Government party must know they have done wrong, and yet they are standing behind the Prime Minister, and for that reason the day will come when their names will be mud in the country.

He knew of one concern that is willing to spend \$4,000,000 in the country three months after the present Government is out of power, and he knew of others who are prepared to come in and develop other resources, but they will not do so, so long as the present Prime Minister is in power. He asked the members of the Government, knowing these things, did they not think they were unpatriotic in preventing the country from getting the benefit of these things? Since the House opened taxes have been increased; it has been made more difficult for the fishermen to prosecute the fishery and yet there has been no fishery policy; no agricultural policy and nothing has been done about our mining possibilities. We find that the International Power and Paper Co. is treating its employees as serfs and yet the present Prime Minister, the representative of the District, has not given a thought to the plight of these unfortunate men who are working for less than a living wage. The whole thing had a very black outlook, and there was no prospect so long as Sir Richard Squires is in power. It is just as well to rest assured that whilst he holds office there will be no assistance from either London, New York, or Montreal.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed certain Resolutions, and asked leave to sit again.

This report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider certain Resolutions relating to a Temporary Reduction in the Salaries of Certain Civil Servants.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

The **Prime Minister** moved the House into Committee to consider the Resolutions for the

temporary reduction of civil servants pensions and the temporary reduction of certain salaries in the public service. The reductions in pensions is as has already been stated. Civil servants salaries reductions will be on the following basis: salaries of or exceeding \$3,000 shall stand reduced by 7½ per cent provided that such reduction shall not bring the salary below \$3,000. Salaries from \$1,500 to \$2,999 shall stand reduced by 5 per cent, that such reduction shall not in any case bring the salary below \$1,500.¹²⁹

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 motion this report was received and adopted, and it was ordered that the Committee have

¹²⁹ "Hon. the Prime Minister also tabled the following resolutions dealing with civil service salaries:

Be it resolved that:

- I) All salaries payable to persons in the service of the Dominion, whether payable under the Public Service Act, 1932, or by virtue of any other statute, excepting always the salaries of His Excellency the Governor, and of the Judges of the Supreme Court, and of the District Courts, and excepting also the salaries of Ministers of the Crown, including the Solicitor General, which latter have already been reduced by 20 to 25 per centum, shall be deemed for the fiscal year 1932-33 to be reduced in accordance with the provisions hereinafter set forth, and shall during the said fiscal year be paid accordingly, anything in any Statute to the contrary notwithstanding.
- II) The scale of reduction shall be as follows:
 - I) Salaries of or exceeding \$3,000 shall stand reduced by 7½ dollars per centum, provided that such reduction shall not in any case bring the salary so reduced below \$3,000.
 - II) Salaries of from \$1,500 to \$2,999 shall stand reduced by 5 dollars per centum, provided that such reduction shall not in any case bring the salary so reduced below \$1,500.
- III) A Bill be introduced to give effect to these resolutions." *Evening Telegram*, April 5, 1932.

leave to sit again on to-morrow.

On motion of Rt. Hon. the Prime Minister the notice that a Select Committee of this House, consisting of five members, be appointed to examine into and report to this House on the matter of a redistribution of seats with a view to reduction of the number of members of this House was deleted from the Order Paper.

Mr. Tobin gave notice of question.

It was moved and seconded that when the House rises it adjourn until to-morrow, Tuesday, the 5th instant, at 3 p.m.¹³⁰

¹³⁰ The House adjourned at 10:30 p.m.

Tuesday, April 5, 1932¹³¹

The House met at three o'clock in the afternoon, pursuant to adjournment.

As soon as the House opened, the delegation from the Citizen's Committee consisting of J. M. Howell, chairman, J. H. Devine, secretary, Rev. W. E. Godfrey and Mr. H. A. Winter, K.C., appeared at the bar of the House with their petition, which was handed to the Clerk of the House, who read it.¹³²

At this point a deputation of citizens appeared at the Bar of the House presenting a petition and certain Resolutions passed at a Public Meeting, which were read by the Clerk as follows:

To the Honourable the Speaker and the Members of the Honourable House of Assembly:

THE PETITION of the undersigned humbly sheweth as follows:

- 1. Your Petitioners are the Executive Committee of a body of citizens appointed to organize and conduct a public meeting which was held in St. John's on Monday the 4th instant.*
- 2. The said meeting numbered some two thousand people, representative of all classes, sections and creeds in the community, and would have been attended by many thousands more if the capacity of the building in which it was held had permitted.*
- 3. At the said meeting the following Resolutions were unanimously passed, namely:*

WHEREAS at the opening of the present session of the Legislature certain charges of a most serious nature were preferred by a former member of the Executive Council against the Prime Minister and Secretary of State;

AND WHEREAS the said charges alleged facts which, if proved, would constitute not merely criminal offences of the gravest kind but breaches of duty by persons in the highest positions of public trust and responsibility;

AND WHEREAS motions in the House of Assembly for a full inquiry into the said charges have been repeatedly rejected notwithstanding that one of the most serious among them has been corroborated by another member of the Executive Council;

AND WHEREAS without such full inquiry it would appear that appropriate legal action with regard to the said charges would be either impossible or at least delayed and seriously embarrassed;

BE IT RESOLVED:

¹³¹ There is no transcript available for April 5. A handwritten note reads: "Reporters notes and manuscripts destroyed during Riot when Reporters Rooms wrecked." This account follows that given in *The Daily News*, April 6, 1932, unless otherwise indicated.

¹³² For accounts of the meeting at which this petition was created, see Appendix A.

First, that in the opinion of this public meeting of citizens, the matters above recited and the position resulting from them affect the honour, dignity, welfare, and safety of the whole country and threaten to undermine the legal and political structure of its society;

Secondly, that this meeting places itself on record as deploring and protesting, in the name of justice and morality, against the matter aforesaid;

Thirdly, that, in order to give effect to such protest, a Petition be forthwith drawn and presented by this meeting and such other citizens of the country as may be of the same mind to the House of Assembly, now in session, humbly praying that it take such steps as may seem to it necessary or desirable for the full and proper consideration and investigation of the said charges, to the end that they be finally and conclusively proved or disproved and such other action be taken thereon as justice and the dignity of the people may require.

Fourthly, from the expressions of opinion made at the said public meeting, from communications received from all parts of the country and from other evidences, your Petitioners are encouraged to believe and do firmly believe, that the above Resolutions truly reflect and embody the opinion and wish of an overwhelming majority of the people of this Dominion.

Your Petitioners Therefore Humbly Pray

1. That your Honourable House be graciously pleased to give its immediate and most earnest consideration to the matters above recited and resolved.

2. That your Honourable House with all possible dispatch order that a full, final and conclusive inquiry be appointed and held into the grave charges aforesaid, either by a suitable Committee or Committees of your Honourable House, or by trial by the Supreme Court of Newfoundland in accordance with the laws of the Dominion.

3. That if in your opinion, Mr. Speaker, or that of your Honourable House, there exist difficulties, formal, technical, or substantial, in the way of such inquiry or trial they be immediately removed, whether by amendment of the Rules of your Honourable House or by Act of Parliament or otherwise, as in your wisdom you may see fit and as necessities of the case may require.

And as in duty bound your Petitioners will ever pray, etc.,

(Sgd.) James M. Howell, Chairman

W. Ewart Godfrey

Harry A. Winter

Thos. J. Molloy

J. H. Devine

Wilfred Canning

T. H. Stevenson

K. M. Blair

Eric Bowring

C. J. Carter

Rt. Hon. the Prime Minister moved that the petition be received and referred to select [a] committee of five members of the House, to be appointed by the Speaker, to ascertain and advise what steps the House should take to carry out the prayer of the petition.

Mr. Emerson rose to a point of order in that the Prime Minister was a principal and should not be permitted to make a motion in this connection.

Mr. Bradley said he would make the motion.

Mr. Puddester thought that the Prime Minister should leave the House whilst the matter was being considered.

Rt. Hon. the Prime Minister asked the Speaker if he should leave, and was told that whilst it was not absolutely necessary he thought it was better that he should do so. The Prime Minister then left the Chamber, whereupon **Hon. Mr. Bradley** again moved the above motion, seconded by **Hon. Mr. Bindon**.

Hon. the Solicitor General moved, and Hon. the Acting Minister of Finance seconded, that this Petition be received and referred to a Select Committee consisting of five members of this House, to be appointed by Mr. Speaker, to ascertain and advise the House as to what steps the House may take to carry out the Prayer of this Petition.

Mr. Emerson held that the appointment of a select committee called for a notice of motion, which would mean further delay. When a petition is presented two courses are open; either to consider the prayer of the petition, or if it is a matter of administrative action, appoint a select committee. This was not a matter of administrative action. It is a petition that asks that its prayer be heard at once.

Mr. Alderdice was of opinion that an attempt was again being made to evade the issue. Already there were a few thousand people outside the House, and unless this matter is disposed of promptly there will be many more in a few days.

Mr. Bradley did not see how a reasonable solution could be arrived at in any other way than in passing the resolution he had moved.

Mr. Alderdice again claimed that the attempt was nothing more or less than one to evade the issue.

Hon. the Speaker felt that in order to dispose of the matter, if the committee was appointed it could sit whilst the House was in session.

Mr. Puddester asked if he meant by that, that the House should adjourn whilst the committee was meeting. In his opinion the only proper course to take was to adjourn the House until

the committee was ready to make its report. This thing has gone far enough now, and he thought that unless the House adjourned, no more business would be dealt with until the charges made in the House had been proved or disproved.

Mr. Emerson pointed out that although the matter had been dealt with twice before, there had been no suggestion from the Government side of the House as to [an] enquiry, and now for the first time the Government was proposing an enquiry, and it is simply because once again they are responding to force. An enquiry must be held, and he reiterated what Mr. Puddester had said that no more business should be done until an enquiry be held.

Mr. Puddester asked if the mover of the motion was prepared to adjourn the House until the matter was disposed of.

Hon. the Speaker said that as far as he was concerned he was prepared to do whatever the House thought was right. Anything was satisfactory to him, although he could see a technical difficulty.

Mr. Alderdice asked the House if anyone could imagine a state of affairs where the Prime Minister is openly accused of forgery and robbery, and he will not answer the charges or permit an enquiry to be held into them. All kinds of difficulties were being seen now, instead of giving exactly what the petition asked for.

Hon. the Speaker again reiterated that he wanted to know [was] what the House desired and whatever it was, he was willing to do. He placed himself in the hands of the House.

Mr. Puddester pointed out to Mr. Speaker that when he put himself in the hands of the House on former occasions the Opposition was voted down by the Government majority. This was a matter that required a quick decision and the only way out was to adjourn the House until the committee is ready to report. Otherwise the first thing will be is that the Usher of the Black Rod will be summoning the members to the Council Chamber before the committee has time to do anything.

Hon. Mr. Bradley said he was willing to accede to the suggestion of Mr. Puddester and would, after this resolution was passed, move for an adjournment until Monday next.

After some further deliberation it was practically agreed to pass the motion for the committee and adjourn the House until Monday. Before the motion could be put, however, an uproar started in the gallery and in the midst of it the Speaker declared the House adjourned until this afternoon at

three o'clock.¹³³

Some objection was taken to the form of this motion, during which an unseemly situation arose in the galleries, and Mr. Speaker adjourned the House until three of the clock to-morrow, Wednesday afternoon.

¹³³ For accounts of the riot which followed, see Appendix B. For the Citizens' Committee's published response to the riot, see Appendix C.

Friday, April 8, 1932

At quarter past three of the clock, Mr. Speaker took the Chair, there being no Members present, and declared the adjournment of the House, by reason of its condition as a result of the occurrences within and about the Building a few days previously. Mr. Speaker stated that the House would be adjourned from day to day until conditions were such as that the business of the House could be conducted with dignity and decorum.

Mr. Speaker stated that Mr. Clerk would be advised, and Members given due notice, before the House resumed the transaction of business.

Monday, April 11, 1932

Mr. Speaker adjourned the House until to-morrow afternoon, Tuesday, at three of the clock.

Tuesday, April 12, 1932

Mr. Speaker adjourned the House until to-morrow, Wednesday, afternoon at three of the clock.

Wednesday, April 13, 1932

Mr. Speaker adjourned the House until to-morrow afternoon, Thursday, at three of the clock.

Thursday, April 14, 1932

Mr. Speaker adjourned the House until to-morrow afternoon, Friday, at three of the clock.

Friday, April 15, 1932

Mr. Speaker adjourned the House until Monday afternoon, the 18th instant, at three of the clock.

Monday, April 18, 1932

Mr. Speaker adjourned the House until to-morrow, Tuesday afternoon, the 19th instant, at three of the clock.

Tuesday, April 19, 1932

*The House met at three of the clock in the afternoon, pursuant to adjournment.*¹³⁴

Mr. Halfyard gave notice that he would on to-morrow ask leave to introduce a Bill entitled "An Act Authorizing the Governor-in-Council to Enter into a Contract with the Anglo-American Telegraph Company, Limited, and the Western Union Telegraph Company."

Rt. Hon. the Prime Minister gave notice that he would on to-morrow move the House into a Committee of the Whole to consider certain Resolutions for the Granting of Certain Retiring Allowances.

Rt. Hon. the Prime Minister gave notice that he would on to-morrow move the House into a Committee of the Whole to consider certain Resolutions for the further amendment of Chapter 28 of the Consolidated Statutes (Third Series) entitled "Of Stamp Duties."

Rt. Hon. the Prime Minister gave notice that he would on to-morrow move the House into a Committee of the Whole to consider certain Resolutions to provide for the addition of a Temporary Surtax for Customs and Excise Duties and Import Taxes.

Rt. Hon. the Prime Minister gave notice that he would on to-morrow ask leave to introduce a Bill entitled "An Act to Grant Certain Lands at St. Mary's Harbour, Labrador, to [the] International Grenfell Association."

Pursuant to notice and leave granted, and on motion of Mr. Alderdice, the Bill entitled "An Act to Amend the Salt Codfish Act, 1931," was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Mr. Alderdice introduced a Bill to amend the Salt Codfish Act, 1931. It was suggested by Sir William Coaker that the Bill be read a second time so as to permit it to go into committee to-day [April 20]. Mr. Lake objected to this and as it required the unanimous consent of the whole House to have the second reading this was deferred until to-day [April 20]. [*Daily News*, April 20, 1932]

Pursuant to notice and leave granted, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Amend the St. John's Municipal Act and Acts in Amendment thereof" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-

¹³⁴ "Only members, officials and newspaper reporters were admitted to the House ... No one else was allowed within the grounds. A thousand or more spectators, a large proportion of whom were women and children, looked curiously on from Bannerman Park, Military Road and Bannerman Street. No one attempted to get within the gates. Four mounted police patrolled Military Road to prevent a traffic jam. A cordon of police including over 100 recruits taken on last week was thrown around the Colonial Building. Others did duty within. As there was nothing to see and less to hear, the crowd of spectators dwindled away, and there was practically no one around when the House adjourned at 5.40 p.m." *Evening Telegram*, April 20, 1932. Mr. Cashin was no longer a sitting member of the House, having resigned during the riot of April 5.

morrow.

Pursuant to Order, and on motion of Hon. the Acting Minister of Finance, the Bill entitled "An Act to Amend the Act 18 George V., Chapter 3 (1927) entitled 'An Act for the Confirmation of an Agreement between the Government and Holyrood Pond Fisheries Limited,'" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Mr. Speaker informed the House that he had received a message from the Legislative Council acquainting the House of Assembly that it had passed the Bills sent up entitled respectively "An Act to Amend Chapter 27 of the Consolidated Statutes (Third Series) entitled 'Of Death Duties'"; "An Act for the Control of the Public Treasury"; and "An Act Respecting a Bonus Addition to Pensions under The War Pensions Act 1922," without amendment.

Mr. Speaker informed the House that he had received a message from the Legislative Council acquainting the House of Assembly that it had passed the Bills sent up entitled respectively "An Act for the Further Amendment of the Revenue Act 1925" and "An Act to Amend the Act 15 George V., Chapter 33, entitled 'An Act Respecting a Tax on Goods Imported into Newfoundland and Amendments thereto,'" without amendment.

Mr. Speaker informed the House that he had received a Message from the Legislative Council acquainting the House of Assembly that it had passed the Bill sent up entitled "An Act to Amend Chapter 35 of the Consolidated Statutes (Third Series) entitled 'Of the Postal and Telegraph Services'" with an amendment in which it requests the concurrence of the House of Assembly.

The said amendment is as follows:

Strike out the words "Legislative Council" in the twenty-second and twenty-third lines of Section 3 24(1) of the said Bill and substitute thereafter the words "House of Assembly."

Strike out the words "Members of the House of Assembly" in the twenty-fourth line of Section 3 24(1) of the said Bill.

Rt. Hon. Prime Minister: Some weeks ago, the Hon. Leader of the Opposition invited me to state when it was the intention of the Government to hold a general election. I stated in reply that it would be held in the ordinary course in October next, but in view of recent incidents and the condition of affairs in the country, immediately after prorogation I shall invite His Excellency to dissolve Parliament.

Hon. Leader of the Opposition: May I ask the Prime Minister if he has any idea when an election may be held?

Rt. Hon. Prime Minister: Probably around the end of May or the first of June.

Mr. Emerson: What about the Redistribution Bill?

Rt. Hon. Prime Minister: I think that the legislation in that respect might be twofold, the Government is considering the Redistribution Bill and we might also couple with that the necessary special arrangements with regard to voters' lists, and in this connection I may say that the voters' lists of four years ago will be reprinted, and arrangements will be made so that the booths will be open a day or so before polling day to register those whose names do not appear on the old lists.

Mr. Emerson: I presume that the Prime Minister will incorporate in the Act when the election is to take place?

Rt. Hon. Prime Minister: No, that is a matter for the Crown and will be done by Proclamation.

Hon. Minister of Posts and Telegraphs: (*gives notice of motion*).

Rt. Hon. Prime Minister: (*gives notice of motion*).

Hon. the Speaker: At the last session a matter was being discussed at adjournment which is not on the Order Paper. Is it the pleasure of the House that this matter be discussed now? It was a motion by the Solicitor General, seconded by the Minister of Finance in connection with a petition presented at the Bar of the House. Mr. Clerk, will you read the Minute in that connection? (*Clerk reads Minute*) The motion is renewed. Is the House ready for the question?

Mr. Emerson: Mr. Speaker, when this petition was presented to the House the motion was not debated, and no opportunity was given for its consideration owing to the disturbance. The matter was debated at some length on several occasions before, and what took place in those debates is unnecessary to refer to, except to say that the House in the first place did reject the motion for an enquiry, and then rejected the motion to rescind the previous resolution. This petition, which is now before the House, calls to your attention, Mr. Speaker, and to that of the House the possibility that there may be difficulties formal, technical, or substantial in the way of such enquiry, and prays that if such there be the rules of the House or amendment to our law may be introduced. That being the prayer of the petition, Mr. Speaker, and that being the position of the affair as it stood when the petition was presented, I think it is necessary that there should be appointed a Select Committee for the purpose of ascertaining what exactly the House must do in the premises. The matter is one of very grave import. The petitioners do not ask for the appointment of any Select Committee; that is the motion now made by the honourable learned Solicitor General. In view, however, of the importance of the matter, and in view particularly of the way in which this matter apparently has affected the public mind, may I respectfully suggest that in considering the appointment of that committee you should give earnest consideration to the question as to whether you yourself should not be the Chairman of it.

Hon. the Speaker: I will appoint that Committee later in the session, and possibly consult some of the Members of the House first.

(*Re proposed amendment to Postal Telegraphs Bill*)

It is now for the House to consider, as this Bill was sent to the Upper House over a month ago, whether the House will accept the amendment made by the Legislative Council, or whether the House will have the Bill presented in its present form to His Excellency the Governor for his assent. The substance of the amendment is that the franking privileges of the members of the Legislative Council are not required by that body. They strike the words "Legislative Council" out, and substitute "Members of the House of Assembly." That is, Members will have franking privileges while the House is in session. It is for the House to adopt the amendment.

Hon. Leader of the Opposition: I am afraid, Mr. Speaker, so far as the amendment is concerned that the innocent are suffering for the guilty. There is not the slightest doubt that many Members have taken advantage of that privilege to send private correspondence, bills, and Christmas cards. I am afraid we have got that amendment on our own heads. I don't know how the Members of the House feel about it. I feel that we have got to submit to it.

Hon. Solicitor General: There is a constitution appointed. What right has the Upper House to amend money bills?

Hon. Leader of the Opposition: I think we might waive that right in this case.

Hon. the Speaker: The Act provides for the passage of money bills without amendment. I will read the section: (*reads section*). So, I take it that the House can assent to the amendment, or the House can leave the Bill in its present form, change the enacting clause which would read: (*reads*).

Mr. Bradley: I am not concerned particularly upon the question as to whether or not the franking privileges should be changed. That does not appear to me of very grave importance, but the constitutional point is one which I think we ought to carefully consider before accepting the principle of permitting the Legislative Council to amend money bills. If it is done, it ought to be done in such a way that it is not to be in any way a form of precedent.

Hon. Leader of the Opposition: I quite agree that it should not be looked upon as precedent; they have no right to amend a money bill. I do think that we have put ourselves so obviously in the wrong that we ought to be prepared to admit the very grave solid grounds for making that amendment to the Bill that was passed up.

Mr. Emerson: I have every sympathy with the Legislative Council's amendment to the Act, but I agree with the Solicitor General that the very grave constitutional aspect should be first of all considered before we decide even to consider the amendment. I take it, Sir, – I don't know whether you agree with me – that the words of Section 1 of the Act are so definite that the Council has no right to send back a message saying that they have amended a Bill (*reads*).

All the Council can do in connection with this Bill – I submit one is speaking without having had an opportunity of giving the matter serious consideration, I submit it for what it is worth – is either pass this Bill or reject it. If a message comes back saying that they have rejected the Bill, upon that message this House can order that it be presented to the Governor to become an Act of

Parliament. There is one thing that the Council can do, and that is to send a message to you suggesting that we might amend the Bill and send it back to them, but that they themselves should make an amendment to the Bill is, I think, exceeding their privileges.

Hon. the Speaker: Possibly this debate may stand over until to-morrow.

Mr. Emerson: If I am right we would have money bills sent up, and coming back for amendment, for discussion, then the position might arise when they had passed some amendments and rejected others, and the Bill would go back in its amended form, then the question would arise whether it was before them for a month before the House adjourns, and the Bill might be thrown out. I think we have to be very careful to protect our privileges in that period of one month from the time the Bill goes up.

On motion the discussion on this matter was deferred until to-morrow.

On motion of Hon. the Solicitor General, seconded by the Acting Minister of Finance, the Citizens' Petition and Resolutions, presented to the House April 5th, was referred to a Select Committee to ascertain and report to the House as to the steps the House may take to carry out the prayer of the petition, as follows: Hon. F. G. Bradley, Mr. Godden, Mr. Emerson, Mr. Winter, and Mr. Speaker.

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider certain Resolutions relating to a Temporary Reduction of Certain Civil Service Salaries.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: Mr. Chairman, this Bill is a very simple one. Salaries in excess of \$3,000 are cut 7½ per cent; salaries in excess of \$1,500 shall be subject to a cut of 5 per cent, salaries under \$1,500 are not touched. Certain salaries have already been dealt with. His Excellency the Governor, for instance, under a special arrangement with the Home Office receives a set salary of \$15,000. Of this His Excellency has voluntarily refunded 10 per cent. The services of the Aide-de-Camp have also been dispensed with, and this salary will be a drop balance. It is scarcely our prerogative to deal further with His Excellency's salary. The judges have taken their own specific cut. The Ministers have taken a 25 per cent cut. Other salaries over \$3,000 have taken a 7½ per cent cut.

Mr. Emerson: Might I ask if there are any salaries of \$3,000 still in the service?

Rt. Hon. Prime Minister: Yes, in one or two cases deputies receive a straight \$3,000, Mr. W. J. Carew in the Prime Minister's Office, and Mr. Robinson in the Government Engineer's. Both these officials receive a straight \$3,000.

Mr. Emerson: Mr. Carew's salary, then, is the same as last year?

Mr. Emerson pointed out that there was discrimination being shown in this matter. In some instances salaries had been increased and no cuts were made, as in the case of Mr. Carew, Prime Minister's secretary and Mr. Robinson, Government Engineer, whilst in the cases of others more than the regular reductions had been made and still further reductions were now being proposed. An instance of this was Mr. Colford in the Customs Department. [*Daily News*, April 20, 1932]

Rt. Hon. Prime Minister: The position with regard to Mr. Carew is that some years ago his position was put on the same grade as a Deputy Minister, and he was to receive an annual increase in salary until it became the same as that of a Deputy Minister. That agreement expired this year. This year he would have been entitled to \$3,240, which would then be subject to the reduction under the proposed Act. Instead of that the salary has been put in the estimates at \$3,000, and for that reason no further reduction would be made. Mr. Carew has served under various Prime Ministers for the past 20 years. He is a very excellent official, and has the full responsibility of the whole Prime Minister's Department.¹³⁵

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed the said Resolutions without amendment, and recommended the introduction of a Bill to give effect to the same.

On motion this report was received and adopted, and the Bill entitled "An Act in Relation to the Temporary Reduction of Civil Service Salaries" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider certain Resolutions in relation to the Temporary Reduction of Pensions of Certain Persons in the Public Service.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: Mr. Chairman, this applies to all past pensions as well as to all pensions which will be included in the Bill which I gave notice of this afternoon. Pensions of \$100 a year will not be touched at all. Pensions from \$100 to \$200 will take a 10 per cent reduction, but not so reduced as to drop below the \$100 mark. Pensions from \$200 to \$300 will take a 20 per cent cut, but not so reduced as to drop below the highest figure in the previous scale, namely, \$180. Pensions from \$300 to \$500 will be reduced 25 per cent, but not reduced below the highest figure in the

¹³⁵ The report in *The Daily News*, April 20, 1932, indicated that the same argument applied to Mr. Robinson.

preceding scale, that is, \$240. Pensions from \$500 to \$1000 will be cut 30 per cent, but again not reduced below the previous highest scale, namely, \$375. Pensions of more than \$1,000 will be reduced 35 per cent, but with no reduction to go below \$700. This does not apply to pensions to former members of the Constabulary and Fire Departments, as these have always been regulated, prior to the 1926 Act, on a mathematical and distinct basis. This system is a temporary reduction for two years. The Resolutions state that this system shall take effect as from April 1, 1932, but, under existing circumstances, I feel that this might reasonably be made as from July 1, 1932, as probably pension cheques have gone out already for April month of this year.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed the said Resolutions without amendment, and recommended the introduction of a Bill to give effect to the same.

On motion this report was received and adopted, and the Bill entitled "An Act relating to the Temporary Reduction in the Pensions of certain Persons in the Public Service" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

The second reading of the Press Dispatches Bill was deferred.

Rt. Hon. Prime Minister: (*re "Of the Customs"*) I think that the Bill has already been distributed. This is not a Government or a party matter, and it is, according to my judgement at any rate, in no small degree visionary, but it was thought that it could be made a profitable investment, and it would certainly give a certain amount of employment in distilleries, etc. This whole matter was referred to Sir Percy Thompson, the Inspector General and Mr. Mifflin and this draft is the result of their conjoint efforts.

Hon. Leader of the Opposition: Does this mean that we are to become a bootlegging centre?

Rt. Hon. Prime Minister: No, certainly not (*reads memorandum*).¹³⁶

Personally I don't think that it is a scientific or potable proposition; it was suggested by people who thought that they could do something in a scientific business of that sort (*reads*).

There must be a certain profit in the essence.

¹³⁶ "**Hon. the Prime Minister** moved the second reading of a Bill to amend Chapter 22 of the Consolidated Statutes (Third Series) entitled 'Of the Customs.' He explained that this was not a party measure and was a very uncertain asset. The idea was to permit liquor to be imported into the country, extract the alcoholic contents from them here, and then export the residue to the United States. Under the laws of the United States, alcoholic liquors could not be imported. If, when the residue was imported into the United States the alcoholic contents was again put into the beverages, it was no concern of ours. The government was not greatly interested in the matter, though there was a possible revenue of about \$1,000 a week to be obtained. The general scheme had been approved of by Sir Percy Thompson, the Deputy Ministers of Justice and Customs and the Inspector General. In reply to a question, he stated he did not know who [were] the people behind the project." *Daily News*, April 20, 1932.

Hon. Leader of the Opposition: What is done with the alcohol?

Rt. Hon. Prime Minister: It is given to the Controllers for nothing (*reads*).

I may say that the Inspector General saw nothing in this to entangle either him or the Board of Liquor Control in any illicit business. As I said the whole idea is visionary, and the Government Party is not interested.

Mr. Emerson: Who are the promoters?

Rt. Hon. Prime Minister: I don't know that.

Hon. Leader of the Opposition: I think that we should know who is behind this. I think that this whole idea of whisky without alcohol is absurd; it seems visionary to say the least and I say that we should consider this thing well before we lend ourselves to freakish legislation of this kind. After all, I don't see why this is not done in Scotland, or wherever they manufacture this whisky. I can't see the object of bringing it out here and doing it. I am afraid that there is a catch in it somewhere.

Rt. Hon. Prime Minister: I agree, but there is also the fact that we may get \$1,000 a week revenue from this scheme.

Mr. Emerson: That is a mere possibility. In other words, without knowing where this came from, without knowing who are the people behind this, we are asked to give consideration to the Bill. Now, there are eight pages of close type in this Bill, and the House knows absolutely nothing about it. The honourable introducer knows nothing about it. We know nothing except that there is an off chance of collecting \$1,000 a week revenue from it. The whole scheme is obviously visionary, and the House is asked to pass eight pages of closely typewritten script that may involve us in anything under the sun.

Rt. Hon. Prime Minister: My idea was that we might refer this to a Select Committee ...

Mr. Emerson: Yes, but we have to accept the principle before we do that, if we refer it to a Select Committee, we are agreeing to the principle of the Bill, and I say that the principle of this Bill is absolutely vicious. The abstract of the liquor is not alcoholic, and we will not be breaking the laws of the United States, but we know that the idea is to add the alcohol as soon as it arrives in the States, and I say that it needs the strongest argument to pass a Bill that is bad in principle, and as yet there have been no arguments at all put forward why we should pass this Bill, and until that is done I shall vote against it.

Rt. Hon. Prime Minister: I think that the proper thing is to refer it to a Select Committee.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act (No. 11 of 1932) to Amend Chapter 22 of the Consolidated Statutes (Third Series) entitled 'Of the

Customs, ” was read a second time, and it was ordered that the said Bill be referred to a Select Committee of the House, as follows: Hon. Mr. Bindon, Mr. Scammell, Mr. Hibbs, Mr. Tobin, Mr. Quinton.¹³⁷

The second reading of “An Act to settle conditions of the holding of certain timber lands and water powers” was deferred.

The second reading of the Bill for the establishment of a pulp and paper industry at St. George’s, and for the confirmation of an agreement between the Government and Alfred A. Montgomery, banker, and Edgar C. Irish, lumberman, was deferred. The Speaker stated this was a private bill, and certain fees had to be paid before a private bill could be given a second reading. These fees had not been paid yet and the second reading could not be proceeded with. [*Daily News*, April 20, 1932]

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: There was one vote outstanding in connection with Supply, that was the vote of Civil Pensions. Last year the vote was \$131,000; the vote, as estimated on the Bill which will be before the House, will be \$140,000. The Civil Pension Vote last year was \$131,000; the Deputy Minister of Finance estimates that by the application of the Bill which is before the House this afternoon, including all pensions in connection with reorganization service, which will be before you to-morrow, the total vote required will be \$140,000, that is \$9,000 more than last year. It will be noticed that in the Civil Service List for St. John’s – I tabled the details of these for the Customs some weeks ago – a large portion of the vacancies have been savings in part only; where a man has gone out, he has received a pension, the difference between the pension and the total salary being saved. The pensions are based strictly on the 1926 Act subject to the Reduction Bill. The increase this year has been abnormal and may be during the six months of the coming year, because as the reorganization of the Civil Service progresses it will appear frequently that vacancies are created by retirement by way of pensions. It merely means transferring a portion of the salary from the regular salary voted to the Pension List. There has been an estimate of pensions which will be chargeable to the Department as a reduction from the actual total savings.

Additional estimates were also tabled. [*Daily News*, April 20, 1932]

Mr. Emerson: There is a point in connection with pensions, and it is this: what happens annually is the passage of the Bill whereby the new generation of pensioners which has come along is made a charge upon the Colony. A certain number is added each year to the Pension Act, and that will be

¹³⁷ “When the Bill was read a second time it was passed by a straight party vote.” *Evening Telegram*, April 20, 1932, p. 3.

followed this year. In addition to that each year we have voted a particular pension for a particular man. The point that I wish to make is this; does any question arise – I don't know whether the Prime Minister has considered as to the right of the individual being affected by the pension. Each year we voted Peter O'Reilly \$240; this year we have not voted Peter O'Reilly anything at all; we are simply voting \$140,000 for pensions. If, after taking into consideration all the multiplications and additions, [we are] to discover what Peter O'Reilly is entitled to under the pension he was getting last year, will he have any real claim upon the Government whereby he can say that "I am entitled to my \$240," or whatever it may be? At the present time it would look to me as if he has not. It would leave \$140,000 in the hands of civil pension authorities to deal with as they feel inclined. There is no vote in the Acts here for Peter O'Reilly. This point might be very serious, particularly if you suppose, for instance, if you had a change of government and one of those naughty governments came into who might discriminate. Of course the present Government would not do anything like that, but they might, and some unfortunate pensioner might find that he was deprived of his rights, which would be a very serious matter.

Rt. Hon. Prime Minister: That matter was looked into by Mr. Penson several weeks ago, and I am advised that that position does not arise, as the 1926 Act gives the man the right to his pension when he has once got it. Last year and the year before, we followed the old custom of voting the whole thing year by year, as a pension is not merely an annual bill, it is a permanent statute. When a pension is once voted beyond doubt to Peter O'Reilly, that vote is a pension and there it stands. As I am advised by those who have examined the Bill, that particular feature of it, the uncertainty of any pensioner cannot possibly arise. There is no necessity to bring in a pension bill each year.

Mr. Emerson asked for an explanation of the interest on the loan. In his opinion this had to do with the Petroleum Bill and he felt that some particulars should be given to the House on this subject.

The **Prime Minister** explained that it was proposed to raise a loan of \$2,500,000. Under the proposed Petroleum Bill, \$1,750,000 would be provided for, and it was felt the balance could be easily secured. In reply to Mr. Puddester he stated it was not proposed to grant another monopoly for the balance of the loan. Particulars were not ready to lay before the House, nor could they be for some days. [*Daily News*, April 20, 1932]

Mr. Emerson: Are we taken to have accepted the Oil Bill? Here we are voting the interest on the loan, without any idea whatever of the provisions of the Bill. The reason I ask is because Sir Percy Thompson had called a Sabbath meeting of the Council of the Board of Trade, with a view to obtaining their approval to this measure. This meeting apparently could not have been held unless he was prepared to give them details, and that he had no right to do until the proposition had been authorized by the House. He must have been acting officially when he held this meeting, and yet the Prime Minister now says that the particulars are not ready to lay before the House. Are these particulars to be submitted to the Board of Trade and not to the House?

Rt. Hon. Prime Minister: Sir Percy Thompson met a group of gentlemen at the Board of Trade rooms to discuss generally the principles of a gasoline monopoly. It was said that the entire trade

was hostile to this measure. The meeting showed that this was not the case. No detailed arrangements were discussed.

Mr. Emerson stated, in reply, that the Council of the Board of Trade was not in a position to say if the entire trade was hostile or not. It would be found that the majority of the trade was against the measure. [*Daily News*, April 20, 1932]

Hon. Leader of the Opposition: What Sir Percy said was that we had a choice of two evils. Were we prepared to pay a cent and a half more for gasoline, or were we prepared to default?

Sir William Coaker: That is the position. [*Daily News*, April 20, 1932]

Mr. Emerson: If that was so, what was the necessity of calling a meeting of the Board of Trade? If there was no option, why call the meeting? It was simply an attempt to delude the public by getting the approval of the Board of Trade.

Sir William Coaker: I think if the Hon. Member would put himself in the same position as a Minister of the Government, he would agree that there is nothing else to do but consent. It is impossible to proceed with further negotiations until the assent of the trade is obtained. When the particulars come before the House and the correspondence is tabled, everything will be seen in the proper light. If the Hon. Member knew all the inside workings, he would realize how very necessary the meeting was.

Mr. Emerson: The people who should have been asked for their opinion were those interested in the oil business. He would again point out that the Bill did not have the approval of the trade, and if the Government thinks so, it is greatly mistaken.

The votes for Supplementary Supply for 1931-32 were also introduced. This calls for a total of \$1,453,584.47, details of which appear elsewhere.

Mr. Puddester asked what the deficit would be in view of the increased estimates and supplementary supply and elicited the information that the deficit will now be about \$2,000,000 for the fiscal year.

Minister of Lands and Fisheries stated that an agricultural policy was under consideration, but no vote was asked for it because it was not known how much would be required. It was proposed to supply seeds and to buy them locally as far as possible.

Mr. Puddester asked how much money the contract for repairs to the Colonial Building was going to cost, and was told they would cost \$1,250. The contract has been awarded to Davey Bros. [*Daily News*, April 20, 1932]

Mr. Winter: With regard to this extra \$128,000 asked for to cover salaries, supplies, equipment, etc., for supplementing the police force, I would like to know if this is meant to be a permanency?

Rt. Hon. Prime Minister: For the moment it is.

Mr. Winter: Has any contract for [the] clothing of these men been awarded?

Hon. Solicitor General: Whilst the men have got some portions of their clothing thus far, I do not think any contract for the clothing has been awarded as yet.

Mr. Byrne: I suggest now to the Prime Minister that this is only a temporary measure.

Rt. Hon. Prime Minister: I take it for granted that it is.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed certain Resolutions, and asked leave to sit again.

This report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

Hon. the Speaker: Before adjournment, I wish to appoint the Committees ordered by this House this afternoon. In view of the fact that the first Committee deals with the rules, powers, and privileges of this House, on the suggestion of the Hon. Member for Placentia East, I should like to sit officially as Speaker on that Committee; the Hon. Solicitor General, Messrs. Godden, Emerson, and Winter will be the Select Committee, the Select Committee to which the Customs Bill was referred to being Hon. Mr. Bindon, Minister of Finance and Customs, Messrs. Scammell, Hibbs, Tobin, and Quinton.

An order was given that strangers would not be admitted this afternoon. This was done mainly because we did not see how we could accommodate the numbers attending at the House and we did not want to be partial in any way. This order will be continued until further notice. Strangers will not be admitted at any of the sessions.

Mr. Speaker informed the House that he had received a Message from the Legislative Council acquainting the House of Assembly that it had passed the Bill sent up entitled "An Act to Amend the Act 20 George V., Chapter 36 entitled The Income Tax Act 1929 and Amending Acts" without amendment.

Hon. the Acting Minister of Finance tabled the Customs Returns 1930-1931.

Mr. Emerson gave notice of question.

It was moved and seconded that when the House rises it adjourn until to-morrow, Wednesday afternoon at three of the clock.

The House then adjourned accordingly.

Wednesday, April 20, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Emerson presented a petition from the Great Eastern Oil Import Company protesting against the Petroleum Products Bill.

Mr. Emerson: Mr. Speaker, I beg leave to present a petition in connection with the proposed Oil Petroleum Bill. This petition is from a number of shareholders of the Great Eastern Oil Company and reads as follows (*reads*). This petition is signed by quite a large number of shareholders, mostly from Petty Harbour. Several signatories also are not shareholders, how many I am not prepared to say. I don't propose now to deal with the merits or demerits of the Bill against which it is aimed, I merely ask that it be laid on the table of the House until the Bill comes up for discussion.

Hon. the Speaker: The concluding paragraph of the [petition] is improper as [it is] censuring Members of the House. Still, I have no objection to its being laid on the table.

On motion this petition was received and adopted and ordered to be placed on the table for future reference.

Mr. Quinton presented a petition from Bonavista South re postal matters.

Mr. Quinton: I beg leave to present a petition from the electors of Cannings Cove, Bonavista South, with respect to the renewal of postal services of that settlement. Geographically this settlement is rather an isolated one, and it is great hardship for them to be deprived of the convenience of postal services. I would ask that the petition be referred to the Hon. Minister of Posts and be given his earnest consideration.

Mr. Emerson: I would like to ask the Minister of Posts and Telegraphs, as Chairman of the Committee to enquire into certain charges against the Member from St. Barbe, if this Committee has yet sat, and if not, why not.

Mr. Halfyard: In reply to the Hon. Member I might say that the Committee has not yet sat. Due to conditions during the past ten or twelve days and for various reasons the Committee has not sat.

Mr. Emerson: Would the Hon. Minister state those reasons? Are they his own reasons or the reasons of the Committee?

Mr. Halfyard: I can hardly call them the reasons of the Committee.

Mr. Emerson: Well, it's about time the Committee did get together.

Mr. Alderdice gave notice of question.

Mr. Emerson gave notice of question.

Pursuant to notice and leave granted, and on motion of Hon. the Minister of Posts, the Bill entitled "An Act Authorizing the Governor-in-Council to Enter into a Contract with the Anglo-American Telegraph Company Limited and Western Union Telegraph Company" was introduced and read a first time, and it was ordered that the said Bill be read a second time.

Hon. Leader of the Opposition: I would like to know from the Prime Minister when he proposes bringing down the Redistribution Bill, as some of us on this side of the House are disinclined to pass all the financial legislation until we have the details of that Bill.

Rt. Hon. Prime Minister: It is in the hands of Mr. Dunfield in the Justice Department for drafting, but the details are not yet finalized. I expect to give notice of it to-morrow.

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider certain Resolutions for the granting of certain retirement allowances.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Hon. Leader of the Opposition: Might I ask the Prime Minister if he can supply us with the names of persons who have heretofore received pensions, but who have been dropped?

Rt. Hon. Prime Minister: None have been dropped, except in the case of death.

Mr. Scammell: Mr. Chairman, I want it to go on the records of this House that I am absolutely opposed to this pension of Mr. T. A. Hall.

Mr. Puddester: Why not make a motion to that effect?

Mr. Scammell: I am not going to make any motion.

Hon. Leader of the Opposition: Is this pension awarded to Mr. Hall in accordance with the 1926 Pension Act?

Rt. Hon. Prime Minister: It is strictly so, I am told.

Hon. Leader of the Opposition: Well then, we must be fair. If he is entitled to it why attempt to deprive him of it, and if it is based upon the 1926 Act, how can we avoid giving it to him?

Mr. Puddester: The proper way to avoid it is not to pension him, but to let him do his work, as he is able to do it for the next ten years or more. Furthermore, Mr. Hall did not want to be pensioned.

Besides, he is getting \$1,000 a year as consulting engineer, which brings the total pension to \$4,375. He was pensioned to make room for another man who was being promoted. I object to this large pension of \$4,375.

Hon. Leader of the Opposition: I agree that Mr. Hall should be retained, and the very fact that he is engaged as Inspector of Mines shows that it requires the services of an expert man for the position of Government Engineer.

Rt. Hon. Prime Minister: The pension was made on the strong recommendation of Sir Percy Thompson and Mr. Penson.

Hon. Leader of the Opposition: And to show your inconsistency, you give him \$1,000 a year to inspect mines.

Mr. Emerson: Did Sir Percy Thompson and Mr. Penson make any recommendation in writing?

Rt. Hon. Prime Minister: Probably not.

Mr. Emerson: Did they also make a recommendation in writing that Mr. Churchill should get a pension of \$2,043?

Rt. Hon. Prime Minister: I think so, if it is in accordance with the Act.

Mr. Emerson: I say now that the recommendation of Sir Percy Thompson and Mr. Penson is not sufficient. It is obvious to everybody why Mr. Churchill was pensioned. The Prime Minister knows it and it should not be brought in here.

As to the pensioning of Mr. Hall, everybody knows that he was responsible for the best work done in the Highroads Commission; he was the most experienced and competent official in it. Now on the recommendation of Sir Percy Thompson he is going to be pensioned, and the Prime Minister is going to accept that recommendation without finding out if that recommendation is correct. Surely we should get some explanation from the Government. It is a government measure. There is another aspect of the absurdity and injustice of the whole thing. If Mr. Hall's pension is justified, then the Act is ridiculous. He gets a pension of \$3,375 and you must take \$1,200 off that according to these reductions. Now, if Mr. Hall is entitled to a pension then you are treating him most iniquitously. I say that he is not entitled to a pension and that he should be still employed. But if the Government is going to pension him, they should do so according to his merits.

Take some of these others; take Mr. R. T. McGrath, he is down here for \$1,600, and in reality he will get some \$1,100 or less; take Mr. Jackman, take 35 per cent off \$1,200, and he will get about \$900. Generally speaking, Civil Servants' pay is low, and it is low because they look forward to a pension when they get old and fall by the wayside, they will get a certain percentage of their former salary to look after them in sickness and old age. Men who have been living on \$2,000 and supporting their families expect when they are pensioned to be treated under that contract, and here you take some 35 per cent from them. I admit that in a few cases these pensions are not earned,

but in most cases they are for men who have given the best years of their lives to the service of their country and they are entitled to a pension, and I say that this 35 per cent cut is shameless. Is it because they are not organized and cannot march down here in a multitude and demand that they get fair play? I think that it is an outrage to cut this amount off these poor unfortunates who are worn out in the public service, and I was glad to see the Hon. Member for Bonavista Centre showing some shame....

Mr. Scammell: I supported the 1926 Act, I think that it is a very good Act. I raised an objection to Mr. Hall's pension. With the others I am in total accord. I agree that Hall should never be pensioned. I will go no further.

Mr. Emerson: The point I make is that these people are getting such a terrible cut, they are getting a cut such as nobody else is called upon to bear, not only the men on this list but also the men who have been receiving their pensions for a number of years. The Hon. Member doesn't seem to have read these reduction resolutions. He doesn't seem to know that a man getting \$500 a year is reducible by 30 per cent, bringing it down to \$375. Take the case of Mr. Keating; nobody doubts his honesty or integrity, he was in the Service for some 40 years. He was forced out and what happened to him? He was voted \$2,800 and he will get \$1,800. After his 40 years service he should get the full \$2,800. I contend that the cuts in these pensions are [*illegible*] disproportionate, and I am not in favour of them.

Mr. Puddester: I have here something which the House should receive with some favour. I have received a message from Mrs. A. J. Moore of Bay de Verde. Although she is a widow and has four children, she thinks that the country is in such a condition that she shouldn't take that pension and she asks the Minister of Finance to take her off the list (*reads message*). I would like to hand that to the Minister of Finance.¹³⁸

Later [**Mr. Puddester**] again asked the Minister of Posts and Telegraphs if anything had been done about Mr. Andrew Goobie in the Post Office, who was being pensioned and who did not desire a pension, and who is well able to still perform his duties efficiently.

Minister of Posts stated that something had to be done in order that the Post Office would be operated for a certain sum. The staff had to be reduced and it was thought better to pension the older men and to keep the younger men in the service. [*Daily News*, April 21, 1932]

(*Clerk reads Resolution*)

Mr. Emerson: When the Estimates were going through it was suggested to you that certain of these people who were getting pensions might be willing to carry on for their pension instead of closing the offices. Have you done anything to enquire about that?

¹³⁸ "This announcement was greeted with applause." *Daily News*, April 21, 1932. Her pension was \$280 per year.

Hon. Minister of Posts and Telegraphs: Some of them are carrying on without any cost to the Department. Some of them have wired in, asking to be allowed to retain the office without any cost to the Department. It is not altogether the salary voted to the Postmaster. In a great many cases it is the cost of the courier service; it is three times as much as what is paid to the postal official. If it was only the salary of the postal official, but to get their mail to them probably we have to pay \$150 to \$200, that is where the cost comes in. In viewing it from the amount of money saved it is only natural for the people to object to it, and they can't understand how the country can be saved when it means the expenditure of \$40 or \$50. It is a most unpleasant thing to handle, but I tried to explain to them that it may not be for many years.

Mr. Emerson: If the Prime Minister says that these are in accordance with the 1926 Act, have the pensioners been given an opportunity of putting their cases before the Treasury Board?

Rt. Hon. Prime Minister: I don't know.

Mr. Emerson: Surely that is not an answer.

Rt. Hon. Prime Minister: I have not personally handled the matter of pensions. The men have been notified that anybody who has a complaint to make has a right to make it.

Mr. Emerson: They are entitled to have their cases heard before the Treasury Board. The answer that "I don't know" is no answer. The House is entitled to know. There are several of these people whose pensions depend upon their perquisites. Were their cases put before the Board? Take the case of Collins of Placentia. He was living in the Court House. Was the fact that he had house, coal, [and] light free taken into consideration?

Rt. Hon. Prime Minister: I can't tell you.

Mr. Emerson: I would like to know. I think the House is entitled to know all about these things, whether the Act has been carried out.

Mr. Puddester: I would like to ask the Hon. Minister of Posts if he does not think that it would be in the public interest to table the report of the special commission appointed to enquire into matters at the Post Office. When the question was asked before, the Secretary of State replied that it was not in the public interest to table the report. I agree it is not the property of this House until the Government deals with the report. They have had ample opportunity to deal with it now; they have had it before them for a month.

Hon. Minister of Posts and Telegraphs: I am unable to speak for the Secretary of State, but I don't think it would do any good to broadcast the report. The Government has not acted upon the report up to the present.

Mr. Puddester: Why? It has been before the Government for a month. I think the public is entitled

to know what happened in that Post Office. How many IOUs were found in that safe? How many suits of clothes and overcoats were imported without paying duty? We want the report of Mr. Hutchings and Mr. Penson on the happenings of that Post Office during the last couple of years. I think we are entitled to know it. I can't see how it will be against the public interest to know what is going on in a public department. It will set the public mind at rest to know that money is not being given out still on IOUs; it will set the public mind at rest to know that officials of the Post Office are not smuggling in suits of clothes and overcoats; it will set the public mind at rest to know that everything is fair, square, and above board in the Post Office. If there is nothing to hide, there is no reason why the report should not be tabled, but if there is something to hide and officials of the Post Office are being shielded, then we in this House ought to know the reason why.

Mr. Quinton: When the Estimates were passing, I called the [attention] of the Minister to two Post Offices, that at Canning's Cove concerning which I read a petition yesterday, and that at Red Cliff, where the Postmaster has recently retired. As far as this latter settlement is concerned, the Post Master is being retired on a pension of \$13.16, while the total cost of the Post Office was only \$28, so that for a difference of \$14.84 the whole settlement is being thrown out of kilter. The reason given as regard other places, that the cost of the courier was a preventative, is not good in this case, as from an intimate knowledge of that District, I know that the mail courier must pass through this settlement.

Rt. Hon. Prime Minister: As I said yesterday, there are two or three slight changes to be made which will make a difference in the total. There is \$500 being given to Mrs. Hannah Kelly, a most deserving case.¹³⁹ There is \$331 to come off Florence Martin's salary, and there is one other item, [Mrs.] M. J. Gould, \$97.40.

The pension of Mr. T. A. Hall he would take out of the list for the moment. He did not know what arrangement would be arrived at.

Mr. Emerson asked the Prime Minister to make it clear that the pension was not dropped because of the controversy in the House this afternoon. He desired this to be done because he knew that otherwise that is the first thing that will be said to Mr. Hall when he is told about it. He again asked if the pensioners had been given an opportunity to appeal to the Treasury Board and asked for a direct answer. This the Prime Minister was unable to give and he replied again that he did not know. He was taking the words of the men who were responsible and whose job it was.

Mr. Alderdice felt that the Prime Minister should resent the way he is being treated. He is sent in the House without the proper information on matters of this kind.

Mr. Emerson disagreed with this and felt that the Prime Minister was coming in without the information because he did not want to give it out to the House.

The pensions were then passed. The full list appears elsewhere, totaling \$58,859.89. [*Daily News*, April 21, 1932]

¹³⁹ Mrs. Kelly "was employed in the Penitentiary for a period and was granted an allowance because of injuries sustained would be voted a pension of \$500." *Evening Telegram*, April 21, 1932.

*Mr. Speaker resumed the Chair.*¹⁴⁰

The Chairman from the Committee reported that they had considered the matter to them referred, had passed the said Resolutions and recommended the introduction of a Bill to give effect to the same.

On motion this report was received and adopted, and the Bill entitled "An Act for the Granting of Certain Retiring Allowances" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider certain Resolutions for the further amendment of Chapter 36 of the Consolidated Statutes (Third Series) entitled "Of Stamp Duties."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: Mr. Chairman, the Resolutions which I have just submitted are Resolutions under which it is thought an additional revenue of not less than \$6,000 and not more than \$10,000 will be produced as an additional Ways and Means, as against our Additional Estimates. It consists in a change in the Stamp Duties Act. It provides that on cheques on a banker, instead of the stamp duty being 2 cents as now, cheques up to \$100 will require 3 cent stamps thereon, and over \$100, 5 cent stamps. This rate is a little cheaper than the corresponding rates in Canada, where I understand they pay 6 cents. It is absolutely impossible to estimate with any degree of closeness the amount of money to be derived from that change, but it is estimated to be not less than \$6,000 a year and not more than \$10,000.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed the said Resolutions without amendment, and recommended the introduction of a Bill to give effect to the same.

On motion this report was received and adopted, and the Bill entitled "An Act for the Further Amendment of Chapter 28 of the Consolidated Statutes (Third Series) entitled 'Of Stamp Duties'" was introduced and read a first time and it was ordered that the said Bill be read a second time on to-morrow.

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider certain Resolutions to provide for the addition of a

¹⁴⁰ "At this stage of the proceedings only five Government members were sitting at the left of the Speaker." *Evening Telegram*, April 21, 1932, p. 15.

Temporary Surtax for Customs and Excise Duties and Import Taxes.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: Mr. Chairman, I have two Resolutions to submit. As I have already stated to the House, the amount that is required and which amount was recently voted by the House for soldiers' and sailors' pensions represents \$210,000. For the purpose of deriving this additional revenue to meet the cost of war pensions, there shall be added to and collected with all payments of Customs duty and Excise duty and tax, an additional surtax of 3 per cent on every payment. It is not a tax on the invoice value of goods but a tax on the duty. It shall take effect on May 1, 1932 and remain in force until June 30, 1933.

The next Resolutions provide for an increase in the rate of duty on sugar from 2½ cents per pound, as at present, to 3 cents per pound. Against that you will observe there is protection for local factories in their manufactures, and there is provision made for giving them a rebate of 50 per cent instead of 33 1/3 per cent, so that the cost of sugar is not increased to them, but rather diminished.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed the said Resolutions without amendment, and recommended the introduction of a Bill to give effect to the same.

On motion the report was received and adopted, and the Bill entitled "An Act for the Addition of a Temporary Surtax on Customs and Excise Duties and Import Taxes" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider certain Resolutions for the further amendment of the Revenue Act 1925.

Mr. Speaker left the Chair.

Mr. Smith 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 passed the said Resolutions without amendment, and recommended the introduction of a Bill to give effect to the same.

On motion this report was received and adopted, and the Bill entitled "An Act for the Further Amendment of the Revenue Act 1925" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

On motion of Rt. Hon. the Prime Minister, it was ordered that the Rules of the House be suspended as they relate to procedures in connection with the Bill of the Grenfell Association.

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Grant Certain Lands at St. Mary's Harbour, Labrador, to [the] International Grenfell Association" was introduced and read a first time, and it was ordered that the said Bill be read a second time presently.

Whereupon, on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Grant Certain Lands at St. Mary's Harbour, Labrador, to [the] International Grenfell Association" was read a second time and, with unanimous consent, it was ordered that the said Bill be referred to a Committee of the Whole on to-morrow.

... This was a Private Bill but he [the Prime Minister] asked that the rules of the House in regard to Private Bills be waived so that the Bill could be read a second time ...

Hon. the Speaker referring back to the Postal Telegraphs Bill which had been amended in the Legislative Council stated that he had looked up authorities on the subject and found that a section stated that nothing shall prevent the Assembly from accepting amendments to money bills proposed by the Legislative Council. It was now a matter for the House and he would allow the matter to stand over till to-day. [*Daily News*, April 21, 1932]

Pursuant to Order and on motion of Rt. Hon. the Prime Minister the House resolved itself into a Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: In changing the Finance figures with the Acting Deputy Minister of Finance, there were two points which arose on page 7 of the Estimates under the heading "Miscellaneous" (*reads*).

Hon. Leader of the Opposition: As a mark of disapproval of the conduct of Sir Percy Thompson in failing to have the \$23,000 brought back from the Humber Constituency Account to the Exchequer Account, I moved that his salary be reduced by \$7,500 bringing it down to \$10,000. I wanted to let him see that this side of the House and practically the whole country felt he was remiss in his work. Before I had a chance of taking it back you moved that his salary be reduced to \$5,000 because he is leaving here in August. Just why is the honourable gentleman bringing that vote back to \$17,500?

Rt. Hon. Prime Minister: It was suggested that it might go back to \$17,500. You arranged this joke...

Hon. Leader of the Opposition: All we ask is an explanation from the Prime Minister why he

wants to bring it back.

Rt. Hon. Prime Minister: I want to find out and check with the House the exact figure, so that the figure reported to the House is the exact total passed.

On the question of additional estimates and Supplementary Supply, a change has been made in both Estimates because of the election at the end of May or in the early part of June. As regards the vote of \$60,000 for election expenses, it has been decided to ask that \$40,000 be added to Supplementary Supply for 1931-32, and \$20,000 be added to the Additional Estimates for 1932-33. This would be more correct, as the major portion of this amount would be paid out before the 30th day of June. Consequently I would ask that we refer back to the Additional Estimates and Supplementary Supply so that the matter may be readjusted.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed certain Resolutions, and asked leave to sit again.

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again on to-morrow.

The following orders were deferred: Committee of the Whole on Ways and Means; Committee of the Whole on Petroleum Products Resolutions; Committee of the Whole on the Dominion Loan Resolutions; Second Reading of Bill "An Act respecting Press Dispatches"; Second Reading of Bill "An Act to settle conditions of the holding of certain timber lands and water powers." [*Evening Telegram*, April 21, 1932, p. 15]

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act for the Establishment of a Pulp and Paper Industry at St. George's and for the Authorization of an Agreement between the Government and Alfred A. Montgomery, Banker, and Edgar C. Irish, Lumberman," was read a second time, and it was ordered that the said Bill be referred to a Select Committee of the House, as follows: Mr. Lake, Hon. Mr. Bradley, Hon. Mr. Bindon, Mr. Quinton, Mr. Abbott. On motion the Committee was asked to report not later than Friday, the 22nd instant.

Rt. Hon. Prime Minister: I wish to point out that it was [an] error to say that this was to establish a mill, but it is meant as an authorization of the Executive Council to enter into an agreement for the establishment of the mill. The matter is before the Executive, but has not been finalized yet. I would ask that the matter be referred to a Select Committee of the House.

Mr. Greene: I think if that Bill is found feasible it should not be let drop. Would it be in order if that Committee could meet while the House is in session?

Mr. Lewis: If I may, I would like to make a remark with regard to that Bill. It has come to my attention that there is an editorial in this evening's paper with reference to it. I don't wish to say anything for or against it, except that that editorial casts cold water upon the measure in so far as

they suggest that they have made enquiries and are not satisfied as to the financial references. The gentleman who is first mentioned is not a teller in the bank at Portland. He is the Treasurer of the Portland Savings Bank and is rated among the millionaire class. Also, the financial backing behind the proposition is sound. It has been checked some time ago through the Prime Minister himself, but we also received a report from the parties behind the measure. We are not at liberty to disclose the names of the firm of bankers who are associated with Mr. Irish in this matter, although some names have been confidentially submitted to the Prime Minister some weeks past.

Pursuant to Order, and on motion of Mr. Alderdice, the Bill entitled "An Act to Amend the Salt Codfish Act 1931" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Hon. Leader of the Opposition: Mr. Speaker, in moving the second reading of this Bill, I would point out that these amendments to the 1931 Salt Codfish Act were introduced at the request of the Board of Trade, [and] also were requested by practically all the fish exporting merchants of the country. The Bill, as it was enacted into law last year, did not give satisfaction and it never went into practice. The Board of Trade suggested that by embedding certain amendments in last year's Act it would make it of great practical value. In fact it would be the thin edge of the wedge to a proper system of standardization, whereby our staple product would be improved and, in consequence, command a better price in the foreign markets. I believe that until we reach a proper system of standardization, we cannot hope to abolish the iniquitous system of shipping upon consignment.

In the first Section of the present Bill is a clerical error and the substitution is necessary. In Section 2 delete the last sentence which reads as follows – "Provided that fish shipped by any person other than a licensed exporter to a purchaser in Canada may be entered for export without having been inspected and graded." I understand from those who are interested in that amendment that it is advisable to delete this sentence, so that the Exporting Association might have the power to inspect. I think that all packed fish bearing the mark of Newfoundland exporters should be inspected before leaving this country because if, by any chance, fish goes back to Canada, it would react against the quality of our own fish. The next is Section 3, which deletes the following words from Section 6(b) of the Act: "In the event of failure by the Association to recommend within the time herein specified, the Governor-in-Council shall have power to appoint without recommendation." The Board of Trade and fish exporters generally feel so certain of putting this measure into operation that they think it better to have no political interference in the matter.

Section 7 of the 1931 Act is amended by striking out the full stop at the end of sub-section (b) and adding to the same sub-section, "and the regulating of shipments of salt codfish." This is going to be a difficult matter, as it is going to be a tremendous task to regulate shipments to foreign markets, and to give exporters their fair quotas in exporting fish. The time is come when we have to stop over-filling the markets; otherwise we defeat the object in view. In the past it has happened frequently that more fish has been poured into a certain market than that market could assimilate, and that sort of thing puts the price down.

Hon. Minister of Lands and Fisheries:¹⁴¹ I understood some time ago that this Bill was to apply to Labrador fish only.

Hon. Leader of the Opposition: The intention is now to try and improve the quality of the Labrador "slop," and particularly the fish that goes into [the] Puerto Rico market where about 150,000 quintals go yearly. [The] Puerto Rico market was one of the best for Newfoundland last year, and exporters are afraid of losing it if the quality is not kept up. The last Section of the Bill is what is known as the "local option" of it and is deleted. This is what killed the effect of last year's Bill and brought about the peculiar position whereby, say, the Electoral District of St. John's East decided to have an inspection, whereas the District of St. John's West was against it.

They are going to tackle the Labrador slop first. They intend to try and fix a better quality to go to the Puerto Rico market and try and hold that market and increase, and then they will work on the export of Labrador slop to the European markets.

Section 15 has to do with the latering of the days (*reads Section*). The amendment now proposes 30 days.

It seems abundantly clear to me that every Member should realize that we have to start and look after the quality of our fish. There is no other commodity in the world which does not come under standardization rules except our fish. Every other commodity you can think of is sorted and graded according to its quality, and there is no reason why this should not be done with our fish. I feel that now is the time to insert the thin edge of the wedge, and I feel sure that in a very little time we will find the benefits of a slight standardization, and in five years we will be able to cut out the iniquitous practice of shipping on consignment, if we can show that they are getting the quality, I feel that we will have no trouble in holding our markets ...

Sir William Coaker: Don't you think that depends on the shipper?

Hon. Leader of the Opposition: Yes, to a certain extent, but we can make every man toe the line so to speak, and we can have our fish up to a quality. I admit that what I know about the fish industry is very superfluous, but I hope that the Hon. Member for Bonavista will agree with me that we have to start a standardization programme if we want to do anything with our fish, and I think that the safest way is to start gradually, and to take the Labrador slop first, at least for the first two or three years, confine our efforts to that first, and then gradually we can tackle the whole problem. I think that I can safely say that 99 per cent of the fish merchants of the country are of the one mind.

Sir William Coaker: With regard to Section 1, I wish that some of our leading minds would follow that, I think the figures are wrong.

Mr. Emerson: The position is this, that unless we re-enact the whole Act it is impossible to do otherwise. If you look at Section 6 (*reads*), it is Section 15 of the said Act, and although Section 13 is repealed, it is not repealed until this Act is passed. Unless you re-enact the whole Act it is very

¹⁴¹ The Department of Marine and Fisheries and Department of Agriculture and Mines had been amalgamated into a single Department of Lands and Fisheries.

difficult to avoid that sort of apparent error.

Sir William Coaker: (*reads Section 2*). This gives power to the Board to inspect fish belonging to the Board; now everybody is free?

Hon. Leader of the Opposition: No, it is quite the reverse.

Sir William Coaker: Well, I have no objection one way or another. Section 7. That is a very [*omission*] Section. It was not in the Bill last year. The day will come when we will have to regulate the shipments of fish, not the amount that each man ships, that we will have to regulate it so that we will not be having three or four ships arriving in a European port on the same day, or within two or three days of each other. I think that is three parts of our trouble – putting too much fish in the markets at the one time. Take Jamaica, they don't get too much, and the sort of fish they get is the kind they like, but in the European ports, when there is too much fish there at the one time, it has to go into cold storage and you have to pay some 30 cents a month on it. If we only shipped enough to cover the demand, we would get a much better price. If there is a lot of fish on the other side, it deteriorates, it gets rotten and is no good.

There is one aspect of this Bill which failed last year and this was caused by the lack of standardization. I say that unless we get superior cure for our shore fish, in the end it will mean that the whole bulk is no better than West India. We had a chance last Fall to ship 100,000 quintals to Spain, and we had a chance to ship 100,000 quintals to Italy, but we did not have the quality that they wanted. The Norwegians can't make the grade necessary for Italy, and Iceland can't make the grade necessary for [the] Spanish. Shore fish for Italy has to have a certain colour; it has to have a certain yellow colour; if it is white, it is no good.

That grade [of] fish that is objected to, and that Italy don't want, is the grade we send to Brazil. Brazil don't want all that fish, and if we don't make a superior cure that will enable us to send 150,000 quintals to Italy, all this prime fish that we have been for years back having such an abundance of, to send to Italy, then it will be without that market. That 200,000 will be left in our country to go to Brazil, [and] it is just the same with Spain. This Bill of Standardization of Fish is of the utmost importance to our country. I have got to say that unless we get splendid fish for Italy and Spain, it is just as well for us to say that fish will be \$2 a quintal. I venture to say that Spanish fish will be as high as \$7 or \$8 a quintal this year if we get the right grade. Italian fish will be \$2 more than it was last year. The value of the fisheries this year will be \$2,000,000 more than last year; that is the condition of the market if we only have the cure.

The most important trouble to-day is the Labrador situation. Fifty schooners go to the Labrador, and they come back with a load of fish, and 2,500 quintals are dumped out; it is only partly washed, and thrown out to the people who put it on the rocks; it comes to us sometimes sunburned; sometimes heated in bulk. We have got to take the fish because there is nothing else; the fish is not what we want; the fisherman knows it. Last year they brought fish we did not want; we had to take it and send it to market; what was the result? No more fish wanted from Newfoundland.

It is no use to send fish to Greece any more like what we have been sending. Iceland fish has been selling in Greece, where they never bought it before. They have been paying more for that thing than for our Labrador. We have to put Labrador fish on the culling board; we have to give them

what suits them; if not, it is no use to send them any. We have to make our fish good, standardize it; see that it is inspected properly; coax and educate our men to make it properly, and we would sell it on the other side. Greece would take it; Italy would take [it] if only we make it good and Spain will do the same. The Hon. Leader of the Opposition was talking about Puerto Rico; last year we had so much of this fish we did not know what to do with [it]. We found out that salt fish would get into that market at a very reduced rate of duty. It is shown us that we can sell Labrador fish in the West Indies; it is not only going to be in Puerto Rico; we will find that we will sell it to Jamaica. Puerto Ricans like it because it is cheaper. All they want is that it is clean. If we don't make it clean and good, we won't be able to sell it; they won't want it. They want a certain grade of Labrador fish; we can sell 150,000 quintals. We must remember this, if we sell them 150,000 quintals of Labrador fish we won't sell the amount of shore fish we have been selling; they won't take two lots. Labrador suits them best. We must not make up our minds that we are going to ship 150,000 quintals of shore fish and the same of Labrador. They are filling up with Labrador; it suits them better and it is cheaper.

Another point is that Canada has standardization; no fish can be shipped without being inspected and branded, that is the law. Now, they have got a force of inspectors and they can put the Act into effect. They have already passed an Act this year that no fish can go out to a foreign market without being inspected and branded. This Bill will help to start, for that Bill is the machinery. There is not one regulation in it; there is not anything that compels the trade to do one single thing, only to form an association and establish a Board. When we have that machinery in force we have got to lubricate it and get it right. The machinery is provided, and when we get the Board, the association can go back to the trade and ask what they want. Then [we] can fix all the safeguards that can be put into that Bill that will give exporters control of the association. I see no reason why this ought not to be put into effect; we have been a long time without it, and we will go out of the fish business unless we get something like it. If that is put into operation, we have got all the machinery to regulate shipments, standardize fish, control qualities of salt and various things in connection with fish in that Bill, but we have not got the power to establish a local cull, but we will have to go another step forward, but not now. In a year or two we will have a local standardization by-law, and we will have to encourage the man who makes No. 1 fish by giving him a bonus. Let us start like the Leader of the Opposition says, in a small way, and the Minister of Marine and Fisheries says the same thing. There is no one to blame but the man on the street and the exporters of the country. They take the responsibility. The powers are there, but they can't make any rules and regulations without the approval of the trade. When these amendments go through I consider we have done all that is possible to help the trade. I am very glad to hear that the Minister of Marine and Fisheries has seen his way to be able to support it. I should like to see it go before the Upper House unanimously. When it is done, let us all do our part. It is a very difficult matter to be able to follow the fish business. A man writing an editorial does not know anything about the fish unless he is told by someone who has an axe to grind. There is a great deal of harm done by newspapers. They go abroad and get into the hands of buyers, and they get the information that we are all at sea. I would say to newspapers that they should be very careful and go to the secretary of the association before they make any criticism; let him give you the facts. I daresay if you do as he wishes, you will be able to educate.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act in

Relation to a Temporary Reduction in the Salaries of Certain Persons in the Public Service" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act in Relation to the Temporary Reduction of Civil Service Pensions" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Pursuant to Order and on motion of Rt. Hon. the Prime Minister the Bill entitled "An Act to Amend the St. John's Municipal Act, and Acts in Amendment thereof" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Rt. Hon. Prime Minister: The object of the Bill is that the Municipal Council should have power to borrow \$3,500,000. I am told that they owe a substantial amount to the bank, and they owe \$2,000,000 to the Government. They would pay these two obligations, and have approximately \$1,000,000 for public improvement to be controlled and expended themselves. The security for the advance by buyers, the sellers are prepared to take up city bonds in so far as the Council is in a position to pledge them. There is one provision in the Bill, and that is that there should be no discriminatory taxation and that is one (*reads*), for that would prevent the Legislature from recovering from the City the whole or any portion of police or fire department expenses. All other which may be incurred is a matter for consideration, but it only refers to discriminatory taxation which would hamper security. I would consequently move that it now be read a second time.¹⁴²

Rt. Hon. the Prime Minister gave notice that he would on to-morrow move the Suspension of the Rules of the House with respect to all business now before or to come before the House during this Session.

I would ask the concurrence of the Hon. Leader of the Opposition before I would move it: (*reads notice of motion re suspension of rules of the House*).

¹⁴² "Hon. the Prime Minister moved the second reading of the Municipal Act. This Act provides that the Council may borrow a sum not exceeding \$3,500,000 for municipal purposes by the issue and sale or hypothecation of bonds, and for this purpose by a special by-law create a first charge upon the assets and revenues of the city or the property or revenue of any public utility owned by the city which shall rank next after the present indebtedness of the city of \$2,000,000 owed to and/or purporting to be guaranteed by the Government of the Colony.

That before any special by-law for this purpose shall be passed by the Council at least two weeks' previous notice thereof in writing shall be given at a regular meeting of the Council, and such by-law must receive the affirmative votes of at least four of the six councillors.

That the city shall out of the proceeds of the said loan in excess of \$500,000 repay the said present indebtedness of the city to and/or purporting to be guaranteed by the Government of the Colony, and upon such repayment Section 276 and 277 of the Principal Act shall cease to have effect.

That the bonds to be issued under sub-section (a) of this Section may be issued for such period or periods, not exceeding 40 years, as the Council may authorize.

The Council shall establish a sinking fund for the redemption of the said bonds upon such terms as may be arranged with the purchasers or underwriters thereof. Such sinking fund shall not be retained under the control of the Council." *Evening Telegram*, April 21, 1932, p. 17.

It is in accordance with the usual practice that a Notice of this sort should be given with the Loan Bill, in the Committee Stage before the House.

Hon. Leader of the Opposition: What legislation does the honourable gentleman propose to introduce? This Petroleum ...

Rt. Hon. Prime Minister: The Election Act, and the Bill in modification of the Election Act, and the Redistribution Act. Of these I expect to give notice on to-morrow.

Rt. Hon. the Prime Minister tabled certain correspondence and interviews between Mr. Alan S. Butler and the Government.

It was moved and seconded that when the House rises it adjourn until to-morrow Thursday afternoon at three of the clock.

The House then adjourned accordingly.

Thursday, April 21, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

Rt. Hon. the Prime Minister gave notice that he would on to-morrow ask leave to introduce "An Act Further to Amend Chapter 2 of the Consolidated Statutes (Third Series) entitled 'Of the House of Assembly.'"

Rt. Hon. the Prime Minister gave notice that he would on to-morrow ask leave to introduce "An Act Further to Amend the Election Act, 1913."

Rt. Hon. Prime Minister: *(tables answers to Questions 268, 267, 294, 288, 285, 290).*

Mr. Emerson: I would like to draw the attention of the Minister of Finance to question Nos. 291, 275, 296, and 297. There are still quite a lot of questions remaining unanswered, and speaking generally there ought to be some progress made.

Hon. Leader of the Opposition: I was wondering if the Prime Minister would withdraw his motion for the suspension of rules. There is some very important business yet to come before the House and I don't think that we should consider it under suspended rules. I can assure the Prime Minister on behalf of my party that we will do everything possible to expedite the business of the House.

Rt. Hon. Prime Minister: I will defer the motion.

The Chairman from the Committee of the Whole on Supply reported certain Resolutions which were read a first time as follows:

<i>Finance Department</i>	<i>\$5,330,506.70</i>
<i>Supplemental Supply.....</i>	<i>1,493,384.47</i>
<i>Additional Estimates</i>	<i>317,232.00</i>

The said Resolutions being read a 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 Rt. Hon. the Prime Minister, the Amendments sent down by the Legislative Council in and upon the Bill sent up entitled "An Act to Amend Chapter 35 of the Consolidated Statutes (Third Series) entitled 'Of the Postal and Telegraph Services'" were read a first and second time and concurred in, and it was ordered that a message be sent to the Legislative Council acquainting that body that the said Amendments had been agreed to without amendment.

Rt. Hon. Prime Minister: I have asked that the usual notice with regard to the Public Service Bill be waived, and I now ask that it be read a first time.

On motion of Rt. Hon. the Prime Minister, leave was granted to introduce the Public Service

Act, which was read a first time as follows:

“An Act for Granting to His Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Years Ending the 30th Day of June 1932 and the 30th Day of June 1933, and for Other Purposes Relating to the Public Service,” and it was ordered that the said Bill be read a second time on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled “An Act to Grant Certain Lands at St. Mary’s Harbour, Labrador, to [the] International Grenfell Association.”

Mr. Speaker left the Chair.

Mr. Smith 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.

Whereupon, with unanimous consent, and on motion of Rt. Hon. the Prime Minister, the Bill entitled “An Act to Grant Certain Lands at St. Mary’s Harbour, Labrador, to [the] International Grenfell Association” was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to Order, and on motion of Hon. the Leader of the Opposition, the House resolved itself into a Committee of the Whole to consider the Bill entitled “An Act to Amend the Salt Codfish Act, 1931.”

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Hon. Leader of the Opposition: Mr. Chairman, I understand some objection has been raised to Section 2 on the grounds that it will create a hardship on certain fishermen [“on the West Coast”¹⁴³] who sell fish to Halifax in small lots. I do not think the Board of Trade would have any serious objection to having this Section altered.

Sir William Coaker: I think, under the circumstances, we might leave out Section 2 of the amending Bill now before the House. This will permit anyone to ship to Canada without inspection if they have not a licence; but those who have licences as exporters must have their fish inspected.

¹⁴³ *Evening Telegram*, April 22, 1932.

Mr. Quinton: Would not that leave the door open for someone, who is not a fisherman, to ship fish? For instance, if I cannot get a licence from the Exporting Board, I can ship my fish anyhow. If you are going to give consideration to the fishermen who ship fish in small lots, why not lay down the rule and say who shall ship without a licence?

Mr. Abbott: I do not see any necessity for altering Section 2 of the Bill, as passed last year. It worked alright last year so far as shipping fish to Halifax was concerned.¹⁴⁴

Mr. Quinton: I have in my mind one or two points which I would like to explain to the House. In 1925 a group of men, principally composed of the larger exporting firms, decided to get together and regulate the shipment of fish as far as they were themselves concerned to Barbados and the West Indies, which as we all know usually receive the fag end of our catch. I happened myself at the time to be closely connected with one of these firms, and our activities had such an effect on the market that we received a letter from Halifax thanking us for what we had done. I think this Bill is most important, and that this House should provide some machinery for the regulation of shipments, not only as regards the large cargoes, but also as regards other shipments that go out of here on liners and otherwise.

The other point I want to talk about is the bonus on fish. The member for Bonavista has said that he hoped to see a time when a bonus would be given to fishermen. The reason given why this is not done now is because of lack of money, so I am going to make a suggestion, which may be considered fantastic, but which I submit is a way of dealing with the situation. My suggestion is this. If we can't afford a bonus to the fishermen now of 25 cents a quintal, we could issue savings certificates of \$1, guaranteed by the Government and bearing 5 per cent interest annually. The fishermen could accumulate these, and in five or ten years' time they could be redeemed by the Government, and in the meantime we would have built up our trade. Moreover, the fisherman could offer these as collateral for his supplies in the Spring. I would like to know what the Hon. Member for Bonavista East thinks of that suggestion.

Mr. Quinton dealing with the section of regulating shipments to foreign markets, stated that it was the imperative duty of all Members of the Assembly to express themselves on this measure, not alone Members who represented fishing constituencies, but those who did not, for what was of benefit to the fisherman leavened the whole of our trade.

The Bill did not aim to impose any restrictive legislation upon the trade. It was up to the trade itself to save the industry in which many businessmen and fishermen had invested their everything. It aimed to tackle the question of Labrador codfish first, and the whole problem would be worked out in detail by those interested, and made effective by machinery set up by the trade.

The treatment of fish from the cod-trap to the salt-pound in the schooner was of utmost importance. Some schooner owners had installed pumps which attached to their stationary engines [and] poured a stream of pure water on the piles of green split fish and cleansed it of impurities, so

¹⁴⁴ "The paragraph of the Act concerned was deleted from the amended Bill." *Evening Telegram*, April 22, 1932, p. 3.

that the salt could do its work. Salt cannot cure impure fish and in curing remove impurities. There was hardly a case where the owner of an outfit for the Labrador fishery could not afford to install a pump on his vessel and this should be encouraged.

Mr. Quinton considered that the question of regulating shipments was not the hoodoo which some people were inclined to infer. He knew from actual experience the value of group effort in this respect, and results fortified the efforts. In 1925 a group of six exporters decided to amalgamate their shipments to the West India market, particularly Barbados and Trinidad. In order to prevent a shadow of reflection on any one of the exporters in relation to partiality in management, the whole matter of receiving information and distributing orders proportionately was managed by an outside secretary who handled the job very well. The result of this was to build up a valuable and dependable source of trade, which was also handled at the market end by a Newfoundlander, which remains as a record of what can be accomplished by foresight and determination with the right men in charge. The efforts of this group so attracted the attention of certain Halifax exporters that they communicated their compliments to the group upon the measure of success attained. They, too, felt the stabilizing influence of such harmonious and concentrated work.

If this could be done voluntarily by some, surely it was possible to do it on an even larger scale with the necessary machinery. A group secretary could be appointed for each of the important markets and the whole problem simplified. It had been suggested that in the fullness of time a bonus should be paid to fishermen, and he took it to mean that the reason why this was not done now was because of lack of money. It was strange that every time a rich corporation brought proposed legislation into the House there was [found] time to hand out concessions of all kinds, guarantees galore, and most of the time the country was left holding the umbrella over the scene.

Why not tackle our own local fishery problems in the same generous frame of legislative mind? Why not make some provision whereby the fisherman can obtain the right to live, and the supplier and exporter the right to do legitimate trade? Even if we cannot afford to pay a cash bonus to the fishermen who make No. 1 codfish, such a bonus can be given in another manner. He suggested that a bonus of 25 or 50 cents per quintal could be granted for No. 1 codfish, and issued in the form of a fishery savings coupon guaranteed by the Government, and bearing 5 per cent interest annually.

These coupons could be redeemable in, say, five or ten years. If we, for purposes of comparison, estimate the catch of codfish to be 1,000,000 quintals in any one year, and the proportion of No. 1 to be 30 per cent or 300,000 quintals, at the rate of 50 cents per quintal bonus, the capital value of the savings coupon issue would be \$150,000, but the actual case outlay would be the 5 per cent interest on \$150,000, or \$7,500. Surely this insignificant amount would not in such circumstances be misspent.

If ten years ago such a scheme had been set up, many fishermen to-day would have sufficient collateral to outfit themselves for the fishery and thus be independent, while the return value in increased spending power through the superiority of our codfish would have been a valuable factor in stemming the tide of depression to-day.

There was again the question of cull.

The talqual system was a curse to the industry. The Bill provided for the protection of the foreign customer which was very necessary; it also provided for the protection of the internal trade as between exporters, but there was actually no protection for the fishermen. The legislature should

see to it that such protection was available, and this must and will come. A way must and will be found to place the mainspring of our economic life in such a condition as will encourage our young fishermen in particular to find profitable employment at their own natural avocation.

He asked the Member for Bonavista East for an expression of opinion as to the talqual system of buying. There should be some protection for the fishermen in selling his fish. [*Evening Telegram*, April 22, 1932, p. 3]

Sir William Coaker: What I say [is] that local standardization is essential. We can't sell our No. 2 fish, we can sell our No. 1, and the chief of our troubles is that our fish is not washed clean. Iceland and Norway bleed their fish thoroughly and turn out a white rough product which is perfectly clean with no slime or blood marks of any kind.

The trouble with our fish is that it is not clean, but it tastes better than the Icelandic or Norwegian. And the chief reason for that is, I believe, that our fish is smothered by being caught in traps whereas most of the Norwegian and Iceland fish are bled. That makes their fish whiter, but the taste is not as good as ours. But as I said before, we must export clean fish if we want to hold on to our markets, and that can only be done by standardization. My idea is that when a bonus is given, it should be for only No. 1 fish. If a bonus of 50 cents a quintal were given for No. 1 fish, every fisherman would be endeavouring to have his fish No. 1, and as this improved brand of fish would fetch over \$2 a quintal more in the markets, we would get our money back in no time. Provision has been made for inspection of fish, and standardization after it has been received by the merchant, but there is still a gap, and that is standardization as it is received from the fisherman and this must be provided for if we are to retain our markets. It is the purpose of this Bill to try to fill that gap. We hope by doing so to add over \$1,000,000 to our revenue, and if it is not done, in five years we will have no markets left. Greece and Spain will take no more of our fish unless it is choice, because better fish is being supplied by Iceland. If the Labrador men would only realize that this year means the absolute doom or making of our markets as far as Labrador fish is concerned. If it is not good fish the market will be gone forever as far as Labrador is concerned, and it will not fetch \$1 a quintal, while if a good product is turned out, I have no hesitation in saying that \$4 a quintal can be obtained for Labrador fish.

Mr. Alderdice could not follow the argument of Sir William Coaker regarding smothered and bled fish. In his opinion, the reason our fish tastes better is because we have better feeding grounds and better facilities for nourishing our fish. The elimination of the talqual system of buying, as referred to by Mr. Quinton, was coming, and would follow in the natural course if the Bill is put into operation. He agreed that if we produce the proper quality of fish we will get the preference over Norway and Iceland and get a better price. In this connection he quoted a letter he had received emphasizing that fact. Figures were also quoted from the Danish Consul. He believed it was possible to make a market for 500,000 quintals [of] Labrador fish every year, and the party he was leader of is only waiting to get the chance to prove it. He believed they were going to get that chance, too.

Hon. Minister of Lands and Fisheries hoped that the incoming government will be able to cope with the situation, and that they will look after the Fishery Research Bureau at Bay Bulls which is doing such good work. [*Daily News*, April 22, 1932]

Sir William Coaker stated that the incoming government would do good work if the present method and system was done away with. [*Evening Telegram*, April 22, 1932]

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 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.

Whereupon, with unanimous consent, and on motion of Mr. Alderdice, the Bill entitled "An Act to Amend the Salt Codfish Act 1931" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Mr. Speaker informed the House that he had received a message from the Legislative Council acquainting the House of Assembly that it had passed the Bill sent up entitled "An Act to Amend the Act 18 George V., Chapter 3 (1927) entitled 'An Act for the Confirmation of an Agreement between the Government and Holyrood Pond Fisheries Limited'" without amendment.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend the St. John's Municipal Act, and Acts in Amendment thereof."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Hon. Leader of the Opposition: I understood that the Municipal Council are desirous that these bonds should have the status of trust funds.

Mr. Emerson: I understood that it is proposed to introduce an Act to amend the Trustees Act, and that the Municipal Council's Solicitor has a draft to have that in it.

Hon. Leader of the Opposition: That would help in underwriting.

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 on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act in Relation to the Temporary Reduction in the Salaries of Certain Persons in the Public Service."

Mr. Speaker left the Chair.

Mr. Smith 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.

Whereupon, with unanimous consent, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act in Relation to the Temporary Reduction in the Salaries of Certain Persons in the Public Service" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act in Relation to the Temporary Reduction of Civil Service Pensions."

Mr. Speaker left the Chair.

Mr. Smith 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 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.

Whereupon with unanimous consent, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act in Relation to the Temporary Reduction of Civil Service Pensions" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to Order, and on motion of Hon. the Minister of Posts, the Bill entitled "An Act

Authorizing the Governor-in-Council to Enter into a Contract with the Anglo-American Telegraph Company Limited and Western Union Telegraph Company” was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Hon. Minister of Posts and Telegraphs: Mr. Chairman, in moving the second reading of this Bill, I understand that the Bill has been distributed. The schedule to the Bill is self-explanatory, and the Agreement is fairly clear. As we go through the Schedule and the Agreement and there are any points which are not quite clear, I shall be glad to explain them more fully to the House (*reads memo*).

The Companies shall as from the date of this agreement respectively withdraw entirely from the handling for the public of any telegraph business except as hereinafter expressly provided.

The Companies hereby respectively assign and surrender unto the Government all their respective right title and interest in and to those telegraph lines now existing and belonging to the Companies and situated as follows:

(a) Along the South Coast of Newfoundland between Cape Ray and Placentia Junction via Rantem including the branch line Pushtrough to Bay du Nord.

(b) Along the South East coast of Newfoundland from Waterford Bridge near St. John's to Trepassey including the branch lines; Stags Head to Cape Race and Fermeuse to Admiral's Cove.

The Government hereby accepts and takes over the said right, title and interest and hereby releases the Companies and all other successors or assigns of the New York, Newfoundland and London Telegraph Company from all obligation to construct, complete and keep in order and operate a main or trunk line of magnetic, electric or other telegraphs from St. John's to or towards Cape Ray and from St. John's to or towards Trepassey.

The Companies shall respectively have the perpetual right to construct, reconstruct, alter, maintain, relocate, use and operate to the extent hereinafter mentioned, overhead and underground telegraph lines within the Avalon Peninsula and the Isthmus thereto but not elsewhere, other than those surrendered hereunder, for connecting their submarine cable landing stations in Newfoundland with each other and with their St. John's offices and with such other offices as they may from time to time have in the Avalon Peninsula and the Isthmus thereto. [*Evening Telegram*, April 22, 1932, p. 3]

Since, then, their lines and the Government [lines] parallel the Anglo lines from St. John's to Trepassey, and also from St. John's to Port-aux-Basques, it was mutually decided by the three companies that it would be better for all concerned if one or the other would go out of business. It was not feasible for the Postal to go out of business because they serve the whole community, while the Anglo serves comparatively only a small part of the country. The Government has in some cases two lines parallelling each other. We have the Railway and Postal lines from St. John's to Port-aux-Basques and [on] some of the branch lines. We have tried wherever possible to cut out duplication to save expense, and in the last twelve months we have changed over the Postal offices to the Railway wherever possible. The Railway aren't doing duty for both organizations.

By this agreement we released the Anglo from maintaining a line from St. John's to Trepassey, and from St. John's to Port-aux-Basques, and if there are any parts of it which are found

in good condition they will be passed over to us for our use. The Anglo will go out of local business entirely, and provision is made whereby messages originating at any of the cable offices, like for instance Heart's Content, may be sent over their lines or they may be sent over our lines, but no matter what line they are sent over we will get the same percentage of tolls just as if they came in over our line. By agreement with the Commercial Cable Company, we also get a proportion of tolls, and the Anglo also agreed to give us a proportion of tolls coming over our lines. This agreement now cuts out competition. They simply go out of business.

This whole matter has been under consideration for a long time, since 1925 or 1926. A Commission was appointed at that time consisting of A. B. Morine, the late Mr. Sullivan and Mr. Cramm, and they reported that they offered no compensations for taking over their lines at that time, but last year they took up the matter with Mr. Veitch and Mr. Crocker. Mr. Veitch is an expert in these matters; he has spent his lifetime in this work and knows more about it than any other man in the country. Mr. Crocker is also an expert; he looks after the radio branch of the Department. They, in conjunction with Mr. Small, spent a lot of time on this matter, and they finally got down to an agreement which they thought would be ratified by the Legislature. The first suggestion that the Anglo made was that we should take over their lines and act as their agents for a period of five years, but by reason of our agreement with the Commercial Cable Company it was doubtful if we could do this. They offered to pay \$5,000 a year for five years. Mr. Veitch made an estimate of what it would cost to put their lines in first class condition on the West Coast, there were some 30 or 40 miles of line that was in good condition, and it was thought that the Department could use that ...

Hon. Leader of the Opposition: The net result of this is that we take over. We are given the lines that have been owned heretofore by these two companies, that is the land lines; they are giving them to us free of charge. This means that we have to maintain the service.

Hon. Minister of Posts and Telegraphs: Yes.

Hon. Leader of the Opposition: Do we increase our income, or have we a greater liability every year? We get \$30,000 from the Western Union. Does the service cost us more or less? What is the net result?

Hon. Minister of Posts and Telegraphs: The net result will be a considerable gain to us.

Hon. Leader of the Opposition: Why were these companies willing to give up a paying business?

Hon. Minister of Posts and Telegraphs: It would not be paying to them while we have our lines and we must maintain them, but if they were to perform the terms of their agreement, it would cost them a large amount of money.

Mr. Emerson: Did the Company approach us first, or did the Government approach the Company first?

Hon. Minister of Posts and Telegraphs: I am not so sure; it has been talked about for a long time. I think the Company must have approached us first.

Mr. Emerson: I feel sure that the Minister will appreciate the fact that while the principle of the Bill is one that we are bound to accept, there must be some questions about the provisions themselves when we get to Committee. The agreement is a very involved one, and while his explanation in a general way has been very clear, it will be necessary for us possibly to ask even more searching questions than at the present time. I say that because I would like the Minister to appreciate that we wish to facilitate. On the other hand, an involved agreement like this must be examined very carefully before we approve of it. As it is in the position that it is now, where it is not signed, we are in a better position than if it were signed and could not be amended. This is an authorization [to] the Government to enter into that contract, and it may be certain suggestions will be made in Committee which it will be in a position to accept, so that this agreement will be possibly better than may appear at the present time.

There is one other remark. By doing this we are eliminating competition between the Anglo and the Government, and we are increasing the business of the Postal Telegraphs very substantially without very materially increasing our own obligations, either in connection with these companies, or in keeping up of lines or telegraph offices. This, I think, is a step very much in the right direction. It is an effort being made to put the Postal Telegraphs upon a footing, or where they will not lose as much as they have lost in the past. Possibly in the near future it may be a paying proposition.

I feel sure it must have been unctio[n] to the soul of the Minister to notice the attention that was paid to his explanation of the Bill and its result by the members of the party while he was speaking. There were four of them in the House; some drifted in; most of them were at the *Telegram* and the others kept up a continuous conversation.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act for the Granting of Certain Retiring Allowances" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

Whereupon on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act for the Granting of Certain Retiring Allowances."

Mr. Speaker left the Chair.

Mr. Godden took the Chair of Committee.

Mr. Emerson: There is a point to which I would like to refer, and that is to the pension to Mr. Hall. It will be remembered that yesterday Mr. Scammell rose in his place and recorded that he objected to this pension being voted. After he had finished his address to the Committee, I expressed my opinion by stating that in my opinion Mr. Hall should not be pensioned.

Mr. Emerson desired to call to mind what had happened in the House on the previous day with regard to pensions. In reference to Mr. Hall's pension, after [which] there was some discussion, led by Mr. Scammell, the Prime Minister stated that he would take this pension from the list for the moment, and at the time he (Mr. Emerson) had asked the Prime Minister to make it clear to the

House that this was not done because of the controversy in the House. He had done this because he believed at the time that the very first thing that would be said by the Prime Minister outside, was that the pension was dropped by the House because the Opposition wanted it. That is exactly what happened. During the morning, in conversation with Mr. Penson, who had called upon him in connection with other public matters, pensions were referred to and in this conversation Mr. Penson had told him (Mr. Emerson) that the Prime Minister had indicated to him that the reason the pension for Mr. Hall was dropped was because the Opposition insisted on it.

Rt. Hon. Prime Minister: That is not correct.

Mr. Emerson: That is not all that is not correct in what you said, and I will tell you about two other instances, now that I have started. In connection with the amount voted for Sir Percy Thompson, originally that amount had been put in the estimates at \$17,500. Subsequently the Leader of the Opposition had moved that it be reduced to \$10,000 and then the Prime Minister had stated in the House that \$5,000 was sufficient to pay Sir Percy's expenses whilst he was here. At the Prime Minister's suggestion and at no one else's, the amount was altered to \$5,000. In this connection the Prime Minister had also told Mr. Penson that the reason the amount was reduced was because of the agitation of the Opposition. The same thing applied to an amount in the estimates for payment to the Bank of Montreal in connection with insurance companies securities, which was placed at \$3,000. This was reduced at his (Mr. Emerson's) suggestion. He (Mr. Emerson) had thought it sufficient. Yesterday, when in Committee on Supply, the Prime Minister had explained why it originally had been put at \$5,000, and then without any explanation, had decided that it should remain at \$3,000. The Prime Minister had, since yesterday's session, told Mr. Penson that these votes had not been put back to their original amount because of the attitude of the Opposition, which as everyone of the Committee knew was not correct. I, said Mr. Emerson, mention these things to indicate that I do not propose to allow the Prime Minister to deliberately falsify what has been said in this House and get away with it.

Rt. Hon. Prime Minister: I will get a copy of that statement from the official reporter and bring it to the attention of the Executive Government.

Mr. Emerson: In that respect you may do as you please, but will you deny the charges that I have made?

Rt. Hon. Prime Minister: I deny that I made any such statements to Mr. Penson. [*Daily News*, April 22, 1932]

Mr. Emerson: I might tell the Hon. the Prime Minister when discussing the matter with Mr. Penson this morning, I made it known to him that I would bring it to the attention of the House this afternoon, and it is with Mr. Penson's permission that I mentioned his name in the matter. [*Evening Telegram*, April 22, 1932]

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 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.

Whereupon, with unanimous consent, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act for the Granting of Certain Retiring Allowances" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act for the Further Amendment of Chapter 28 of the Consolidated Statutes (Third Series) entitled 'Of Stamp Duties'" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

Whereupon, on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act for the Further Amendment of Chapter 28 of the Consolidated Statutes (Third Series) entitled 'Of Stamp Duties.'" "

Mr. Speaker left the Chair.

Mr. Smith 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.

Whereupon, with unanimous consent, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act for the Further Amendment of Chapter 28 of the Consolidated Statutes (Third Series) entitled 'Of Stamp Duties'" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Provide for the Addition of a Temporary Surtax for Customs and Excise Duties and Import Taxes" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act for the Further Amendment of the Revenue Act 1925" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

With unanimous consent, Rt. Hon. the Prime Minister introduced the Bill entitled "An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) entitled 'Of Trustees,'" "

which was read a first time and ordered to be read a second time presently.

Rt. Hon. Prime Minister asked leave to introduce a Bill entitled "Of Trustees." This is in connection with the Municipal Bill, and provides that Section 1 of Chapter 125 of the Consolidated Statutes (Third Series), as amended by the Act 16 (1926), is hereby further amended by adding at the end thereof: "In any sinking fund bonds or debentures issued or to be issued by the city of St. John's, including those issued or to be issued under the authorization of His Excellency the Governor-in-Council dated the 8th day of July, 1931." [*Daily News*, April 22, 1932]

Whereupon, on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) entitled 'Of Trustees,'" 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, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) entitled 'Of Trustees.'"

Mr. Speaker left the Chair.

Mr. Smith 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.

Whereupon, with unanimous consent, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) entitled 'Of Trustees,'" was read a third time, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Mr. Emerson asked if it was the intention of the House to sit on Saturday and did not think that there should be any session on that day. The Prime Minister in reply said there was no anxiety to sit on Saturday, but an effort was being made to conclude the business and dissolve the House as soon as possible, and for that reason it was intended to sit on Saturday.

Mr. Puddester asked if the proposed Redistribution Bill would be referred to a select committee of the Whole House, or was it the intention of the Government to come in with a cut and dried Bill? In reply the Prime Minister stated that it was the hope to have the Bill as final as possible when it was brought in. Mr. Puddester stated that members of the Opposition had no opportunity of knowing what was in the Bill except by rumours on the street, and they desired to come before the

committee and get a respectful hearing. This the Prime Minister promised would happen. [*Daily News*, April 22, 1932]

It was moved and seconded that when the House rises it adjourn until to-morrow, Friday afternoon at three of the clock.

The House then adjourned accordingly.

Friday, April 22, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Godden: I would like to announce to the House that the Select Committee appointed to deal with the Petition of the Citizens' Committee met this morning and made some progress, and hope to present a formal report early next week.

The Minister of Lands and Fisheries tabled the Reports of the Departments of Agriculture and Fisheries.

Pursuant to notice and leave granted, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act Further to Amend Chapter 2 of the Consolidated Statutes (Third Series) entitled 'Of the House of Assembly'" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Pursuant to notice and leave granted, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act Further to Amend The Election Act, 1913'" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Amend the St. John's Municipal Council Act, and Acts in Amendment thereof" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

On motion of Hon. the Minister of Posts, the Bill respecting the Contract with the Anglo-American Telegraph Company and Western Union Telegraph Company was referred to a Select Committee. Mr. Speaker appointed the Select Committee as follows: Hon. the Minister of Posts, Hon. the Acting Minister of Finance, and Mr. Emerson, with authority to sit during session.¹⁴⁵

Pursuant to order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Provide for the Addition of a Temporary Surtax for Customs and Excise Duties and Import Taxes."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Mr. Quinton: Mr. Speaker, with your permission I would like to ask a verbal question of the Minister of Lands and Fisheries, and it is in regard to the possibilities of birch wood as a paying

¹⁴⁵ "The Telegraph agreement was referred to a select committee to adjust certain details before it is considered by a Committee of the Whole House." *Evening Telegram*, April 23, 1932, p. 5.

industry. It seems that Section 134 of the Crown Lands Act is a stumbling block in the way of people who are anxious to forward this industry. I would like to find out if this Section cannot be suitably amended whereby this birch, which is a very prolific article here in Newfoundland, cannot be made to yield some returns. I think that it is very unfair to mill owners and others, especially in these distressing times, that they cannot share in a profitable enterprise.

Mr. Quinton asked if the Crown Lands Act prohibiting the exportation of birch wood could be amended. He noted correspondence addressed to the Board of Trade which contained an order for 600,000 box shooks valued at approximately \$90,000 to the shippers, but because of the restrictions could not be acted upon.

He urged the Government to give favourable consideration as he thought the possibilities of this industry were exceptionally inviting to mill-owners [*omission*] employment could be given our people who would be engaged in a profitable business.

Mr. Lake was unable to supply any information. He understood, however, that an Order-in-Council was required to permit birch wood to be exported. [*Evening Telegram*, April 23, 1932]

Hon. Minister of Lands and Fisheries: We have received one application in this connection and it has been granted. I do not think that the Government would have any objections to granting a permit to anyone desirous of undertaking this industry.

Mr. Emerson: I have had one or two clients [*illegible*] this matter with a view to starting something going, and it is found that there was a stumbling block in the Crown Lands Act in connection with this birch enterprise, and especially plywood, and owing to the fact that it was necessary to apply to the Legislature nothing was done. I think that if the Act were amended so that those contemplating starting this industry would be allowed to export it, it would be well worth consideration.

There is one question I would like to ask the Minister of Finance and Customs. I understand that those connected with the Army and Navy Sweepstakes have all left the country or are going to leave to-morrow. I am interested to know whether they have accounted to him for the proceeds of the sweeps where the Government is entitled to payment, and if not, if he is intended to take steps to insure that they will make full payment before they leave the country.

Hon. Minister of Finance and Customs:¹⁴⁶ They have accounted.

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.

¹⁴⁶ The Prime Minister was still acting Minister of Finance at this time.

Whereupon with unanimous consent, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act to Provide for the Addition of a Temporary Surtax for Customs and Excise Duties and Import Taxes" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act for the Further Amendment of the Revenue Act, 1925."

Mr. Speaker left the Chair.

Mr. Smith 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.

Whereupon with unanimous consent, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act for the Further Amendment of the Revenue Act, 1925" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

The Prime Minister's motion to suspend the rules of the House [was] deferred....

The Re-distribution and St. George's Development Bills were held over until the next sitting. In the meantime copies of the former Bill will be distributed to the members of the House to-day and the latter Bill is delayed because of the illness of Mr. Dunfield. [*Evening Telegram*, April 23, 1932]

The remaining Orders of the Day were deferred.

It was moved and seconded that when the House rises it adjourn until Tuesday afternoon next, the 26th instant, at 3 of the clock.

*The House then adjourned accordingly.*¹⁴⁷

¹⁴⁷ The session lasted "less than a half hour." *Evening Telegram*, April 23, 1932.

Tuesday, April 26, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

With unanimous consent, Hon. Sir William Coaker introduced the Bill entitled "An Act Respecting Certain Legislative Disabilities," which was read a first time, and it was ordered that the said Bill be read a second time on to-morrow.¹⁴⁸

Rt. Hon. Prime Minister: I have received a communication from the Secretary of the St. John's Municipal Council, and have had subsequent conversations with Mr. Conroy, the Solicitor. It is the earnest desire of the Council that it should not be necessary to have an election for the office of Mayor in the month of January next, seeing that they feel that by having no election they will save \$6,000 or \$8,000. At the request of the Council, I beg to present to the House a Bill drafted by Mr. Conroy, the object of it being that it should not be necessary for an election for the Office of Mayor to be held in the month of January next. I give notice now that I will introduce this Bill presently so that it will pass through the various stages and go on record. I received a formal communication from the Secretary on behalf of the Municipal Council, and that was concurred in personally by the Solicitor for the Council, Mr. Conroy.¹⁴⁹

Hon. Leader of the Opposition: I was asking the Prime Minister, was this resolution passed unanimously by the Council?

Rt. Hon. Prime Minister: I can't give that information. I merely received an official communication from the Secretary and I communicated immediately with the Solicitor.

Hon. Leader of the Opposition: I was just wondering whether there are any objections. Would it be advisable to put it right through?

With unanimous consent, Rt. Hon. the Prime Minister introduced a Bill entitled "An Act Respecting a Vacancy in the Office of the Mayor of St. John's," which was read a first time, and it was ordered that the said Bill be read a second time presently.

¹⁴⁸ "This act indemnifies members of the House of Assembly who may have been liable under the present Act, because of a literal and strict interpretation of the same." *Daily News*, April 27, 1932, p. 5.

"The Bill ... will annul all the writs issued against members of the House of Assembly taken in the Supreme Court within the past month or so in as much as that authority for the various payments up to the present time will be legislated." *Evening Telegram*, April 27, 1932.

¹⁴⁹ "He stated that he was approached by the Secretary of the Council and also by the Solicitor on this matter. Under the present act the vacant office of mayor must be filled before September 1932, but as the term of the present council expires at the end of 1933 and because of the present state of the city's finances, it is felt desirable to avoid the expense of holding an election. For that reason the act provides that it shall not be necessary to fill the vacancy of mayor until the civic election to be held in the year 1933." *Daily News*, April 27, 1932.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act Respecting a Vacancy in the Office of the Mayor of St. John's" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Mr. Alderdice gave notice of question.

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole on Supply.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Hon. Minister of Lands and Fisheries asked for an additional vote of \$13,000 for the encouragement of agriculture, under Supplementary Supply. He explained that this money was to be spent for the purchase and distribution of seed potatoes to people who need them throughout the country, the idea being to give every man a barrel with the hope that every family will be able to grow enough to help keep them in vegetables next Winter. The information re necessity would be gained through the keymen. [*Daily News*, April 27, 1932]

Hon. Leader of the Opposition: That seems a very small sum to cover requirements.

Rt. Hon. Prime Minister: The Minister felt that it would be possible to do what he had planned on that basis.

Hon. Minister of Lands and Fisheries: In reply, I think we asked for a vote of \$10,000. We have about \$4,000 down there now to the credit of last year's account, and \$13,000 plus \$4,000 will be \$17,000, which will be about as much as we will need to take care of the situation this Spring.

Hon. Leader of the Opposition: What you are going to plan this Spring is for next Winter. I would like to see provision made for next Winter.

Hon. Minister of Lands and Fisheries: Thirteen thousand dollars plus \$4,000 will be \$17,000, and \$10,000 will be \$27,000. I may say that we have gone into the matter as thoroughly as possible, and I find that we can get guaranteed seed potatoes from Canada for the low price of \$1.50 a barrel. I have already ordered a supply of seeds for 7,500 families, such as cabbage, turnips, etc., and it cost, landed at St. John's, about \$1,500. I might say that these seeds are bought directly from the people who supply large quantities; they were ordered from Ottawa, and the seed potatoes from Prince Edward Island. In certain parts of the country such as Green Bay, and some parts of Conception Bay, particularly Bay de Verde, there are considerable potatoes on hand, and we are purchasing these subject to inspection by Mr. Butler or Mr. Bayly, as I think \$2,700 will take care of, or at least we hope to be able to take care of every destitute family in the country, giving them, I would say, one barrel each and seeds enough of the quantity I mentioned, to carry them through next Winter.

Hon. Leader of the Opposition: I would not limit them to one barrel; why not give them according

to their families? I am looking upon this as a provision against next Winter.

Hon. Minister of Lands and Fisheries: That is the chief object we have in view. We are working through the key men and they through the Relieving Officers. When I say a barrel or two of potatoes, it may be found after investigation that we have to supply more; the object is to give each family produce enough to carry them through next Winter. The Leader of the Opposition knows that I had to work mighty hard to get this \$17,000. I am hoping to be able to cope with the situation very well.

Hon. Leader of the Opposition: I would not stint it at all. I am receiving numerous letters. I am just wondering where these people should apply, to the Relieving Officer or to the ...

Hon. Minister of Lands and Fisheries: To the Relieving Officer.

Mr. Fudge: I would like to ask what arrangements are made for the Southwest coast, particularly the Hon. Member's District, Fortune District and Hermitage. Are those potatoes being imported in bulk, or are they delivered from a certain centre?

Hon. Minister of Lands and Fisheries: The potatoes for the Southwest coast to as far east as Argentinia are being ordered from Prince Edward Island, to be delivered by schooners.

Mr. Tobin asked how the people were going to get seeds where there are no relieving officers or no key men, as in the District of St. John's East Extern, and the Minister replied that provision would be made for sections like that. He was hoping that in sections near St. John's the local committee recently formed would take care of the situation. In reply to a question asked by **Mr. Fudge** the Minister stated that on the Southwest Coast, as far east as Argentinia potatoes would be distributed by schooner, it being hoped to get in as many coves as possible.

Mr. Moore asked if only people who were getting dole all Winter were to get seed potatoes. There are many people who need seeds who did not get the dole because in efforts to prevent the necessity of getting relief they ate all the potatoes they had. It had been reported to him that the keymen were giving seeds to those only who received dole. **Dr. Mosdell** referred to the same subject, as he had a telegram before him in exactly those terms. **The Minister**, in reply, stated that this was a misunderstanding, and he would send out instructions that all who need seeds will get them. There has been no distribution yet, and none will be made for some week or ten days. **Mr. Moore**, continuing, stated that in districts where there are potatoes, they should be purchased there and not have these remaining in these districts and new seeds brought in. **Mr. Emerson** asked if provision was to be made to have some returns for the seeds distributed and the Minister stated that it was hoped to get the potatoes returned next Fall.

Mr. Alderdice stated that last Spring he had given some seeds with the stipulation that for every barrel of seed given he should get a barrel of potatoes last Fall. He got these potatoes and this gave him several barrels to distribute last year. The same might be done in this instance. Replying to another question asked by Mr. Emerson, the Minister stated that it was hoped to get the key men to see that all the seeds distributed are set. [*Daily News*, April 27, 1932]

Minister of Lands and Fisheries was going to give the matter all the publicity possible and would send out information by the daily press dispatches.

Mr. Alderdice: I don't think anyone is reading the press dispatch. [*Evening Telegram*, April 27, 1932, p. 3]

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them referred, had passed certain Resolutions, and asked leave to sit again.

On motion this report was received and adopted, and it was ordered that the Committee have leave to sit again.

On motion of Rt. Hon. the Prime Minister, the Resolutions respecting the Petroleum Products and Dominion Loan were combined under the form "In Relation to the Raising of a Loan on the Credit of the Dominion for Certain Public Purposes, and in Relation to the Raising of Money for the Service of the said Loan, and in Relation to the Issue of Savings Certificates."¹⁵⁰

Mr. Speaker informed the House that he had received a message from the Legislative Council acquainting the House of Assembly that it had passed the Bills sent up entitled, respectively, "An Act in Relation to the Temporary Reduction of Civil Service Pensions"; "An Act in Relation to a Temporary Reduction in the Salaries of Certain Persons in the Public Service"; "An Act Respecting Certain Retirement Allowances"; "An Act in Relation to the Amendment of Chapter 28 of the Consolidated Statutes (Third Series) entitled 'Of Stamp Duties'"; "An Act Further to Amend Chapter 125 of the Consolidated Statutes (Third Series) entitled 'Of Trustees'"; "An Act Further to Amend the St. John's Municipal Act, 1921"; "An Act to Provide for the Addition of a Temporary Surtax to Custom and Excise Duties and Import Taxes"; and "An Act for the Further Amendment of the Revenue Act, 1925," without amendment.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act Further to Amend Chapter 2 of the Consolidated Statutes (Third Series) entitled 'Of the House of Assembly'" was read a second time, and it was ordered that the said Bill be referred to a Select Committee of the House.

Mr. Speaker appointed the said Select Committee as follows: Hon. the Solicitor General, Sir William Coaker, Mr. Lake, Mr. Murphy, Dr. Mosdell, Mr. Emerson, Mr. Puddester.¹⁵¹

¹⁵⁰ "Hon. the Prime Minister moved that the Petroleum Products resolutions and the Loan resolutions be combined, and he moved the House into committee on the combined resolutions. These were then distributed, but he explained that as yet it was merely a draft of the resolutions and that they were not yet in final form, as one or two matters are still in debate. He hoped to have them in final form to-day." *Daily News*, April 27, 1932, p. 5.

¹⁵¹ "The committee has power to sit whilst the House is in session." *Daily News*, April 27, 1932, p. 5.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act Further to Amend 'the Election Act, 1913'" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

Rt. Hon. the Prime Minister gave notice that he would on to-morrow ask leave to introduce a Bill relating to the Seats in this House of future Directors of the International Power and Paper Company.

Mr. Emerson called attention to several questions that are yet unanswered, and His Honour the Speaker instructed the Clerk of the House to have these unanswered questions collected and placed on the Order Paper ... [*Daily News*, April 27, 1932]

It was moved and seconded that when the House rises it adjourn until to-morrow, Wednesday, the 27th instant, at three of the clock.

The House then adjourned accordingly.

Wednesday, April 27, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Brown gave notice that he would on to-morrow ask leave to introduce a Bill entitled "An Act Further to Amend Chapter 103 of the Consolidated Statutes (Third Series) entitled 'of Lotteries.'"

Pursuant to notice, and on motion of Rt. Hon. the Prime Minister, the Bill "An Act Relating to the Seats in this House of Future Directors of the International Power and Paper Company" was introduced and read a first time, and it was ordered that the said Bill be read a second time on to-morrow.¹⁵²

Mr. Tobin gave notice of question.

The Chairman from the Committee of the Whole on Supply reported certain Resolutions, which were read a first time as follows:

Department of Lands and Fisheries.....\$13,000

The said Resolutions being read a second time, it was moved and seconded that the House concur with the Committee therein, and the said Resolutions were agreed to.

On the Committee of the Whole the Petroleum Products and Loan Resolutions, the Prime Minister moved that the Bill be referred to a select committee. As yet the Bill was not in final draft, but he felt that a Select Committee that could meet Sir Percy Thompson and have all the correspondence and telegrams before it could better understand the Bill than if it came up before [a] Committee of the Whole House. [*Daily News*, April 28, 1932]

Rt. Hon. Prime Minister: The suggested possible amendments to which I referred yesterday are supposed to be available now to the printers. I was going to suggest in connection with this, for the expedition of business, that before it goes to a Committee of the Whole House, it be referred to a Select Committee of the House, of which I would ask the Hon. Leader of the Opposition to be a member, for the purpose of going into the matter, discussing it and having an opportunity of seeing correspondence and telegraph messages in connection with the matter.

If that procedure were adopted, it would expedite business very materially. I, consequently, move that a Select Committee of five be appointed to deal with the matter.

Hon. Leader of the Opposition: I would suggest that after adjournment this afternoon, Members might remain and we could have an informal discussion of the measure by the whole House and we could have an exchange of ideas and the benefit of the views of all Members.

¹⁵² "This Bill is to permit directors of this company to still hold seats in the House." *Daily News*, April 28, 1932.

Rt. Hon. Prime Minister: Not on the document tabled yesterday, as it is only in proof form as yet. In the event of an early adjournment this afternoon, the Select Committee could meet Sir Percy Thompson and have all the correspondence and telegrams before them, so that a better understanding of the Bill could be had than if it came up before a Committee of the Whole House for discussion.

Mr. Emerson: Mr. Speaker, there are a few features of the matter which I look upon as more or less vital and to which I shall make brief reference. In the first place, I agree entirely that a matter of this kind should be referred to a Select Committee for the purpose of working out the details of the various amendments. But the matter I look upon as of very grave importance, though we have no introduction to them at all, is that there has been no explanation of the necessity for the proposals, the nature of the negotiations, nor how the scheme outlined in the Resolutions is going to be carried out. If the House will remember what occurred some weeks ago when certain Resolutions were to be considered by it, the Prime Minister merely resolved the House into Committee and tabled two sets of Resolutions, one in connection with a loan and one in connection with the oil business which the Government proposed to embark upon. Now there has been a substantial change in the programme, and we are faced with a combined Bill, one for the loan of \$2,500,000, which is divided into two parts, and the most important of which is that the Imperial Oil Company is going to lend us \$1,750,000; the second part is that this Company is going to get a monopoly of the oil business, for a period of years. Now in regard to the loan, there is no provision, and no explanation has been given as to how the balance of the loan is going to be raised. With respect to the oil monopoly, any person in this House reading the provisions will agree that the sections dealing with the monopoly were drafted hurriedly, and without consideration to details which are of the most grave importance so far as the country is concerned, as to the price of those products and as to the protection of those who are going to use them. It seems to me that this matter was originated hurriedly, and it was the product of some mind that somebody thought it would be a good idea for the Government to commandeer the oil supply of the country, and that negotiations had to go on for a few weeks without there being anybody here to represent the Oil Company, which is the other party to the contract, and who was in a position to say to the Government exactly what the Oil Company was prepared to do. The result is that we have laid before us to-day a document which, we were told, Parliament was going to give serious consideration to, and which certainly needs very material amendment.

The matter is being passed over comparatively lightly because of an outstanding circumstance, and that is, we are informed by the Government upon the advice of those who are assisting them in their troubles, that unless this Bill goes through there is going to be a default at the end of June, so that we are being rushed into a bargain of this kind because the House is on the verge of closing and nobody wants to default. But I want to say in the most solemn manner that unless these Resolutions in their final form are given the most serious consideration, and if the terms of each section are not examined by Committee closely and carefully, this Bill will work very, very considerable hardship upon the people throughout the length and breadth of this country, and I think that our anxiety to close the House, and our greater anxiety to avoid a default, should not compel us, as it is compelling us now, to treat this matter in a casual way.

It is probably one of the most important measures this Parliament has ever considered, and

we are being rushed by circumstances into what may turn out to be a really tragic bargain for the country. I want to assure the House that [what] I say is not intended in any way or with any desire to delay the proceedings of the House, or to hamper them in the slightest degree, but I really think that before we rush into a document of this nature we should move very carefully. At the present time I feel satisfied that the document before us [is not] in anything like a final shape, and if we rush into it we are going to make a very sad blunder. The Select Committee should have been appointed weeks ago to deal with this matter, but, unfortunately, negotiations had not progressed far enough. I hope, however, that the Select Committee now to be appointed will examine the provisions of the agreement very, very carefully, and see that the country is protected in the way it should be protected when dealing with a monopoly.

On motion of Rt. Hon. the Prime Minister, the Petroleum Products and Loan Resolutions were referred to a Select Committee of the House. Mr. Speaker appointed the said Select Committee as follows: Hon. Sir William Coaker, Hon. Mr. Bindon, Mr. Godden, Mr. Alderdice, Mr. Emerson.

Mr. Speaker informed the House that he had received a message from the Legislative Council acquainting the House of Assembly that it had passed the Bill sent up entitled "An Act to Amend the Salt Codfish Act, 1931" without amendment.

Mr. Speaker informed the House that he had received a message from the Legislative Council acquainting the House of Assembly that it had passed the Bill sent up entitled "An Act to Grant Certain Lands at St. Mary's Harbour, Labrador, to [the] International Grenfell Association" with an amendment in which it requested the concurrence of the House of Assembly.

The amendment is as follows: Insert the words "for the purposes aforesaid" between the word "assigns" and the word "All" in the second line of the first Section.

On motion of Rt. Hon. the Prime Minister the said amendment was read a first time, and with unanimous consent a second time, and passed, and it was ordered that a Message be sent to the Legislative Council acquainting that body that the said Amendment had passed without amendment.

Pursuant to order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Make Provision for the Holding of a General Election in the Year 1932."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Rt. Hon. Prime Minister: Mr. Chairman, this Bill is introduced for the purpose of making provision for the holding of a General Election around the first of June, 1932. To make possible an election at as early a date as possible entails a great deal of work, voters' lists have to be changed, etc. It is the intention of the Government and myself as Prime Minister to advise His Excellency to issue his Proclamation immediately after the prorogation of the Assembly, with a view to holding a General Election at as early a date as possible. The list of electors taken four years ago will be the list for the

coming election, with the addition of new voters for whom provision will be made. In addition to this, it will be found that in various sections of the country such as Buchans, Grand Falls perhaps, Corner Brook and such like, there will be quite a material change in the lists owing to the fluctuation of the population in these industrial centres (*reads through Section*).

Section 3 is the formal certificate. Section 5 sets forth that the outport booths shall be open until 8 o'clock so as to give the people more time, and the St. John's booths will be open until 10 o'clock. Section 6 does away with the expense of opening booths here in the city for outport voters, that, however, is a minor situation. Section 7 sets forth the general provision (*reads*).

This is a matter which in spite of the heavy financial matters now before the House will be done. It is hoped to hold the election in the early part of June, and still give members a chance to canvass their Districts. It cannot take place later than the second week in June, owing to the difficulty in getting many of the people, particularly on the East Coast, to the booths.

In reply to a question by Mr. Emerson, **Hon. the Prime Minister** stated that owing to the big cost no provision would be made for having outport men in St. John's vote, as in previous elections. The cost of this was from \$4,000 to \$5,000. [*Daily News*, April 28, 1932]

The Bill provides that the Secretary of State shall forthwith cause to be compiled voters' lists for the new electoral districts from the said revised lists taken in 1928, and for such purpose, he shall cause such parts of the lists to be transferred from one electoral district to another as may be necessary in view of the alteration of the numbers and boundaries of districts, but so that all the names of the voters in every town or settlement appearing in the said lists of 1928 shall appear in such lists as may be proper under the new distribution of districts; and after the said new lists have been so compiled no revision by magistrates shall be necessary; and the said lists as so compiled shall be used for the election held before the [*omission*]th day of June 1932.

The said new lists as compiled shall be certified by the Deputy Secretary of State, and it shall not be necessary that the names of the magistrates who revised the original lists be signed to or printed on the said new lists.

Nothing herein shall prevent the taking of the votes under Section 63 of the Election Act, 1913, of duly qualified voters whose names do not appear in the lists provided for by this Act. [*Evening Telegram*, April 28, 1932, p. 15]

Mr. Emerson: If there is ample time after the closing of the House for the Proclamation to issue for an election, then there is no objection. It is not a question of the candidate being entitled to anything, it is a question of the country being entitled to an election. The candidates are entitled to nothing. We are discussing now whether the country shall have an election. If this House closes in time for the issue of a Proclamation, then there is no objection to this Bill. If it does not, then the Governor need not assent to the Bill. So far as candidates having right are concerned, did the candidates have any rights in 1923 when you advised the Governor to dissolve the House? Did they have rights in 1924 when the Hickman Government was sworn in on the 10th of May and an election proclamation on the 11th, and the election held on the 23rd of June? If we are going to have a Spring election, it is not a question of whether the country is entitled to an election. If it is decided as a matter of policy that the country is entitled to vote for an election of a new parliament, then the

sooner the country has the opportunity the better, also the better it is for the country that they have voters at home. The longer it is deferred, the fewer voters will have the opportunity of voting; then you will be depriving all those going to the fishery from exercising their franchise.

So far all we have before the Committee is the suggestion of the Prime Minister that if the House closes in time for him, not for the Governor, but for him to advise His Excellency to hold an election, then he will hold an election. That is all the Prime Minister stated. It all depends upon what the Prime Minister stated. It all depends upon what the Prime Minister decides to advise His Excellency, whether we will have an election in June 1932 or whether we will have an election in June 1933. There is nothing in the Act to compel it at all, not a single thing. It is left entirely according to the recital of the Bill, according to the Prime Minister's own statement in the House, whether he should be the judge after the House closes if it is good for the country to have an election.¹⁵³

[**Mr. Emerson**] asked that the Bill provide that the election shall be held not later than June 10th. After much debate on both sides an amendment was made that provides that the election be held not later than June 15th. At the suggestion of **Mr. Strong** all booth rooms throughout the country will remain open till ten o'clock on election day. [*Daily News*, April 28, 1932]

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 recommended that the said Bill be referred to a Select Committee.

On motion this report was received and adopted, and Mr. Speaker appointed the said Select Committee as follows: Mr. Strong, Mr. Speaker, Mr. Lake, Mr. Winter, Mr. Quinton, Mr. Lewis.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Respecting a Vacancy in the Office of the Mayor of St. John's."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Mr. Speaker resumed the Chair.

The Chairman from the Committee reported that they had considered the matter to them

¹⁵³ "Mr. Emerson pointed out that the important thing was to have a definite date set for the election, and under the Act before the House that was not definite, as it gave the Prime Minister power to recommend to His Excellency when the House should be dissolved. Under these provisions the election need not be held until November. As to the rights of candidates to visit portions of their districts, he submitted that this was a matter where candidates should not be taken into consideration. The important thing was that the country was to have an opportunity of electing a new parliament, and it was for the Bill before the House to set a definite date, as far as possible." *Daily News*, April 28, 1932.

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.

With unanimous consent, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act Respecting a Vacancy in the Office of Mayor of St. John's" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act for Granting to His Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Years Ending the 30th Day of June, 1932, and the 30th Day of June, 1933, and for Other Purposes Relating to the Public Service" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House on to-morrow.

The Select Committee appointed to consider the Bill entitled "An Act for the Confirmation of an Agreement to be Entered into between the Government and Alfred A. Montgomery, Banker, and Edgar C. Irish, Lumberman" presented the following report:

"Your Committee has given careful consideration to the matter to them submitted in the limited time at their disposal. The Bill is an involved one and in many aspects insufficient information is available upon points of importance, such as stand of timber, water power, costs of logging and the financial standing of the promoters. Very considerable concessions are asked which should not be given except after due deliberation.

"Your Committee is therefore of opinion that in view of the fact that we have reached the closing hours of the session, and the importance of the matter from the standpoint of the country, it should neither be passed hurriedly nor rejected without exhausting every possibility of reaching an agreement acceptable to this House and the country, on the one hand, and the promoters on the other.

*(Sgd.) H. B. Clyde Lake, Min. Lands & Fisheries
F. Gordon Bradley
H. W. Quinton
Jas. Bindon"*

On motion this Report was received and adopted.

Mr. Alderdice, although not wishing to censure the Select Committee, felt that it was a pity that the Committee could not make some recommendation. He regretted that it was not possible to pass the Bill at this session because there was no doubt as to the great necessity for an enterprise that would benefit the country without giving away too much.

Hon. Minister of Lands and Fisheries pointed out that owing to the short time at the disposal of the committee proper consideration could not be given to it. He felt that two weeks would be little enough to consider the measure, which was very important, and for that reason the

Committee felt that the incoming government could better deal with the matter.

Mr. Abbott¹⁵⁴ said that it is regrettable that a Bill of this kind should be set aside in this way. My contention is that this Bill should have been brought before the House at least a month ago, so as the House might have sufficient time to look into it and give it the attention it deserves. This House has been in session now for nearly three months, and for nearly half of this time there was really nothing to attend to, and had this measure been brought up before, there would be no cause to deal with the matter in the manner which the Select Committee recommends to-day. I do not say that this Bill in its entirety would be passed, but I am quite sure that a good Bill and a workable one satisfactory to the promoters and to the country could have been made had it come along in the proper time.

The Bill has been in the hands of the Government long enough to have been brought to the attention of the House before the dying hours of the session, and even when it was placed on the order paper, it was held up before a select committee for more than a week without a report being made on it. A measure of much importance to the country at large and to the West Coast in particular deserves a squarer deal than this, and should have received better treatment. If the terms of the contract as outlined in the Bill were not all that could be desired, the proper means could have been taken to bring in amendments that would make the project satisfactory to everyone, and thus have another valuable industry inaugurated. But nothing was done until the session is nearly ended and then the Bill is brought in, and a committee reports that there is not sufficient time to deal with it at this late hour in the life of the parliament.

That there is a necessity for such an industry there can be no doubt. Throughout the entire country there is a need for labour, and on the West Coast this need is as imperative as it is anywhere else. The only industry on the West Coast now is at Corner Brook, which is unable to adequately cope with the great need. The people have their fisheries and their agriculture, but they need labour-giving industries as well, and a measure like this which will provide such labour-giving industry is the way out of the difficulty. It is regrettable that nothing is being done in the matter at this session, especially with the present prevailing conditions when labour is needed more than ever before in the history of the country, but there is consolation in the hope that the incoming government will take up and deal with this matter as it deserves in a prompt and satisfactory manner. [*Daily News*, April 28, 1932]

Mr. Brown: Mr. Speaker, in moving an amendment to the Lotteries Act I would like to point out why I would like this Bill read a first time this afternoon. This Bill is of great importance to this country. Now, Sir, on principle I am opposed to lotteries; but I am not opposed to Army and Navy Sweepstakes operating in Newfoundland. I realize that these people did a tremendous amount of good since coming to this country. They paid out about \$462,000 besides what they gave to charity. When this Company first came here, a public meeting was called and the G.W.V. A. took the matter up. The result was that a permit was given to those people to operate an Army and Navy Veterans Sweepstake, with the understanding that their permit would be the only one granted. Since then something like 32 permits were granted by Magistrates all over this country, and the whole 32 of

¹⁵⁴ Mr. Abbott "was a member of the select committee but who refused to sign the report ... He felt sure it was a good proposition ..." *Evening Telegram*, April 28, 1932.

them did not turn in altogether \$20,000 to the revenue of the country, whereas the Army and Navy people turned in \$462,000. They paid the G.W.V.A. alone \$82,000, which, no doubt, was quite a help to that body. They paid \$35,000 in board and rental to the Newfoundland [Hotel] and now they are gone, perhaps, never to return unless they get some protection from this House to operate.

Last year when the Government could not afford to pay the annual grant to the Twillingate Hospital, I received numerous telegrams to try and keep that important institution open. I was asked to get in touch with these people who were conducting the Army and Navy Sweepstake here. I did so, and I asked them for a donation of \$500 so that the Twillingate Hospital could be kept running. When I got a reply that they had granted \$5,000, I was positively astounded. In that situation I feel that it becomes me to bring in a Bill which embodies provision to give protection to such a reputable concern as the Army and Navy Veterans, and who are prepared to put up a \$50,000 cash bond as a guarantee of their bona fides. The idea of the Bill is not to give a monopoly to any company, but the Bill provides that any company who want to come here to conduct a Lottery shall have to put up a cash bond of \$50,000. By the way, Sir, I feel that there has been some graft carried on in connection with permits. I fear some permits have been sold. Perhaps, I may be wrong. However, if we can get a reputable company or companies to come here and operate and pay over anything like what the Army and Navy people did, I say by all means protect them here.¹⁵⁵

Mr. Emerson: Mr. Speaker, I would like to make a few remarks on the Bill. It appears to me that there is a considerable number in favour of the Bill, although no one has yet had an opportunity of perusing it. Now lotteries in principle are bad, but I think it is the generally accepted opinion that they have come to stay. In many countries, if they are used properly, they can do a certain amount of good and very little injury can be done by them. The great difficulty, of course, is to see that they are properly supervised so that the profits will be judiciously looked after, and secondly so that the accounting system is, so far as the charities which are to benefit by them are concerned, such that the charities will get the amount of percentage of money which they are entitled to. Another difficulty is that some people who come here to operate lotteries are mere birds of passage, and I think the suggestion that there should be a bond put up by sweepstake promoters for the carrying out of their obligations is an excellent one; but unless the Bill provides for proper safeguards for charities

¹⁵⁵ "The Bill also provides that there shall be a board consisting of the Minister of Finance and Customs, ex officio, the Secretary of Public Health and Welfare, ex officio, the Judge of the Central District Court and the Inspector General of Constabulary, both ex officio, which shall be known as the 'Lotteries Licencing Board.' Any three of the said board shall be a quorum.

"Before issuing any licence or permission for the holding of any lottery, sweepstake or scheme of chance the board shall first satisfy itself as to the character and financial standing of any applicant or applicants for licence, and in addition, where the total amount of tickets intended to be sold shall exceed \$5,000, such applicant or applicants shall furnish to the board either a bond of a reputable surety or guarantee company to His Majesty in the sum of \$50,000, or his own bond accompanied by a cash deposit of \$50,000.

"It shall be a condition of every licence that all the moneys received by the sale of tickets or lots shall be brought into this Dominion, and that the applicants shall keep full and complete records and books of account the nature of which may be prescribed by the board. The board shall cause the said books, accounts and records to be audited by a chartered accountant or other competent person.

"Lotteries of a minor character may be permitted upon the authority of the nearest stipendiary magistrate."
Evening Telegram, April 28, 1932.

whereby they will get their proportionate due, I think it would be a great mistake to admit lotteries to operate throughout the country. It is true they have operated here the past couple of years contrary to the Acts, but if the Hon. Member can introduce an Act to cover these points, and if the people of the country support the principle of lotteries, I think his effort is a good one.

Mr. Brown: Section 6(g) covers it, I think.

Hon. Minister of Public Works: Mr. Speaker, I think it is the desire of the House to give this Bill second reading now. Personally I am not in favour of lotteries, but I see only one of two things to do, either wipe out lotteries entirely or pass this Bill, because I do not see the wisdom of allowing people to be dealing with this lottery law in mushroom fashion as they have been doing all over the country the past couple of years. I think people like the Army and Navy Sweepstake promoters, who can furnish a cash bond of \$50,000, should be allowed to operate and be afforded ample protection in their operations, particularly in view of the substantial amount of good the Army and Navy people have done for the country through their sweepstake holdings.

Mr. Greene: Mr. Speaker, although the House is near closing, I think that things should be done in a parliamentary fashion. I think this is a private Bill, and I object to a member rushing it through first and second readings, and nominating his own Select Committee and nominating himself on this Committee.

With unanimous consent, and on motion of Mr. Brown, the Bill entitled "An Act Further to Amend Chapter 105 of the Consolidated Statutes (Third Series) entitled 'Of Lotteries'" was introduced and read a first time, and it was ordered that the said Bill be read a second time presently.

Whereupon, with unanimous consent, the Bill entitled "An Act Further to Amend Chapter 105 of the Consolidated Statutes (Third Series) entitled 'Of Lotteries'" was read a second time, and it was ordered that the said Bill be referred to a Select Committee of the House, of five.

Mr. Speaker appointed the Select Committee as follows: Mr. Brown, Mr. Greene, Mr. Quinton, Mr. Fudge, Hon. Mr. Bindon.

It was moved and seconded that when the House rises it adjourn until to-morrow, Thursday afternoon at three of the clock.

The House then adjourned accordingly.

Thursday, April 28, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Brown presented the report of the Committee on the Lottery Bill as follows:

Report of Select Committee in reference to a Bill "An Act Further to Amend Chapter 105 of the Consolidated Statutes (Third Series) entitled 'Of Lotteries.'"

Meeting Convened at 11:30 a.m., April 28, 1932.

Mr. Brown in the Chair.

Moved by Mr. Bindon, seconded by Mr. Greene, that holders of those permits that are already in operation be permitted to operate until December 31, 1932.

Motion was then put: Those voting for were: Mr. Bindon, Mr. Quinton, Mr. Greene. Against - Mr. Fudge, Mr. Brown.

After some discussion the general principle of the Bill was agreed to, with certain amendments.

(Sgd.) Philip M. Fudge, Secty.

K. M. Brown

H. W. Quinton

On motion this report was received and ordered to be referred to a Committee of the Whole House presently.

Whereupon, with unanimous consent, on motion of Mr. Brown, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Further to Amend Chapter 105 of the Consolidated Statutes (Third Series) entitled 'Of Lotteries.'"

Mr. Speaker left the Chair.

Mr. Smith 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 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.

Whereupon, with unanimous consent, on motion of Mr. Brown, the Bill entitled "An Act Further to Amend Chapter 105 of the Consolidated Statutes (Third Series) entitled 'Of Lotteries'" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Mr. Brown presented the report of the Select Committee appointed to consider the Lottery

Bill. Some amendments were recommended and the House went into Committee of the Whole on the Bill, and after spending nearly two hours on it, it was passed after several amendments were made. In the section which provides for the appointment of a licensing board, it was decided that the board shall consist of the Secretary of Public Health, the Judge of the Central District Court and the Inspector General. This board shall serve without remuneration. No person shall conduct a lottery in Newfoundland without a permit which is signed by the board, except in certain cases herein provided for. The section dealing with the amount of money involved before it is necessary to give a bond for \$50,000 was increased from \$5,000 to \$20,000. The penalties for breaches of the Act were changed from \$1,000 to \$2,000 in all cases. An amendment was also introduced, whereby permits at present issued will hold good until September 30th, when the Bill will become operative. After passing committee the Bill was read a third time and sent to the Legislative Council. [*Daily News*, April 29, 1932]

The Act also makes ample provision for permitting small local lotteries. [*Evening Telegram*, April 29, 1932, p. 14]

Report of Select Committee appointed to consider a Bill "An Act Authorizing the Governor-in-Council to Enter into a Contract with the Anglo-American Telegraph Company, Ltd. and Western Union Telegraph Company."

To Mr. Speaker and Hon. Members of the House of Assembly:

Your Committee has held two meetings and have considered the Bill, and also the previous Acts relating to the New York and Newfoundland Telegraph Company, and other contracts with Telegraph Companies. After hearing what had to be said by Mr. Barbour of the Anglo-American Telegraph Company, Mr. Hunt, Solicitor for that Company, and the various members of the Postal Telegraph Department, who are experienced in all features involved in the Bill, your Committee recommends its acceptance to the House.

*(Sgd.) W. W. Halfyard
L. E. Emerson
Jas. Bindon*

Whereupon on motion of Hon. the Minister of Posts, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Authorizing the Governor-in-Council to Enter into a Contract with the Anglo-American Telegraph Company, Ltd. and Western Union Telegraph Company."

Mr. Speaker left the Chair.

Mr. Smith 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.

Whereupon, with unanimous consent, and on motion of Hon. the Minister of Posts, the Bill entitled "An Act Authorizing the Governor-in-Council to Enter into a Contract with the Anglo-American Telegraph Company, Ltd. and Western Union Telegraph Company" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

The Report of the Select Committee upon the Bill entitled "An Act to Amend Chapter 3 of the Consolidated Statutes (Third Series) entitled 'Of the Election of Members of the House of Assembly' and Acts in Amendment thereof."

Mr. Speaker:

Your Committee begs to report that they have considered the matter to them referred, and recommend that Newfoundland be divided into 24 electoral districts in accordance with the boundaries and descriptions in the plan and schedules hereto annexed.

It is further recommended that each of the following of the said districts, namely – Harbour Main-Bell Island, St. John's West and St. John's East, shall return two members each to this House, and the remaining 21 districts one member each.

Respectfully submitted,

(Sgd.) F. Gordon Bradley

H. B. Clyde Lake

W. F. Coaker

Leo J. Murphy

H. M. Mosdell

L. E. Emerson

J. C. Puddester

Whereupon on motion of Hon. the Solicitor General, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Amend Chapter 3 of the Consolidated Statutes (Third Series) entitled 'Of the Election of Members of the House of Assembly' and Acts in Amendment thereof."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Mr. Bradley: This matter has occupied considerable time, and has been done with considerable difficulty. I just propose to give a rough outline of the districts as proposed. Twenty-one of the 24 districts will be one-man districts. St. John's East and St. John's West and Harbour Main, which takes in Harbour Main and Bell Island, will be two-man districts. St. Barbe stands as it was. The population is comparatively small, but owing to the huge stretch of coastline it was felt that it was

impossible to include any other territory. The same applies to White Bay; it is the same as in 1925. Green Bay includes the northwest portion of Lewisporte. In all there are now some fourteen or fifteen districts whose population is in the neighbourhood of 8,000. Grand Falls has been increased, and now includes some portion of Lewisporte. Twillingate has been increased by including the Northeast portion of the District of Lewisporte and all the islands in the bay. The District of Lewisporte has been dropped. Fogo includes the west side of Bonavista Bay and goes to the old division of Cape Freels. Bonavista North now goes to Cape Freels and the north part of Salvage Bay, and includes the settlements of...

Mr. Puddester: Population of St. Barbe.....	5634
White Bay	6542
Green Bay	8470
Grand Falls.....	9?70
Twillingate	8669
Fogo	9132
Bonavista North	12280

These are figures based on the 1921 census.

Mr. Bradley: Bonavista North extends from the north head of Salvage Bay to Cape Bonavista.

Bonavista South includes from Eastport around the bottom of the bay to and including the settlement of Bonavista and its adjacent settlements down the north side of that point, and takes in a considerable portion of what is now Bonavista East, the population being 12,199.

Trinity North comprises the balance of the old District of Bonavista East, which now disappears, continues up through the present Trinity North, including a portion of the present Trinity Centre, ending at and including St. Jones Without; population being 12,434.

Trinity Centre disappears.

Trinity South, which begins at but not including St. Jones Without, around the west side of the Bay and bottom, and up the south side to the old boundary between it and the District of Bay de Verde, and has a population of 10,905.

Carbonear and Bay de Verde as they now stand, being combined in one District, and the population is 15,307.

Harbour Grace begins at and includes Bristol's Hope, and goes up to and includes Shearstown; the population being 7,493, that is including Shearstown, which is a little over 800.

Port de Grave begins at, but not including Shearstown, that is to say, Bay Roberts and Coley's Point, continues up to the old boundary and the population is 10,964, less 800, that of Shearstown.

District of Harbour Main with its boundaries as at present, is joined with the District of Bell Island and carries two seats; the population combined is 13,619.

District of St. John's East is a combination of St. John's East and Extern with a total population of 23,010.

District of St. John's West consists of St. John's West City and Extern, and has a population of 24,791.

Ferryland has been extended, and its boundary is now from Motion Head near Petty Harbour

to Bull Point, St. Mary's Bay, goes to but does not include Peter's River, the population being 7,403.

The balance of the District of St. Mary's and Placentia East being combined in one District, making a total population of 8,460.

Placentia West begins on its eastern end as formerly, and extends up to and including Mortier, and takes in a portion of the present Burin East, the total population being 9,669.

The Balance of Burin East is combined with Burin West, and is now known as Burin; the population is 10,293.

Fortune Bay begins at its present eastern boundary and continues up through Hermitage to what is now known as McCallum, that is, the old boundary of Fortune Bay District under the distribution prior to 1925. Population 10,505.

The present District of Burgeo and the west half of Hermitage being combined in the District of Burgeo and La Poile; that is the old name; population 8,680.

The present St. George's and the present Port au Port being combined under the name St. George's, population as at last census 8,822.

The District of Humber stands. The population would be about 10,000.

That comprises the 24 electoral districts as reported upon by this committee.

Mr. Puddester: Before the Bill goes to the Upper House, I presume it will be printed exactly as it is there. At the third reading it will be presented to the House so that we can check it over.

Rt. Hon. Prime Minister: Yes, we can have the Bill printed and tabled here to-morrow.

Mr. Emerson: May I point out that a Committee was appointed here on the 12th [of] April; there is no report from that Committee, no meeting has been held.

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 on to-morrow.

Report of the Committee appointed to consider the Bill to Amend Chapter 22 of the Consolidated Statutes (Third Series) entitled "Of the Customs."

Your Committee has given consideration to the said Bill, and, in view of its contentious nature, and the limited time at the disposal of the Assembly, recommends that the said Bill be deferred for consideration at the next session of Parliament.

(Sgd.) Jas. Bindon

R. Hibbs

J. H. Scammell

H. W. Quinton

John M. Tobin

Hon. Mr. Bindon presented the report of the select committee appointed to consider the Bill entitled 'Of the Customs.' This is the Bill which gives permission to have liquors imported into this country and the alcohol extracted from them, after which the residue would be exported again. The Committee report was to the effect that owing to the contentious nature of the Bill, it should be dropped until the next session. The report of the Committee was adopted. [*Daily News*, April 29, 1932]

It was moved and seconded that when the House rises it adjourn until to-morrow, Friday, the 29th instant, at three of the clock.

The House then adjourned accordingly.

Friday, April 29, 1932

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Speaker informed the House that he had received a message from the Legislative Council acquainting the House of Assembly that it had passed the Bill sent up entitled "An Act Respecting a Vacancy in the Office of Mayor of the City of St. John's" without amendment.

Mr. Puddester gave notice of question.

*On motion of Hon. the Prime Minister, Mr. Speaker left the Chair until 8 o'clock.*¹⁵⁶

Mr. Speaker resumed the Chair at half past nine.

Cyril J. Fox, K.C., appeared at the bar of the House and presented a petition from the Great Eastern Oil and Import Co. Ltd., which was read by the Clerk, as follows:

To the Honourable the House of Assembly in Legislative Session convened:

1. Your petitioner is a Company incorporated in 1926 under the Laws of Newfoundland, and has its Registered Office at St. John's Newfoundland aforesaid.

2. The object for which your Petitioner was established was the importation into and sale within Newfoundland of gasoline, kerosene and other petroleum products.

3. The paid up capital of your Petitioner, considerably in excess of \$100,000, has been subscribed in whole by approximately 2,000 shareholders resident in Newfoundland and representative of all classes, many of whom have invested their entire savings in your Petitioner's Shares.

4. Since its incorporation, your Petitioner has built up and conducted a successful business and has invested a considerable amount of its paid up capital in permanent equipment, such as steel drums, pumps, trucks, and delivery wagons, and other appliances necessary to the conduct of its operation.

5. Under Resolutions now before your Honourable House, an agreement is proposed to be made between His Excellency the Governor-in-Council and the Imperial Oil, Limited, whereby the exclusive right will be conferred upon the said Imperial Oil, Ltd., to import into Newfoundland, deal with, and sell gasoline, kerosene oil, and other Petroleum Products for the term of fifteen years.

6. The monopoly which the said Imperial Oil, Limited, will thereby acquire will prejudice your Petitioner's business to such an extent as to exclude the possibility of its continuing operation, involving severe loss and hardship to your Petitioner and its shareholders.

7. To avoid such loss and hardship it is requisite that your Petitioner have the right to

¹⁵⁶ "The House met at the usual hour yesterday afternoon but no business was done as it was explained by the Prime Minister that the select committee on the Petroleum Bill was not finished its work and desired to meet on the matter. For that reason he proposed that the Speaker leave the Chair until eight o'clock. After tea the committee was again in session and the House did not resume until 9:45." *Daily News*, April 30, 1932.

The Evening Telegram, April 30, 1932, states several committees needed time to "confer and draft reports."

import, if necessary, 700,000 gallons of Petroleum Products per annum, being the average quantity handled by your Petitioner during the past three years, in order to render certain that terms as to price, quality, and service heretofore enjoyed by your Petitioner in its relationship with the Imperial Oil, Limited, will be similarly available to your Petitioner in the future.

8. The said right to import the said quantity of Petroleum Products as aforesaid would be exercisable by your Petitioner only in the event of the said terms as to price, quality and service not being so obtainable by your Petitioner from the Imperial Oil, Limited, as aforesaid, and would be subject to the payment of your Petitioner to the Imperial Oil, Limited, of one-half cent per gallon on Petroleum Products so imported by your Petitioner in excess of the respected royalties payable by the Imperial Oil, Limited, to the Government, as provided by Section 9, Sub-section (2) of the Resolutions.

Your Petitioner, therefore, humbly prays that your Honourable House will be pleased to decree that the said Resolutions be amended so as to confer upon your Petitioner the right to import the said minimum quantity of Petroleum Products per annum as aforesaid, in the eventualities and upon the condition aforesaid, to the end that your Petitioner's business may continue, though in a restricted manner, and the interests of its shareholders may be protected.

In Witness Whereof the Common Seal of Your Petitioner has been hereunto affixed, and these presents signed by its duly authorized officers this 29th day of April, A.D. 1932.

The Common Seal of the Great Eastern Oil & Import Co. Ltd was hereunto affixed in the Presence of:

(Sgd.) Chas. P. Penney, Pres.
P. H. Cowan, Secretary
W. W. McDonald, Mgr.

The Prime Minister stated that if Mr. Fox wished to address the House on the petition, he had the privilege of doing so. Mr. Fox thanked the House for the courtesy extended but felt that the petition outlined anything that had to be said. [*Daily News*, April 30, 1932]

On motion the petition was ordered to be tabled and Mr. Fox invited to take a seat inside the bar of the House to await the time when the Bill in question would be considered by the House. [*Evening Telegram*, April 30, 1932, p. 5]

On motion the said Petition was received and tabled for future consideration.

Hon. the Minister of Lands and Fisheries presented the Report of the Select Committee on the Bill entitled "An Act to Make Provision for the Holding of a General Election in the Year 1932" as follows:

The Select Committee appointed to consider the draft Bill "An Act to Make Provision for the Holding of a General Election in the Year 1932" beg to report that they have considered the matter to them referred, and make the following recommendations:

In place of Section 1, insert the following two Sections and renumber the subsequent Sections accordingly.

1. A General Election of Members of the House of Assembly shall be holden not later than the 11th day of June, 1932.

2. The list of electors taken and revised in the year 1928 shall be valid and may be used for the purpose of compiling lists for the election as provided in Section 1 hereof, anything in the Election Act 1913 to the contrary notwithstanding.

Amend new Section 3 by striking out the words "it shall be lawful for" and the word "to" in the first line, and substitute for the word "to" the following words, "shall forthwith." This Section will then read as follows: "The Secretary of State shall forthwith cause to be compiled, etc." Also strike out the words "any election held before the end of June 1932," and substitute therefor the following, "the election provided to be held by Section 1 hereto."

Delete Section 5, (hereby recommended to be renumbered as Section 6) and substitute therefore the following: "In order to make provision for the recording of the votes of the increased number of voters likely to be found unregistered by reason of new lists not having been taken since 1928, polling booths in all districts shall remain open on Polling Day until 10 p.m."

Reserving Section 7 as renumbered.

(Sgd.) H. B. Clyde Lake

P. J. Lewis

A. J. Walsh

J. A. Strong

J. A. Winter

H. W. Quinton

Pursuant to order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act to Make Provision for the Holding of a General Election in the Year 1932."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Mr. Quinton: I would like to draw the attention of the House to the fact that a considerable number of men are going to be disenfranchised if that Section is repealed, which I think refers to the operation of booths for outport districts in St. John's. I understood that the Prime Minister yesterday said that this elimination was being done on the grounds of economy. I am not so sure that it will be an economic measure. Ordinarily we will find about 1,500 fishermen in town about the particular time of year in which the election is likely to take place, from Fogo, Trinity, and perhaps other Districts. I don't know why the line is drawn at this particular juncture. It is as fair to one party as to the other. I see no good purpose being served by cutting these men off from their right to vote for the election of a government. I really don't think it is just, and I make that suggestion. After all, we have had this thing going on for a good many years, and the extra cost in proportion to the injustices

that will be perpetrated to my mind is a matter for consideration.¹⁵⁷

Rt. Hon. Prime Minister: The whole programme in connection with this election is a matter of economy. We are reprinting the lists of 1928, which will be a great inconvenience to the public generally, and will mean an undoubted loss of votes in many cases throughout the country generally. I am informed that the booth in St. John's for the floating population represented an expenditure of \$5,000. I have been informed that it will be \$5,000 to \$7,000. The total floating population in St. John's can't possibly be greater than the floating population of non-resident voters; it has been an anomaly in the last years. There are no booths in the lumberwoods where there are thousands of men, and there were special booths in St. John's for the men who have come in to St. John's. The man who comes to St. John's has a chance to vote, while the men who go to the lumberwoods, to Corner Brook, Grand Falls have no such opportunity. In Corner Brook there will be from 300 to 500 men who will have no opportunity of voting. Having regard to the fact again that there will be considerable inconvenience to curtail expenditure – we have done away with the census for this year for economy sake – to have an expense of from \$7 to \$8 per vote cast upon St. John's is a very substantial item. I should judge that in St. John's the vote will be in the neighbourhood of 600 or 700. I don't know whether anybody knows the actual vote taken in St. John's at the last election. In some of the booths in St. John's there were no votes at all. The expenditure was about \$10 per vote here in St. John's.

Mr. Quinton: I remember in the 1923 election there was considerable expense incurred in hiring trains to bring voters from the industrial centres to various points along the east coast and have them vote there. Most of the expense would be for the transferring of ballot boxes from the original booths here to the places where the votes are counted. That would be overcome by counting them in St. John's. One point about the case would be the rates to be paid to the election officials. I suppose these rates have been reduced.

Rt. Hon. Prime Minister: The rates have all been put back.

Mr. Quinton: I want to go on record as having objected to this section being deleted.

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 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.

Whereupon, with unanimous consent, and on motion of Rt. Hon. the Prime Minister, the Bill

¹⁵⁷ "Mr. Quinton drew the attention of the Committee to the seriousness of preventing the voting of quite a number of outport men who would be in St. John's at the time of the election, by reason of the fact that no outport district booths would be opened in the city as on former elections." *Evening Telegram*, April 30, 1932, p. 5.

entitled "An Act to Make Provision for the Holding of a General Election in the Year 1932" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Hon. Sir William Coaker presented the Report of the Select Committee appointed to consider certain Resolutions in relation to the Raising of a Loan and Oil Products, as follows:

Your Committee sat on several occasions and made a number of minor amendments which have been incorporated in the Resolutions as now reprinted and attached hereto. In addition to this, two further amendments, copies of which are also attached, are recommended by your Committee.

Your Committee summoned before it representatives of Imperial Oil, Ltd. and at their own request heard representatives of the Great Eastern Oil Import Company. Each of these parties was represented by Counsel.

The Great Eastern Oil Company claimed to have certain vested interests in the oil business of Newfoundland, and also trading relations with the Imperial Oil, Ltd. They sought protection on these two points in the Bill. In the time at the disposal of your Committee it was found impossible to reconcile matters which were disputed by both these parties. Your Committee recommends, however, that if the Resolutions are accepted and a consequent Bill passed, the Government should, before finalizing an agreement with the Imperial Oil, Ltd., give consideration to the claims of the Great Eastern Oil Company in the hope that provision may be made in the agreement which will be satisfactory to them and to Imperial Oil, Ltd,

Respectfully submitted,

(Sgd.) W. F. Coaker
F. C. Alderdice
Jas. Bindon
L. E. Emerson
R. J. Godden

To be added to Section 9 as Sub-paragraph (a):

The Company shall undertake to provide a good and efficient service and in agreement shall make provision that if a complaint be made by a customer of the company that there has been a substantial failure to carry out this undertaking, the matter shall be submitted to the arbitration of three arbitrators to be appointed *mutatis mutandis* in the manner prescribed by Sub-section (8) of this section, and the arbitrators or any two of them shall have power to award damages for any proved or substantial injury done to the complainant. Costs in any event shall be in the discretion of the arbitrators.

Delete Clause 3(b) and substitute the following:

The balance remaining in the said account at the end of each fiscal year after payment of the said interest shall form a sinking fund that shall be utilized later for the purpose of redeeming at their par value and accrued interest stocks or bonds of the loan or for the purpose of purchasing such stock or bonds on the open market. Where stocks or bonds are redeemed or are to be redeemed, the particular numbers shall be determined by the drawing by lot from among the numbers of all the bonds of the loan outstanding at the time of such drawings. Any stock or bonds so redeemed or purchased shall be forthwith cancelled.

On motion the said Report was received.

On motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider certain Resolutions in relation to the Raising of a Loan, and Oil Products.

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Mr. Emerson pointed out that the Great Eastern Oil Company naturally had a great interest in the Bill, because they believed that the Bill would jeopardize the rights of their shareholders and the operations of the Company generally. They were not the only people who would be affected by the Bill, but they were the only ones to make representation to the select committee. The company desired the right to sell 700,000 gallons per year, which was one-fifth of the total consumption in all the country, and they desired the right to import half that amount and purchase the other half from the Imperial Oil Co. They say that the right to import is their means for driving a bargain with the Imperial Oil Co. and ensure getting the proper treatment. On the other hand the Imperial Oil Co. say that the Great Eastern Oil Co. will not lose by the arrangement, but on the contrary stand to be gainers because they will be used more as a distributing centre to the advantage of both. The Select Committee had to deal with the matter with a knowledge of the negotiations leading up to the matter and no knowledge as to the extent of these matters between the Government and the advisors and for that reason the Committee was handicapped in its work. On the other hand the Committee was not satisfied with the information given by the representatives of companies and were not furnished with all the facts desired. The only thing left to do then was to recommend that the Government take up the matter and try and reach a satisfactory arrangement between the two companies so that the Eastern Oil Co. would be given consideration, and the large number of shareholders be given an opportunity to safeguard their investments. The other amendment proposed was to protect individual dealers with the Imperial Oil Co., and in the event of the company not providing a good and efficient service and a complaint is made by a customer that there has been a substantial failure to carry out its undertaking, the matter shall be submitted to three arbitrators, and any two of these shall have power to award damages for any substantial injury done to the complainant. [*Daily News*, April 30, 1932]

Mr. Emerson: The chief difficulty was that the Committee was unable to suggest how the Great Eastern Oil Company could be protected.

Hon. the Speaker: There is no protection for them in the Act. I think that there should be something binding on the Government to see that they get fair treatment.

Mr. Emerson: We spent eight hours trying to agree on that.

Sir William Coaker: I wish to first thank Mr. Emerson for the very clear and explicit way in which he has explained the amendment. That is, protection for the Great Eastern Oil Company if they do

business with the Imperial Oil Company, and if they don't get satisfaction it gives them a chance to get at the company. With regard to this point, we tried to get the Imperial Oil to give them some protection. We as the Committee would be glad to see it put in there. They agreed to what is already in the Bill, and now if we disagree it means that the Bill will be worthless, and there will be no loan. We made every effort to clear up that situation, and they gave us their assurance that they would do all in their power to carry out the agreement made last year to supply oil to the Great Eastern Oil Company. It is just possible that to-morrow they may decide to do the very thing that we are asking, but the only assurance we have at present is that they will do what is right, and carry out the agreement made last year with the Great Eastern for the period of the monopoly.

Hon. the Speaker: My interest in this Bill is not on the part of the Great Eastern Oil Company, but I am interested in the ordinary shareholders of the Company. Many of these small investors belong in my District, and I have had numerous requests from them to find out if they are going to lose their savings. These men invested their hard-earned savings in this company, the savings of a lifetime. The Committee suggested that the Great Eastern Oil Company should be protected. The Hon. Member for Bonavista East suggests that the Imperial Oil Company may provide protection for that company, but I think that should be done before this Bill passes this House. We must remember that it is our own people who are interested in this, and it is up to us to see to it that they are protected. I understand that the amount of the paid-up capital of the Great Eastern Oil Company is somewhere in the neighbourhood of \$130,000 to \$150,000, and in view of the fact that we are granting one company a monopoly, and we are interfering with the vested rights of people who are carrying on already a fairly successful business, I think that the Government should by guarantee or otherwise ensure to the investors, to the man who put his savings into this project, that he will get his annual yearly returns. It is not the promoters of this company that I am interested in, it is the small investors. I had a number of letters in this connection and I must say that I was surprised at the amount of money invested. The suggestion of the Committee was that this should be left to the good graces, the mercies I should say, of the Government. The Hon. Member for Bonavista East suggests that the Imperial Oil Company will consider their case. I must say that I do not agree. I think that right here is the proper place to see that they are given fair consideration; we should look at it from this point of view. I think that if there is no provision in the Act to safeguard them, that the Government should see to it that they receive their annual dividends.

Mr. Emerson: I would like to comment on one or two remarks of the Hon. Speaker in so far as they cast a reflection on the Select Committee in carrying on negotiations between the Great Eastern Oil Company, the Imperial Oil Company and the Government. I contend that if the Government were considering giving the Great Eastern Oil Company a guarantee or anything of that sort, that the suggestion should come from members of the Government, not from members of the Opposition. We hoped that something would be done, but that proved impossible. As regards a monopoly I am against it, and the Hon. Leader of the Opposition is against it, we thought that it was iniquitous. We tried to make the Bill as good as possible for all concerned but we failed, and our failure was due to the Government.

Mr. Fudge: I am in receipt of many telegrams and letters in connection with this Bill, and I want to place myself on record as in favour of what the Hon. Member for Harbour Main just said, and in

view of the fact that many people had their money invested in this oil concern, they are at a loss to know what is going to happen. I would like to ask this House to see to it that the money invested in this concern by Newfoundlanders, and representing the savings of a lifetime, is properly safeguarded. I do not know just how much is involved, but I understand that it is considerable.

Mr. Emerson: I understand that it is about \$130,000 or \$150,000, the rest is promoters' stock. At least, that is what came before us in Committee.

Dr. Mosdell: Section F. Do I understand by that Section that nobody shall have the right to manufacture petroleum, other than medicinal products, as long as any portion of the loan remains outstanding? I think this is an outrageous provision. We have shale deposits in this country, and within fourteen years it is very possible that a process may be discovered of extracting oil from these products, and making it much cheaper than similar products can be imported. Do I understand that this Section prohibits any such local undertaking or manufacture, except [if] the company is prepared to proceed with it?

Mr. Winter: I agree with the Hon. Member for Fortune Bay. I would point out that the industry at Parson's Pond has spent thousands of dollars in oil boring, and have succeeded in being able to produce sufficient oil to keep the fishermen in that section in gasoline. There is a possibility of oil being discovered there in large quantities, and this Bill prohibits any development, and whilst it is in operation the company at Parson's Pond must go out of business.

Sir William Coaker: So far as I see the point made by the Hon. Members for Fortune and Burin East, an arrangement would have to be made with the Imperial Oil Company. If, for instance, Parson's Pond produced crude oil, it could not be manufactured in the country because it would want to be refined. Unless they put up a refinery in the country they would have to send that out of the country to be refined, and they could not bring it back until they made an arrangement with the Imperial Oil.

Mr. Winter: They have a refinery and have supplied oil to the fishermen.

Sir William Coaker: If that is so, they could not sell any of that oil; they could not import it; they would have to get the consent of the Imperial Oil Company.

Dr. Mosdell: I really think that is an outrageous provision. If our shale deposits are of sufficient importance to the country, surely an opportunity should be given to allow local capital and enterprise to develop them.

Mr. Winter: Speaking on behalf of Parson's Pond, I have no brief for the company, but I know that the Parson's Pond Company have invested hundred of thousands of pounds in that enterprise for years. They have fee simple properties and they have manufactured refined oil out there in sufficient quantities to keep fishermen in that locality supplied with gasoline every year. Now it is a stroke that is going to put this concern out of business. There is a possibility that any day oil may be

discovered in large quantities. There is this large amount of money spent on these valuable properties, and they are being put entirely out of business.

Sir William Coaker: There is one thing in this agreement that might be applied to the remarks of the Hon. Member for Burin East, and that is that this monopoly could be terminated at any time by buying back the bonds upon which the monopoly has been based. There is a provision in the Act that whenever the Government buys back those bonds, that this monopoly terminates, and I should say that in the event of this development on the West Coast taking place the company would be able to raise money to buy back those bonds and raise this monopoly. I don't think there would be any doubt that if the oil was discovered and the product was as good as has been suggested by Mr. Winter, that the Imperial Oil Company would be very glad to get hold of the crude oil coming from these places, and they would be very glad to have it taken to Halifax and refined. I would like very much to see the day when we would be able to do such a thing, because it could be done much cheaper by the Imperial Oil Company from the West Coast lands. There is in this Act a provision that any time the Colony wishes to lift this monopoly they can do so by raising the money to buy back the bonds.

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 Resolutions with some amendment, and recommended the introduction of a Bill to give effect to the same.*¹⁵⁸

¹⁵⁸ "Hon. the Speaker moved an amendment to the Bill. This amendment is a sub-section to Section 19 and provides that the Great Eastern Oil Co. will have paid to them their losses, if any, as a result of this monopoly, by the government on an average of their profits of the past two years, after a strict audit showing the company has not made losses through mismanagement or other controllable causes.

"When the matter was previously considered, Mr. Emerson explained that the Select Committee was in no way responsible for not giving consideration to the Great Eastern Oil Company in its deliberations as no information or requests regarding that company had been submitted to the committee. He advocated the only thing left to do was to recommend that the Government take up the matter and try and reach a satisfactory arrangement between the two companies so that the Eastern Oil Co. would be given consideration and the large number of shareholders be given an opportunity to safeguard their investments.

"Hon. Sir William Coaker said that the Committee has spent all day on the matter and could come to no satisfactory arrangement between the two companies. The Imperial Oil Company had given assurance that they will do nothing to impair the Eastern Oil Co. but they refused to give anything in writing.

"Hon. the Speaker addressed the House on behalf of the shareholders of the Great Eastern Oil Co. whom he desired to have protected.

"Dr. Mosdell referred to Section 7 of the resolutions which gives the company sole right to import, manufacture and place on the market products of petroleum into the country, as long as any portion of the loan remains outstanding. He pointed out that this was an outrageous provision which prohibits other companies from the manufacture of products from petroleum.

"Mr. Winter agreed and pointed out that the industry at Parson's Pond has spent thousands of dollars in oil-boring, and in their refinery they have been able to produce sufficient oil to keep the fishermen in that section in gasoline. There is a possibility of oil being discovered there in large quantities and yet this Bill prohibits any development and whilst it is in operation the company must go out of business.

"Mr. Emerson was pleased with the arrangement as provided in the Speaker's amendment.

On motion this report was received and adopted, and the Bill entitled "An Act in Relation to the Raising of a Loan on the Credit of the Dominion for Certain Public Purposes and in Relation to the Raising of Money for the Service of the Said Loan and in Relation to the Issue of Savings Certificates" was introduced and read a first time, and it was ordered that the said Bill be read a second time presently.

Whereupon, with unanimous consent, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act in Relation to the Raising of a Loan on the Credit of the Dominion for Certain Public Purposes and in Relation to the Raising of Money for the Service of the Said Loan and in Relation to the Issue of Savings Certificates" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

Whereupon, with unanimous consent, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act in Relation to the Raising of a Loan on the Credit of the Dominion for Certain Public Purposes and in Relation to the Raising of Money for the Service of the Said Loan and in Relation to the Issue of Savings Certificates."

Mr. Speaker left the Chair.

Mr. Smith 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 motion this report was received and adopted, and it was ordered that the Committee have leave to sit again presently.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act Relating to the Seats in this House of Future Directors of the International Power and Paper Co. Ltd." was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

Whereupon, with unanimous consent, on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Relating to the Seats in this House of Future Directors of the International Power and Paper Co. Ltd."

"Mr. Alderdice likewise was glad to have something done to safeguard the interests of the shareholders of the Great Eastern Oil and Import Co. Ltd., and would vote for this amendment.

"Mr. Bennett moved that the Bill be read again during the next session of the Legislature. He claimed the other means to raise funds had by no means been exhausted. There was no seconder to Mr. Bennett's proposal." Evening Telegram, April 5, 1932, p. 5.

*Mr. Speaker left the Chair.
Mr. Smith 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.

Whereupon, with unanimous consent, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act Relating to the Seats in this House of Future Directors of the International Power and Paper Co. Ltd." was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

With unanimous consent, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider certain Resolutions Relating to the Payment to Fishermen of a Bonus on Gasoline.

*Mr. Speaker left the Chair.
Mr. Smith 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 passed the said Resolutions, and recommended the introduction of a Bill to give effect to the same.

On motion this report was received and adopted, and the Bill entitled "An Act in Relation to the Payment to Fishermen of a Bonus on Gasoline" was introduced and read a first time, and it was ordered that the said Bill be read a second time presently.

Hon. the Prime Minister introduced a Bill for the payment of a bonus on gasoline to fishermen. This is on a line with the Bill previously in operation, and provides that after the commencement of the operation of the agreement to be made with the Imperial Oil Co., there shall be paid by the Minister of Finance and Customs a bonus of 5 cents per gallon on all gasoline which shall be supplied to bona fide fishermen for use in their motor boats in the prosecution of the fisheries. The bonus shall be paid to the Imperial Oil Co. for transfer to the fishermen under the same conditions as laid down under item 361(a) of Schedule B of the Revenue Act. [*Daily News*, April 30, 1932]

Rt. Hon. Prime Minister: Mr. Chairman, we have in our original Estimates provided for a refund to the fishermen of the duty, which they normally received, namely, 5 cents on every gallon. These

Resolutions were before the Select Committee that considered this Bill, and I am advised that this is necessary so as to have statutory authority, under existing circumstances, for a refund to be made.

Whereupon with unanimous consent, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act in Relation to the Payment to Fishermen of a Bonus on Gasoline" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

Whereupon with unanimous consent, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act in Relation to the Payment to Fishermen of a Bonus on Gasoline."

Mr. Speaker left the Chair.

Mr. Smith 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.

Whereupon, with unanimous consent, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act in Relation to the Payment to Fishermen of a Bonus on Gasoline" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

On motion of Mr. Puddester, the Bill entitled "An Act to Amend Chapter 2 of the Consolidated Statutes (Third Series) entitled 'Of the House of Assembly'" was recommitted to the Whole House.¹⁵⁹

Whereupon the House resolved itself into a Committee of the Whole to consider the said Bill.

Mr. Speaker left the Chair.

Mr. Smith 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 with some amendment.

¹⁵⁹ "The Redistribution Bill was re-committed and some typographical errors were amended, after which it was given third reading." *Daily News*, April 30, 1932.

On motion this report was received and adopted, and it was ordered that the said Bill be read a third time presently.

Whereupon with unanimous consent, and on motion of Mr. Puddester, the Bill entitled "An Act to Amend Chapter 2 of the Consolidated Statutes (Third Series) entitled 'Of the House of Assembly'" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act for Granting to His Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Years Ending the 30th Day of June, 1932, and the 30th Day of June, 1933, and for Other Purposes Relating to the Public Service."

Mr. Speaker left the Chair.

Mr. Smith 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.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act for Granting to His Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Years Ending the 30th Day of June, 1932, and the 30th Day of June, 1933, 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 engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

Pursuant to Order, and on motion of Rt. Hon. the Prime Minister, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act in Relation to the Raising of a Loan on the Credit of the Dominion for Certain Public Purposes and in Relation to the Raising of Money for the Service of the Said Loan and in Relation to the Issue of Savings Certificates."

Mr. Speaker left the Chair.

Mr. Smith 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 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 on motion of Rt. Hon. the Prime Minister, the Bill entitled "An Act in Relation to the Raising of a Loan on the Credit of the Dominion for Certain Public Purposes and in Relation to the Raising of Money for the Service of the Said Loan and in Relation to the Issue of Savings Certificates" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

And, it being past midnight,

Saturday, April 30, 1932

On motion of the Minister of Lands and Fisheries, the Bill entitled "An Act Relating to Export of Manufactured Products of Timber" was introduced and read a first time, and it was ordered that the said Bill be read a second time presently.

Whereupon with unanimous consent, the Bill entitled "An Act Relating to Export of Manufactured Products of Timber" was read a second time, and it was ordered that the said Bill be referred to a Committee of the Whole House presently.

Whereupon with unanimous consent, and on motion of the Minister of Lands and Fisheries, the House resolved itself into a Committee of the Whole to consider the Bill entitled "An Act Relating to Export of Manufactured Products of Timber."

Mr. Speaker left the Chair.

Mr. Smith took the Chair of Committee.

Minister of Lands and Fisheries introduced a Bill relating to the export of manufactured products of timber. This gives power to the Governor-in-Council to grant to any person a permit for the exportation at any time up to June 30th, 1934, of manufactured products of timber from timber cut on ungranted crown lands and to any other person who seeks a permit in connection with other lands over which he has a right to cut timber. Trees or timber, cut into cordwood, pulpwood, pitprops, or other lengths whether barked or not shall be held not to be manufactured products of timber, for the purposes of this Act. [*Daily News*, April 30, 1932]

Mr. Fudge: Mr. Chairman, I think the Minister of Lands and Fisheries fell down on his job or else he would not have waited until the dying hours of this Legislature to bring in this Bill in connection with the exportation of hardwood from this country. This Bill could have been brought in here and disposed of at least twelve months ago. However, I am in favour of anything that appertains to the welfare and best interests of this country and its people.

My point is that there are a lot of vessels in Hermitage [which] have been accustomed to carry wood, particularly birch, to St. Pierre, and it has been my experience that they always had to get a permit. What I want to know is, are the rules going to be carried out? When vessels go to St. Pierre with a load of wood, will they have to get a permit?

Hon. Minister of Lands and Fisheries: They will have to get a permit.

Mr. Fudge: What Act has to do with that?

Hon. Minister of Lands and Fisheries: I think it is the Customs Act.

Hon. Leader of the Opposition: I think that there is much economic waste in burning birch; there are lots of things that it might be made into, and for which people are very adaptable. I have great sympathy for this Bill for that reason. It will give the fishermen three months' work during the Winter months when they are doing nothing; it will give them an earning power and it will be a great boom to them.

Mr. Quinton: I think this will go back to a few days ago when I asked a question here. This Bill is intended to give mill operators throughout the country the chance to supply the markets with this commodity. It will be a great thing for them, and I consider that it will give much employment. I am heartily in accord with it.

Hon. Minister of Lands and Fisheries: In reply to the Hon. Leader of the Opposition, I may say that this is the beginning whereby we can get something started. I recommended some months ago that something should be done regarding the export of birch, and in this connection Mr. Downey went to England and interviewed Mr. Davies and others as to its possibilities. This is just the beginning, we hope to be able to enlarge on it in a year or two.

Mr. Brown: I agree with what the Hon. Leader of the Opposition says, it will mean that in the Fall months it will give our men a chance to provide for their families during the Winter. There is a lot of birch in this country, take the A.N.D. Company. They have thousands of cords of birch for which they have no use. All over the country there is plenty of birch for which there is no use. A Bill like this should have been passed years ago. I think that no Member can get graft out of this; it calls for a permit to export birch and by all means let us have it.

Mr. Fudge: I agree with the Hon. Member, and I think that if the Hon. Minister of Lands and Fisheries introduced this three years ago, something could have been done. I am sure that Hon. Members noticed when going through this country the great quantity of birch that is standing throughout the country. I would like to go on record as agreeing with all that the Hon. Member for Twillingate said.

Mr. Byrne: I think that it is only too evident to anyone who goes through the country, the amount of

birch that is cut down and allowed to rot away. I think that it is criminal waste, and you can't get the paper companies to haul it out, only one, the A.N.D. Company, they made some effort. This Bill will enable all birch throughout the country to be used. Any man can go into the woods and if the companies doesn't want it, he can get and haul it out to make veneer and boxwood.

Mr. Tobin: Mr. Chairman, I have great pleasure in supporting this Bill. As the Hon. Members for Hermitage and Twillingate said, it is too bad that it wasn't brought in years ago. If it had, we would not have had so many people on the dole to-day.

Mr. Scammell: Mr. Chairman, I support this Bill but I still want to know what Section 141 of the Crown Lands Act is.

Mr. Emerson: I can tell you generally, it is confined to ungranted Crown Land. I was going to suggest an amendment, that a permit be granted to anyone and let him cut birch over any lands over which he has the right to cut timber; this would make it apply all over the country.

Hon. Leader of the Opposition: We are using birch junks, and I have often wondered is it not an economic waste to burn them. I have an idea: when my Government gets into power, I am going to send to Germany for some toys; these are made principally of wood, and we will try if some of our people can't make them. We have the wood and they have the ingenuity.

Mr. Fudge wanted a clause to enable the exportation of Christmas trees.

Mr. Lake could not see his way clear to insert such a clause.

Hon. Dr. Mosdell stated the **Minister of Lands and Fisheries** did not desire to act as Santa Claus. [*Evening Telegram*, 30 April, 1932]

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 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 on motion of Hon. the Minister of Lands and Fisheries, the Bill entitled "An Act Relating to Export of Manufactured Products of Timber" was read a third time and passed, and it was ordered that the said Bill be engrossed, being entitled as above, and that it be sent to the Legislative Council with a message requesting the concurrence of that body in its provisions.

It was moved and seconded that when the House rises, it adjourn until this Saturday afternoon at three of the clock.

*The House then adjourned accordingly.*¹⁶⁰

¹⁶⁰ "The Bills respecting certain Legislative Disabilities, Press Dispatches and to settle conditions of the holding of certain timber lands and water powers were all deferred, and it is understood will die with the parliament." *Daily News*, April 30, 1932. The House adjourned at 1:10 a.m. [However, on April 30 it is reported that the Legislative Disabilities Act was passed by the Legislative Council, and the Speaker presented it to the Governor for assent.]

Saturday, April 30, 1932¹⁶¹

The House met at three of the clock in the afternoon, pursuant to adjournment.

Mr. Speaker informed the House that he had received a Message from the Legislative Council acquainting the House of Assembly that it had passed the Bills sent up entitled, respectively: "An Act Authorizing the Governor-in-Council to Enter into Contract with Anglo-American Telegraph Company, Limited, and Western Union Telegraph Company"; "An Act for Granting to His Majesty Certain Sums of Money for Defraying Certain Expenses of the Public for the Financial Years Ending Respectively the 30th Day of June 1932 and the 30th Day of June 1933, and for Other Purposes Relating to the Public Service"; "An Act to Amend Chapter 2 of the Consolidated Statutes (Third Series) entitled 'Of the House of Assembly'"; "An Act to Amend Chapter 4 of the Consolidated Statutes (Third Series) entitled 'Of Legislative Disabilities and the Vacation of Seats in the House of Assembly'"; "An Act Relating to Export of Manufactured Products of Timber"; "An Act in Relation to the Payment to Fishermen of a Bonus on Gasoline"; "An Act to Make Provision for the Holding of a General Election in the Year 1932" and "An Act in Relation to the Raising of a Loan on the Credit of the Dominion for Certain Public Purposes and in Relation to the Raising of Money for the Service of the Said Loan, and in Relation to the Issue of Savings Certificates," without amendment.

Mr. Speaker informed the House that he had received a message from the Legislative Council acquainting the House of Assembly that it has passed the Bill sent up entitled "An Act Further to Amend Chapter 105 of the Consolidated Statutes (Third Series) entitled 'Of Lotteries'" with some amendments, in which it requests the concurrence of the House of Assembly.

The amendments are as follows:

Strike out the words "September 30th" and insert the words "December 31st" in Section 6(e).

Insert the words "not exceeding" after the word "five" in the 7th line of Section 6(b) and strike out the word "of" in the said line.

Hon. Leader of the Opposition: I would like to say a few words in relation to a report that came to my ears last evening. I don't blame the Prime Minister; I think the whole thing is under a misapprehension. The report I heard was that I went to a member of the Upper House, and I suggested to them that they should extend the date of this Lottery Bill to the 31st December. In other words I sat here, quietly listened to the debate as to whether it should be the 30th day of September, did not say a word, but went up to one of my friends in the Upper House and prompted him to extend the date. What really happened was this: the Prime Minister was speaking to me yesterday afternoon and he said, "I am afraid some of these Bills are not going through the Upper House; can't you speak to some of your friends and see what can be done?" I went to the President's Room and sent for the Leader of the Opposition [in the Legislative Council]. I said, "What about these Bills?" and he said, "We resent very much Bills such as the Lottery Bill coming to us at the last minute." I said, "It is an unfortunate fact that they have come late, but for Heaven's sake don't throw

¹⁶¹ There is a handwritten note on the first page of the transcript which reads "No Minutes received from Clerk."

them out." He said, "We feel inclined to throw that Lottery Bill out; I don't agree to the terms." I said, "What is your trouble?" He said, "I think it should be the last day of December." I said, "In the Lower House we came to a decision that a date in September would be the best date." He said, "I am not going to accept." I said, "That is up to yourself, but don't throw it out. Put what date you like on it and let it come down to the Lower House. If they accept the extension well and good, and if not, you are absolved from throwing out the Bill." That is what happened. I am told that the Hon. Member for Twillingate is of the opinion that I prompted Members of the Upper House to extend the date. All I did was to save the Bill from being thrown out.

Rt. Hon. Prime Minister: I am not familiar with the details of what took place in the Legislative Council, but I do know that after the House closed yesterday, I spoke to the Hon. Leader of the Opposition with a view to facilitating the passing of Bills in the Legislative Council. I did indicate to him that I feared that with the pressure of business, there might be some delay in the closing of the House. The Hon. Leader of the Opposition, at my request, went to the Legislative Council, and indicated that it was the desire of the whole House that the business of the House should be expedited with the greatest possible dispatch. With respect to this Lottery Bill, the Leader of the Government, Sir Tasker Cook, informed me that he believed that unless this House was prepared to accept an amendment, making the date the 30th day of December, he feared that the Bill would be defeated. That was his view, and I think that was the view also of the Hon. Leader of the Opposition. That is exactly what the Leader of the Opposition told me.

Mr. Brown: I might say that as far as thinking that the Hon. Leader of the Opposition had anything to do with prolonging the date of this Lottery Bill from September 30th to December 31st, I have never thought anything like that. I have too much respect for Mr. Alderdice to think anything like that. Furthermore, I say that I know he would not do it. Yesterday afternoon the Prime Minister came to the Members' room and told me what Mr. Alderdice told me. He told me that if it did not go until December 31st, the Bill would be killed or amended and kicked out. Not for a moment did I think that the Leader of the Opposition had anything to do with that. I want to tell you, Mr. Alderdice, that I have too much respect for you to think that you would do anything like that. The Bill as amended will no doubt go through, and the amendment will be voted on, and I am prepared to give way on that point. When that amendment is passed I shall have a few words to say.

Hon. Leader of the Opposition: I would not have the courage of my convictions if I sat here and failed to register what I felt as to what the date should be, and then go to some of my friends in the Upper House and prompt them to extend the date; that is all; I ask to be absolved.

Rt. Hon. Prime Minister: I have not even heard a rumour on this side of the House that the Hon. Member did anything of the sort. I know that the Hon. Member went up and reported back that facilities would be given, but that in his opinion this Bill would be amended or lost, and his report on that matter was identical with the report of Sir Tasker Cook received within five minutes later.

Hon. Leader of the Opposition: I absolve the Prime Minister entirely. I have heard this rumour,

and I thought it was only right that I should explain my position.

Mr. Brown: I am willing to give way on that point, but when the amendment is passed, I shall have a few words to say.

Hon. the Speaker: I may say that when this matter is disposed of it is disposed of, and any further debate would be out of order.

Mr. Brown: I think I should be allowed to say a few words after the amendment is passed. I want to show up some of the Members of this House implicated in this Bill. The trouble is that there is too much d— graft in matters of this kind.

Hon. the Speaker: The Hon. Member must use parliamentary language. He will please take that back.

Mr. Brown: I am not very particular whether I take that back or not, because I would walk through that gate before I would take anything back.

Hon. the Speaker: The Hon. Member while he sits in this House and while I am in the Chair, must use parliamentary language.

Mr. Brown: I will take it back, Mr. Speaker, but I want to say that people got busy yesterday after this Bill passed the House, and started to defeat the Bill or get it amended. If I were to read what is before me to-day, even you, Mr. Speaker, would sit sideways in your Chair. If I were allowed to speak here this afternoon and make a speech, I would show up Members of the House of Assembly. Here we are talking about graft, and the minute a Bill is brought in to stop graft, it is defeated in the House.

Hon. the Speaker: You can read any statement you please as far as I am concerned.

Mr. Byrne: I stand in defence of one of the Members who was not present, and on my own behalf and on behalf of Mr. Bennett, who have been connected with the Great War Veterans' Sweep, to draw the attention of the Hon. Member for Twillingate, when he made these charges at the last sitting about having in his possession names and evidence of graft, to the fact that we Great War Veterans who have been intimate with this Sweep have been brought within a vicious circle, and I might inform Mr. Brown that I know he never intended anything of the sort, but it is quite possible around town that some of us might be accused of having accepted some of what is called graft. I know that Mr. Brown will make the amends honourable. I think it would be only fair if Mr. Brown would assure this House, and through this House the public, that he does not include the three members of the Great War Veterans Association on this side of the House.

Mr. Brown: With your permission, Mr. Speaker, I say here and now that I did not mean any of the Members on the other side of the House. Neither did I mean any of those connected with the Army

and Navy Sweep. That is not the sweep, but it is the crooked one that has paid nothing in this country, that is the sweep I speak of. Believe me here and now, that I insinuate nothing whatever as to the Members on the other side of the House being connected in any way with graft. I have never heard their names spoken of in connection with graft, Mr. Byrne, Mr. Bennett, or Mr. Quinton.

The said amendments having been read a first time and second time, and concurred in, it was ordered that a Message be sent to the Legislative Council acquainting that body that the said Amendments had been concurred in without amendment.

*Mr. Speaker left the Chair until five minutes to four of the clock.¹⁶²
Mr. Speaker resumed the Chair.*

At four of the clock, the Gentleman Usher of the Black Rod appeared at the Bar of the House with a message from His Excellency the Governor commanding the attendance of the House in the Council Chamber.

Accordingly Mr. Speaker and the House attended His Excellency in the Council Chamber.

*Mr. Speaker at the Bar of the Council Chamber addressed His Excellency as follows:
May it please Your Excellency:*

The House of Assembly have voted the Supply required to enable the Government to defray the expenses of the Public Service.

In the name of the House of Assembly, I present the following Bills for Your Excellency's assent:

An Act to Amend the Law with Respect to the Carriage of Goods by Sea.

An Act to Amend Chapter 127 of the Consolidated Statutes (Third Series) entitled "Of Companies."

An Act in Relation to the Amendment of the Loan Acts of 1898, 1927, 1928, and 1929.

An Act to Amend the Radio-Telegraph Act, 1930.

An Act to Amend Chapter 35 of the Consolidated Statutes (Third Series) entitled "Of the Postal and Telegraph Services."

An Act Further to Amend the Act 20 George V., Chapter 3, entitled "An Act Authorizing the Governor-in-Council to Enter into a Contract with the American Telephone and Telegraph Company."

An Act to Amend Chapter III of the Consolidated Statutes (Third Series) entitled "Of the Registration of Deeds and Other Documents."

An Act to Make Provision for Controlling the Export of Gold and for Regulating the Currency.

An Act to Reorganize the Department of Public Works.

An Act to Amend Chapter 22 of the Consolidated Statutes (Third Series) entitled "Of the

¹⁶² "All the remaining orders on the Order Paper were stricken off." *Daily News*, May 2, 1932, p. 5.

Customs.”

An Act to Amend Chapter 23 of the Consolidated Statutes (Third Series) entitled “Of the Auditing of Public Accounts.”

An Act for the Control of the Public Treasury.

An Act to Combine the Department of Agriculture and Mines with the Department of Marine and Fisheries under the Title of “The Department of Lands and Fisheries.”

An Act for the Confirmation of a Certain Loan in Connection with the Western Marine Railway from the Bank of Montreal.

An Act to Amend the Highway Traffic Act, 1925.

An Act to Amend the Act 22 George V., Chapter 25, entitled “An Act Respecting the Export of Shells from Labrador and the Islands adjacent thereto.”

An Act to Amend Chapter 27 of the Consolidated Statutes (Third Series) entitled “Of Death Duties.”

An Act Respecting a Bonus Addition to Pensions under the “War Pensions Act, 1922.”

An Act to Amend the Act 15 George V., Chapter 33, entitled “An Act Respecting a Tax on Goods Imported into Newfoundland and Amendments thereto.”

An Act for the Further Amendment of the Revenue Act, 1925.

An Act to Amend the Act 20 George V., Chapter 36, entitled “The Income Tax Act, 1929,” and Amending Acts.

An Act to Amend the Act for the Confirmation of an Agreement between the Government and Holyrood Pond Fisheries Limited.

An Act in Relation to the Temporary Reduction of Civil Service Pensions.

An Act in Relation to a Temporary Reduction in the Salaries of Certain Persons in the Public Service.

An Act to Amend the Salt Codfish Act, 1931.

An Act to Grant Certain Lands at St. Mary's Harbour, Labrador, to [the] International Grenfell Association.

An Act Respecting Certain Retiring Allowances.

An Act in Relation to the Amendment of Chapter 28 of the Consolidated Statutes (Third Series) entitled “Of Stamp Duties.”

An Act to Further Amend Chapter 125 of the Consolidated Statutes (Third Series) entitled “Of Trustees.”

An Act for the Further Amendment of the Revenue Act, 1925.

An Act Further to Amend the St. John's Municipal Act, 1921.

An Act to Provide for the Addition of a Temporary Surtax to Customs and Excise Duties and Import Taxes.

An Act Respecting a Vacancy in the Office of Mayor of St. John's.

An Act Authorizing the Governor-in-Council to Enter into a Contract with Anglo-American Telegraph Company, Limited, and Western Union Telegraph Company.

An Act Further to Amend Chapter 105 of the Consolidated Statutes (Third Series) entitled “Of Lotteries.”

An Act in Relation to the Raising of a Loan on the Credit of the Dominion for Certain Public

Purposes and in Relation to the Raising of Money for the Service of the Said Loan and in Relation to the Issue of Savings Certificates.

An Act in Relation to the Payment to Fishermen of a Bonus on Gasoline.

An Act to Make Provision for the Holding of a General Election in the Year 1932.

An Act to Amend Chapter 2 of the Consolidated Statutes (Third Series) entitled "Of the House of Assembly."

An Act for Granting to His Majesty Certain Sums of Money for Defraying Certain Expenses of the Public Service for the Financial Years Ending the 30th Day of June 1932, and the 30th Day of June, 1933, and for Other Purposes Relating to the Public Service.

An Act to Amend Chapter 4 of the Consolidated Statutes (Third Series) entitled "Of Legislative Disabilities and Vacation of Seats in the House of Assembly."

An Act Relating to Export of Manufactured Products of Timber.

His Excellency was then pleased to make the following Speech to both Branches of the Legislature:

Mr. President and Honourable Members of the Legislative Council:

Mr. Speaker and Members of the Honourable House of Assembly:

It gives me pleasure at the close of this long and important Session to relieve you from your legislative duties. Within a few days I shall issue a Proclamation dissolving the House of Assembly, and an election of representatives to that Chamber will be held, with Polling Day in the early part of June.

Your chief endeavour has been to adjust the Dominion's finances to the situation that has arisen because of world-wide depression. This has made necessary severe measures of retrenchment and the imposition of additional taxes. In these matters we have had the guidance of financial experts from Great Britain and Canada. I feel sure that the spirit of loyalty in our people will lead them to assist in every possible way in the carrying out of the proposals which have for their object the balancing of our Budget.

Under the Agreement made at the end of December last with the Syndicate Banks, you have passed certain legislation dealing with the export of Gold, and with the Control of the Public Treasury, and these matters will tend to stabilize our finances.

Arrangements have been made to meet the interest due on the Public Debt at the end of June, and the Act respecting a Dominion Loan ensures that our obligations in this respect will be fulfilled.

In your wisdom you have thought it well to reduce the representation to the House of Assembly, and the Redistribution Act for this purpose will give that branch of the Legislature a membership of 27 representatives. This action, while assigning enlarged Districts to the individual representatives will assist in the present effort to restrict expenditure.

In order that a General Election may be held with the shortest possible delay, an amendment to the Election Act has provided that, for this election only, the Voters' Lists of 1928 shall be used and the booths throughout the country kept open to a later hour in order that all voters may have an opportunity to exercise their franchise.

Mr. Speaker and Members of the Honourable House of Assembly:

I thank you for the care you have exercised in connection with the financial provision for the carrying on of the Public Services of the country, and it is with great regret that my Ministers have found it necessary to prescribe such drastic economies.

Mr. President and Honourable Members of the Legislative Council:**Mr. Speaker and Members of the Honourable House of Assembly:**

In now proceeding to take up your ordinary vocations, I hope you may find great success, and I trust that Divine Providence may direct the destiny of our beloved land.

After which the Honourable President of the Legislative Council, by command of His Excellency, said:

Gentlemen:

It is His Excellency's Will and Pleasure that this General Assembly be prorogued until Saturday, the seventh day of May, ensuing, then and here to be holden, and this General Assembly stands prorogued accordingly.

*H. Y. MOTT,
Clerk.*